



OROVILLE CITY COUNCIL

Council Chambers
1735 Montgomery Street
Oroville, CA. 95965

**FEBRUARY 20, 2018
REGULAR MEETING
CLOSED SESSION 5:30 P.M.
OPEN SESSION 6:30 P.M.
AMENDED AGENDA**

CLOSED SESSION (5:30 P.M.)

ROLL CALL

Council Members Berry, Del Rosario, Draper, Hatley, Thomson, Vice Mayor Goodson, Mayor Dahlmeier

CONVENE TO CLOSED SESSION (ITEMS LISTED ON PAGE NO. 4)

RECONVENE TO OPEN SESSION

OPEN SESSION (6:30 P.M.)

PLEDGE OF ALLEGIANCE

PROCLAMATION / PRESENTATION

Catalyst, Cindy Hawthorne – *Teen Dating Violence Awareness Month*

Tyson Pardee, IT Manager, City of Oroville – *Audio (Minutes) from City Council meeting*

CONSENT CALENDAR

1. APPROVAL OF THE February 6, 2018 REGULAR MEETING MINUTES OF THE OROVILLE CITY COUNCIL – minutes attached

Community Development Department

2. CALIFORNIA STATE OLD TIME FIDDLERS USE OF MUNICIPAL AUDITORIUM PARKING LOT – staff

report

The Council may receive information regarding the annual use of the Municipal Auditorium parking lot for overnight parking of approximately fifty RVs from March 12 – 19, 2018, in the areas shown on the attached maps (Attachment A), for the 52nd Annual California State Old Time Fiddle and Picking Championships. **(Donald Rust, Director of Community Development).**

Council action requested: **For informational purposes only.**

3. DECLARATION AND DISPOSAL/DONATION OF SURPLUS PROPERTY – staff report

The Council may consider the declaration and disposal/donation of items listed on the Surplus Property List. **(Tyson Pardee, IT Manager & Donald Rust, Acting City Administrator).**

Council action requested: **Declare the items listed as surplus and authorize that the items be added to the Surplus Property List and donated or disposed of.**

PUBLIC HEARINGS

Administration

4. RESOLUTION OF INTENT AND ORDINANCE TO AMEND THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM AGREEMENT REGARDING EMPLOYEES SHARING ADDITIONAL COST – staff report

The Council will conduct a public hearing and may consider a Resolution of Intent and Ordinance to amend the California Public Employees Retirement System (CalPERS) Agreement for employees sharing additional cost. **(Liz Ehrenstrom, Human Resources Manager).**

Council action requested:

- 1. Adopt Resolution No. 8685 – A RESOLUTION OF INTENTION BY THE CITY COUNCIL OF THE CITY OF OROVILLE, CALIFORNIA, TO APPROVE AN AMENDMENT TO THE AGREEMENT BETWEEN THE BOARD OF ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM AND THE CITY COUNCIL OF THE CITY OF OROVILLE RELATING TO EMPLOYEES SHARING ADDITIONAL COSTS.**
- 2. Waive the first reading, and introduce by title only, Ordinance No. 1827 – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF OROVILLE, CALIFORNIA, AUTHORIZING AN AMENDMENT TO THE AGREEMENT BETWEEN THE OROVILLE CITY COUNCIL OF THE CITY OF OROVILLE, CALIFORNIA, AND THE BOARD OF ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM.**

REGULAR BUSINESS

Community Development Department

5. POTENTIAL FOR COMPREHENSIVE COMMERCIAL CANNABIS REGULATIONS TO BE A BALLOT INITIATIVE FOR DECISION OF CITY RESIDENTS – staff report

The Council may review and consider if approval/denial of comprehensive commercial cannabis regulations in the City of Oroville should be a decision made by a vote of the City residents. **(Scott Huber, City Attorney).**

Council action requested:

1. **Direct staff to move forward with placing an initiative and ordinance on the ballot for voters of the City to determine whether comprehensive commercial cannabis should be allowed in the City;**
- or
- 2 **Provide other direction.**

6. CONSIDERATION OF A SPECIAL OR GENERAL SALES TAX INITIATIVE TO BE PLACED ON NOVEMBER 13, 2018 GENERAL MUNICIPAL ELECTION – staff report

The Council may consider preparing a special or general sales tax initiative to be placed on the 2018 General Municipal Election. **(Scott Huber, City Attorney)**

Council action requested:

1. **Direct staff to prepare a Special or General Sales Tax initiative for the November 6, 2018 General Election; or**
2. **Provide other direction to staff.**

7. PROFESSIONAL SERVICES AGREEMENT WITH SCI CONSULTING GROUP FOR COMMERCIAL CANNABIS RELATED CONSULTING SERVICES – staff report

The Council may review and consider entering into a Professional Services Agreement with SCI Consulting Group for commercial cannabis related consulting services. **(Donald Rust, Director of Community Development).**

Council action requested: **Adopt Resolution No. 8686 - A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH SCI CONSULTING GROUP FOR COMMERCIAL CANNABIS RELATED CONSULTING SERVICES (Agreement No. 3245).**

COUNCIL ANNOUNCEMENTS/COMMITTEE REPORTS (A verbal report may be given regarding any committee meetings attended)

CITY ADMINISTRATOR/ ADMINISTRATION REPORTS

CORRESPONDENCE

HEARING OF INDIVIDUALS ON NON-AGENDA ITEMS

This is the time the Mayor will invite anyone in the audience wishing to address the Council on a matter not listed on the agenda to step to the podium, state your name for the record and make your presentation. **Presentations are limited to 3 minutes.** Under Government Code Section 54954.2, The Council is prohibited from taking action except for a brief response by the Council or staff to a statement or question relating to a non-agenda item.

CLOSED SESSION

The Council will hold a Closed Session on the following:

1. Pursuant to Government Code section 54957.6, the Council will meet with Labor Negotiators and City Attorney to discuss labor negotiations for the following represented groups: Oroville Firefighters' Association, Oroville Police Officers Association (Sworn and Non-Sworn), Oroville Public Safety Mid-Managers Association, Oroville Management and Confidential Association, and Oroville City Employees Association.
2. Pursuant to Government Code section 54956.9(a), the Council will meet with the Acting City Administrator, and the City Attorney relating to existing litigation: City of Oroville v. Department of Water Resources, Butte County Superior Court, Case No. 18-CV-00163.
3. Pursuant to Government Code section 54956.9(d)(2), the Council will meet with the Acting City Administrator and City Attorney regarding potential exposure to litigation – one case.
4. Pursuant to Government Code Section 54957(b), the Council will meet with Acting City Administrator, Personnel Officer, and City Attorney to consider the employment related to the following positions: Deputy City Clerk and City Administrator.

ADJOURNMENT

The meeting will be adjourned. A regular meeting of the Oroville City Council will be held on Tuesday, March 06, 2018, at 5:30 p.m.

Accommodating Those Individuals with Special Needs – In compliance with the Americans with Disabilities Act, the City of Oroville encourages those with disabilities to participate fully in the public meeting process. If you have a special need in order to allow you to attend or participate in our public meetings, please contact the City Clerk at (530) 538-2535, well in advance of the regular meeting you wish to attend, so that we may make every reasonable effort to accommodate you. Documents distributed for public session items, less than 72 hours prior to meeting, are available for public inspection at City Hall, 1735 Montgomery Street, Oroville, California.



**CITY COUNCIL MEETING MINUTES
FEBRUARY 6, 2018 – 5:30 P.M.**

The agenda for the February 6, 2018, regular meeting of the Oroville City Council was posted on the bulletin board at the front of City Hall and on the City of Oroville's website located at www.cityoforoville.org on Thursday, February 1, 2018, at 4:31 p.m.

Note: The following minutes are action minutes and provide a succinct recap of actions taken at the meeting. A complete audio recording is available by contacting the City Clerk at (530) 538-2401. You may also watch live meetings or past meetings via the internet by going to www.cityoforoville.org and clicking on the City Council Agendas & Minutes page and click WATCH LIVE MEETINGS.

The February 6, 2018 regular meeting of the Oroville City Council was called to order by Mayor Dahlmeier at 5:31 p.m.

ROLL CALL

Present: Council Members Berry, Del Rosario, Draper, Hatley, Thomson, Vice Mayor Goodson, Mayor Dahlmeier
Absent: None

Staff Present:

Donald Rust, Assistant City Administrator	Bill LaGrone, Director of Public Safety
Derek Cole, City Attorney	Ruth Wright, Director of Finance
Karolyn Fairbanks, Treasurer	Dawn Nevers, SBF Program Specialist
Mike Massaro, Contract City Engineer	Rick Farley, EZ and BAC

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Linda Dahlmeier.

RECOGNITION OF INDIVIDUALS WHO WISH TO SPEAK ON AGENDA ITEMS

Bill Speer – Item No. 1, 2, & 3	Peggie Adamson – Item No. 4
Bobby O'Reiley – Item No. 4 & 6	Melissa Anderson – Item No. 4
Rayanne West – Item No. 4	Macie Hughes – Item No. 4
Bruce Baldwin – Item No. 4	Michelle Mori – Item No. 4
Eric Smith – Item No. 4	Dolores Vasquez – Item No. 4
Ashek K. Vasudeva – Item No. 4	Kavinder (Kinny) K. Chatkra – Item No. 4
Mitch Dorghalli – Item No. 4	Elias Dorghalli – Item No. 4
Suresh Vasudeva – Item No. 4	Sam Sayegh – Item No. 4
Stephanie Tousley – Item No. 4	Carin Chwastyk – Item No. 4
Kent Fowler – Item No. 4	Pastor Steve Terry – Item No. 4
Cheri Bunker – Item No. 4	Souhel A. Khalil – Item No. 4
Lorraine Christensen – Item No. 4	Annie Terry – Item No. 4

PROCLAMATION / PRESENTATION

Dan Blair, Business Relations Representative, PG&E and Tracy Craig of Craig Communications, gave a presentation on ***Parking Lot A – Soils remediation Outline***
CONSENT CALENDAR

1. THIS ITEM WAS REMOVED FROM THE CONSENT CALENDAR (SEE BELOW)

Information Technology Division

2. THIS ITEM WAS REMOVED FROM THE CONSENT CALENDAR (SEE BELOW)

Community Development Department

3. THIS ITEM WAS REMOVED FROM THE CONSENT CALENDAR (SEE BELOW)

ITEMS REMOVED FROM THE CONSENT CALENDAR

1. **APPROVAL OF THE January 16, 2018 REGULAR MEETING MINUTES OF THE OROVILLE CITY COUNCIL** – minutes attached

Bill Speer provided comments to the Council regarding the minutes.

Following discussion, a motion was made by Council Member Thomson, seconded by Vice Mayor Goodson, to:

Approve the minutes with the correct spelling of Bill Speers name and the identification of the correspondence from Congressman Doug LaMalfa read by Laura Page of Congressman LaMalfa's office. (Note: correspondence is available upon request at City Hall)

The motion was passed by the following vote:

Ayes:	Council Members Berry, Del Rosario, Draper, Hatley, Thomson, Vice Mayor Goodson, Mayor Dahlmeier
Noes:	None
Abstain:	None
Absent:	None

Information Technology Division

2. **DATA RECOVERY** – staff report

The Council received information regarding data that was inadvertently deleted from one of the storage devices at the Police Department and data recovery was necessary to recover the lost data.

Bill Speer provided comments to the Council regarding the data recovery.

Council action: **For informational purposes only.**

Community Development Department

3. **ZC 17-01: REZONE OF 1355 WASHINGTON AVENUE FROM MXD TO MXC (2nd READING)** – staff report.

The Council reviewed and considered approving a recommendation by the Oroville Planning Commission to Rezone the property identified as 1355 Washington Avenue (APN: 013-030-010) from Downtown Mixed Use (MXD) to Corridor Mixed Use (MXC). **(Donald Rust, Director of Community Development)**.

Bill Speer provided comments to the Council regarding the rezone of 1355 Washington Avenue.

Following discussion, a motion was made by Vice Mayor Goodson, seconded by Council Member Draper, to:

Waive the second reading, and introduce by title only, Ordinance No. 1826 – AN ORDINANCE OF THE OROVILLE CITY COUNCIL MAKING FINDINGS AND APPROVING THE REZONE OF 1355 WASHINGTON AVENUE (APN: 031-030-010) FROM DOWNTOWN MIXED USE (MXD) TO CORRIDOR MIXED USE (MXC)

The motion was passed by the following vote:

Ayes:	Council Members Berry, Del Rosario, Draper, Hatley, Thomson, Vice Mayor Goodson, Mayor Dahlmeier
Noes:	None
Abstain:	None
Absent:	None

PUBLIC HEARINGS – None

Community Development Department

4. **POTENTIAL FEE INCREASE FOR TOBACCO RETAILER LICENSES** – staff report

The Council reviewed and considered approving a recommendation from the Oroville Planning Commission to increase the fee for a Tobacco Retail License from \$36 to \$238.64, for a total fee increase of \$202.64. **(Donald Rust, Director of Community Development)**.

The Mayor opened the public hearing.

Peggie Adamson, Ashek K. Vasudeva, Kavinder (Kinny) K. Chatkra, Mitch Dorghalli, Elias Dorghalli, Suresh Vasudeva, Sam Sayegh, Pastor Steve Terry, Cheri Bunker, Souhel A. Khalil, Lorraine Christensen and Annie Terry spoke in opposition of the potential fee increase for tobacco retailer licenses.

Bobby O'Reiley, Melissa Anderson, Rayanne West, Macie Hughes, Bruce Baldwin, Michelle Mori, Eric Smith, Dolores Vasquez, Stephanie Tousley, and Carin Chwastyk spoke in support of the potential fee increase for tobacco retailer licenses.

Hearing no further comments, the Mayor closed the public hearing.

Following discussion, a motion was made by Council Member Del Rosario, to: continue the item to a future date. Hearing no second, the motion died.

A motion was then made by Council Member Berry, seconded by Vice Mayor Goodson, to:

Deny the increase to the Tobacco Retail License fee from the \$36.00 to \$238.64.

The motion was passed by the following vote:

Ayes:	Council Members Berry, Draper, Hatley, Thomson, Vice Mayor Goodson, Mayor Dahlmeier
Noes:	Council Member Del Rosario
Abstain:	None
Absent:	None

The Council convened to recess at 8:03 p.m.

The Council reconvened from recess at 8:13 p.m.

REGULAR BUSINESS

Public Works Department

5. HWY 70 CORRIDOR PROJECT UPDATE – staff report

The Council received an update regarding the status of the Highway 70 Corridor Project, followed by a short presentation, developed by the Butte County Association of Governments (BCAG) will be provided by Mike Massaro, Contract City Engineer. **(Mike Massaro, Contract City Engineer)**

Mike Massaro, Contract City Engineer, gave a presentation to Council regarding the status of the Highway 7-0 Corridor Project.

Ivan Garcia, Programming Manager, Butte County Association of Governments, answered questions for the Council.

Council action: **Informational only.**

6. AMENDMENT TO THE AIRPORT PRECISION APPROACH PATH INDICATORS AND RUNWAY END IDENTIFIER LIGHTS CONSTRUCTION CONTRACT WITH PACIFIC UNDERGROUND SERVICES, INC. – staff report

The Council considered an amendment to the construction contract with Pacific Underground Services, Inc. in the amount of \$3,615.00 for the Oroville Municipal Airport to furnish and install a Precision Approach Path Indicators (PAPI) and Runway End Identifier Lights (REIL) system for the Runway 02. FAA Grant # 3-06-0178-021-2016. **(Rick Farley, Enterprise Zone and Business Assistance Coordinator)**

Following discussion, a motion was made by Council Member Draper, seconded by Vice Mayor Goodson, to:

Adopt Resolution No. 8686 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AMENDMENT TO THE PROJECT CONTRACT WITH PACIFIC UNDERGROUND SERVICES, INC. IN THE AMOUNT OF \$3,615.00 – (Agreement No. 3190-1).

The motion was passed by the following vote:

Ayes: Council Members Berry, Del Rosario, Draper, Hatley, Thomson, Vice Mayor Goodson, Mayor Dahlmeier
Noes: None
Abstain: None
Absent: None

7. AMENDMENT TO THE AIRPORT PIPELINE AND GRADING CONSTRUCTION CONTRACT WITH ALL-AMERICAN CONSTRUCTION, INC. – staff report

The Council considered an amendment to the construction contract with All-American Construction, Inc. in the amount of \$7,223.93 for the Oroville Airport drainage and grading project. FAA Grant # 3-06-0178-021-2016. **(Rick Farley, Enterprise Zone and Business Assistance Coordinator)**

Following discussion, a motion was made by Council Member Hatley, seconded by Council Member Berry, to:

Adopt Resolution No. 8687 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AMENDMENT TO THE PROJECT CONTRACT WITH ALL-AMERICAN CONSTRUCTION, INC. IN THE AMOUNT OF \$7,223.93 – (Agreement No. 3189-1).

The motion was passed by the following vote:

Ayes: Council Members Berry, Del Rosario, Draper, Hatley, Thomson, Vice Mayor Goodson, Mayor Dahlmeier
Noes: None
Abstain: None
Absent: None

8. AMENDMENT TO THE FIXED BASE OPERATOR LEASE AGREEMENT WITH TOM HAGLER DBA: TABLE MOUNTAIN AVIATION – staff report

The Council considered an Amendment to the Fixed Base Operator (FBO) Lease Agreement with Tom Hagler dba: Table Mountain Aviation, extending the lease for an additional five (5) years to November 1, 2021. **(Rick Farley, Enterprise Zone and Business Assistance Coordinator)**

Following discussion, a motion was made by Council Member Del Rosario, seconded by Council Member Hatley, to:

Adopt Resolution No. 8688 – A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AMENDMENT TO THE FIXED BASE OPERATOR LEASE AGREEMENT WITH TOM HAGLER DBA: TABLE MOUNTAIN AVIATION, EXTENDING THE LEASE FOR AN ADDITIONAL FIVE YEARS – (Agreement No. 1761-6).

The motion was passed by the following vote:

Ayes: Council Members Berry, Del Rosario, Draper, Hatley, Thomson, Vice Mayor Goodson, Mayor Dahlmeier
Noes: None
Abstain: None
Absent: None

Finance Department

9. CALIFORNIA STATE DEPARTMENT OF FINANCE (DOF) APPROVAL OF THE LAST AND FINAL RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS) – staff report

The Council reviewed and considered approving and accepting the unanticipated revenue in the amount of \$3,586,616 and allocate \$2,869,294 to be deposited into the City's new Section 115 Pension Trust account to mitigate future increases in pension costs. **(Ruth Wright, Finance Director).**

Following discussion, a motion was made by Council Member Draper, seconded by Vice Mayor Goodson, to:

Adopt Resolution No. 8689 A RESOLUTION OF THE OROVILLE CITY COUNCIL APPROVING AND ACCEPTING THE UNANTICIPATED REVENUE IN THE AMOUNT OF \$3,586,616 AND ALLOCATE \$2,869,294 FROM THE CALIFORNIA STATE DEPARTMENT OF FINANCES APPROVAL OF THE LAST AND FINAL RECOGNIZED OBLIGATION PAYMENT SCHEDULE TO BE DEPOSITED INTO THE CITY'S NEW SECTION 115 PENSION TRUST ACCOUNT TO MITIGATE FUTURE INCREASES IN PENSION COSTS.

The motion was passed by the following vote:

Ayes: Council Members Berry, Del Rosario, Draper, Hatley, Thomson, Vice Mayor Goodson, Mayor Dahlmeier
Noes: None
Abstain: None
Absent: None

Administration

10. AMENDED EMPLOYMENT AGREEMENT BETWEEN THE CITY OF OROVILLE AND DONALD L. RUST TO SERVE AS CITY ADMINISTRATOR – staff report

At the request of the City Attorney, the item be pulled and will return at an appropriate time.

COUNCIL ANNOUNCEMENTS/COMMITTEE REPORTS

Council Member Draper reported on the following:

- Attendance to the League of CA Cities conference, the Homelessness Continuum of Care meeting, the Butte County & City of Oroville Homelessness ad hoc committee also attended by Council Member Hatley and Vice Mayor Goodson, the Docent Appreciation Luncheon and the Hmong New Year Celebration Dinner.

Vice Mayor Goodson reported on the following:

- Attendance to the League of CA Cities conference, Oroville Strong meeting, Feather River Recreation & Park District meeting, SC-OR meeting, Oroville Realtors Banquet, and the Hmong New Year Celebration Dinner.
- Spoke at Oakdale Heights 4th Grade presentation.

Council Member Del Rosario reported on the following:

- Attended the Martin Luther King Jr. Breakfast, the League of CA Cities conference, and the Hmong New Year Celebration dinner.

Mayor Dahlmeier reported on the following:

- Economic Development Forecast Conference, a Broadband Meeting, a guest at the Daughters of the Revolution Luncheon, Chico City Transit meeting, Docent Appreciation Luncheon, Neighborhood Watch meeting, LAFCO meeting, and the Annual City Selection meeting.

Council Member Thomson reported on the following:

- Attendance to the League of CA Cities conference.

CITY ADMINISTRATOR/ ADMINISTRATION REPORTS

Bill LaGrone, Director of Public Safety reported on the following:

- Attendance to a breakfast to benefit the SPCA and the Butte County & City of Oroville Homelessness ad hoc committee.

Ruth Wright, Director of Finance reported on the following:

- Intent to attend the upcoming CalPERS meeting, ready to budget for Fiscal Year 2018/2019.

Donald Rust, Acting City Administrator reported on the following:

- Request from California Public Utilities Commission (CPUC) to utilize the Council chambers for a public forum regarding broadband.
- A video that was sent to the Council Members regarding cannabis, the video was from the International Association of Chiefs of Police (IACP) from October 2017 Annual Conference.

CORRESPONDENCE

- Jeanne Checchi, RE: Marijuana Issue
- William Bynum, RE: Commercial Cannabis
- Tasha Levinson, RE: Cannabis Proposal
- Chris Samuel, RE: Cannabis – Moving Forward Together
- Pam Moody, RE: Cannabis Availability
- Elizabeth J. Colleran, RE: Cannabis
- Stephanie Tousley, RE: Cannabis Dispensaries
- Ceyhun Inci, RE: Cannabis Dispensaries
- Don Fultz, RE: Pot and Tax

- Deborah Penner, RE: Cannabis – Yes! From a health professional
- Gail D’Arcy, RE: Commercial Cannabis
- Ron Massey, RE: Dispensaries
- S. Bianco, RE: Cannabis Dispensary Decision
- Nicole Andrews, RE: I Support Commercial Cannabis
- Michael Lewis, RE: Commercial Cannabis
- Jaime Lopez, RE: Pro Cannabis Shops and Grow Warehouses
- Wm Daniel Webster, RE: Commercial Cannabis
- Gene Leis, RE: Cannabis
- Pam Leis, RE: Dispensary

Received after the Agenda was posted:

- Susan Amos. RE: Cannabis
- Jessica MacKenzie, RE: Yes on Cannabis!
- Paul Correa, RE: In support of Cannabis
- Claude the Dragon, RE: Cannabis
- Chico Cannabis Association, RE: Cannabis, Moving Forward
- Nightingale, RE: Cannabis
- John Scott, RE: Commercial Cannabis in Oroville
- Mark Mendez, RE: Retail Dispensary Consultant
- Aaron Andrus, RE: Thanks for your Courage (Cannabis)
- Larry Tracy, RE: Letter in support of Cannabis dispensaries
- Judith Schreuder, RE: Cannabis
- Mike Hill, RE: Cannabis Ordinance
- Dolores Santoni, RE: Commercial Cannabis Priority Area
- Susan Place, RE: Cannabis Licensing
- North State In-Tune Music Foundation, RE: Dream Big Music Festival Sponsorship Letter

HEARING OF INDIVIDUALS ON NON-AGENDA ITEMS

Bobby O’Reiley provided information and comments to the Council regarding community meetings, social media, and public speakers.

Bill Spear provided comments to the Council and prayed for the City and State.

Eric Smith provided comments to the Council regarding Item No. 10.

Stephanie Tousley provided comments and concerns to the council regarding religion, respect for others and support for cannabis.

Steve Christensen provided comments to the Council regarding a Council Members misstatement at a previous council meeting.

John Mitchell expressed concerns for out of date information being provided to the homeless community.

Travis Edington thanked the Council for keeping the city safe.

CLOSED SESSION

The Council held a Closed Session on the following:

1. Pursuant to Government Code section 54956.95, the Council will meet with the Acting City Administrator, Personnel Officer and City Attorney relating to Worker's Compensation Claim No. NCWA-79968.
2. Pursuant to Government Code section 54957.6, the Council will meet with Labor Negotiators and City Attorney to discuss labor negotiations for the following represented groups: Oroville Firefighters' Association, Oroville Police Officers Association (Sworn and Non-Sworn), Oroville Public Safety Mid-Managers Association, Oroville Management and Confidential Association, and Oroville City Employees Association.
3. Pursuant to Government Code Section 54957(b), the Council will meet with Acting City Administrator, Personnel Officer, and City Attorney to consider the employment related to the following position: Deputy City Clerk.
4. Pursuant to Government Code section 54956.9(a), the Council will meet with the Acting City Administrator, and the City Attorney relating to existing litigation: City of Oroville v. Department of Water Resources, Butte County Superior Court, Case No. 18-CV-00163.
5. Pursuant to Government Code section 54956.9(d)(2), the Council will meet with the Acting City Administrator and City Attorney regarding potential exposure to litigation – two cases.

Following Closed Session, Mayor Dahlmeier reported that direction had been given to the City Attorney on Closed Session Items No. 1, 4 & 5, and direction was given to the Acting City Administrator on Closed Session Items No. 2 & 3.

ADJOURNMENT

The meeting was adjourned at 9:15 p.m. A regular meeting of the Oroville City Council will be held on Tuesday, February 20, 2018, at 5:30 p.m.

Donald Rust, Acting City Clerk

Linda L. Dahlmeier, Mayor

**OROVILLE CITY COUNCIL
STAFF REPORT**

TO: MAYOR AND CITY COUNCIL MEMBERS

**FROM: DONALD RUST, DIRECTOR (530) 538-2433
COMMUNITY DEVELOPMENT DEPARTMENT**

**RE: CALIFORNIA STATE OLD TIME FIDDLERS USE OF MUNICIPAL
AUDITORIUM PARKING LOT**

DATE: FEBRUARY 20, 2018

SUMMARY

The Council may receive information regarding the annual use of the Municipal Auditorium parking lot for overnight parking of approximately fifty RVs from March 12 – 19, 2018, in the areas shown on the attached maps (**Attachment A**), for the 52nd Annual California State Old Time Fiddle and Picking Championships.

DISCUSSION

On February 6, 2018, City staff received an application from the California State Old Time Fiddlers requesting permission for contestant parking and overnight parking of RV's (50 expected) which will be self-contained in the areas identified on the attached maps (**Attachment A**) beginning on March 12th and ending on the 19th. Event set-up will begin at 8:00am on the 12th and the event is scheduled to be completed and areas vacated by noon on the 19th. The applicant anticipates approximately 500 participants. Porta-potties will also be provided in the RV areas and inside the Veteran's Memorial Hall. Food vendors will be operating from the kitchen inside the Veteran's Memorial Hall.

FISCAL IMPACT

The applicant has paid the applicable fees for a street/parking lot closure.

RECOMMENDATIONS

For informational purposes only.



ATTACHMENTS

- A – Site Plans
- B – Event Details
- C – Special Event/Overnight Parking Permit
- D – General Parking Permit
- E – Overnight Parking Permit

 RV Parking
 NO Parking
 No Parking



©2010 Google - Map data ©2010 Google - Imagery ©2010 Google

-  R Parking Allowed ALL Week
-  RV PARKING Allowed Thursday Through Sunday
- RV PARKING Allowed 11:00 AM Friday Through Sun.
- RV PARKING Allowed AFTER 5:00 PM Friday - Sun

NO PARKING SOUTH SIDE
 No Parking So S ARLIN REINE DRIVE MUST BE KEPT CLEAR AT ALL TIMES

DRIVE-WAY TO BE KEPT CLEAR AT ALL TIMES.

NO PARKING

Parking OK ONLY on Friday after 11:00a.m.

Thursday Parking

May park in this section ~~on~~ Wednesday

PARKING OK

NO PARKING BEFORE 5:00p.m. FRIDAY

MUNICIPAL AUDITORIUM

NO PARKING AT ANY TIME.

MYERS ST.

No parking before Friday 5PM

Handwritten notes:
 11:00 AM
 5:00 PM
 11:00 AM
 5:00 PM

OLIVER AVENUE

RV Entrance

RV Traffic on Myers)

(Keep open enough so car or emergency vehicle can drive through.)

OROVILLE RV PARKING SCHEDULE WILL BE STRICTLY ENFORCED!



California State Old Time Fiddlers Association

OROVILLE P.O. BOX 1703 CALIFORNIA 95965-1703

**52nd Annual California State Old Time
Open Fiddle & Picking Championships –
March 12, 2018 through March 19, 2018
Parking requested for March 12, 2018 thru
March 19, 2018**

ATTACHMENT TO STREET CLOSURE APPLICATION

EVENT CO-ORDINATORS/STAFF

Sharon Barrett/President CSOTFA & Contest Chairman
469 Jackson St., Red Bluff, CA 96080
530-527-6127

Lawrence Brothers/RV Parking
484 W. Liberty Rd., Gridley, CA 95948
530-846-2212

Marian Walker/Contest Coordinator
P.O. Box 50, Oroville, CA 95965-0050
530-589-0453

ESTIMATED NUMBER OF VEHICLES

50 Self Contained Recreational Vehicles parked around Municipal Auditorium (see map). 150 plus contestant & spectator vehicles.

SOUND AMPLIFICATION

Sound for contest inside Auditorium provided by Chuck McCay Sound, Redding (has provided sound equipment for contest for approximately 10 plus years).

LOCATION OF WATER & BATHROOMS

Inside Veteran's Memorial Hall & porta potties outside in RV area.

FOOD VENDORS

Food from kitchen inside Veteran's Memorial Hall.

CITY SERVICES

Police & fire if needed. STARS for security.



City of Oroville

COMMUNITY DEVELOPMENT DEPARTMENT

Donald Rust
DIRECTOR

1735 Montgomery Street
Oroville, CA 95965-4897
(530) 538-2430 FAX (530) 538-2426
www.cityoforoville.org

SPECIAL EVENT / OVERNIGHT RV PARKING

CALIFORNIA STATE OLD TIME FIDDLER'S ASSOCIATION

**VALID: MONDAY, MARCH 12, 2018
THROUGH
MONDAY, MARCH 19, 2018**

**LOCATION: ARLIN RHINE MEMORIAL DRIVE & MUNICIPAL AUDITORIUM
PARKING LOT**


The City of Oroville hereby approves the request from the California State Old Time Fiddler's Association for the use of City streets/property on the dates referenced above, subject to the following conditions:

1. The applicant shall hold harmless the City, its Council members, officers, agents, employees, and representatives from liability for any award, damages, costs, and/or fees incurred by the City and/or awarded to any plaintiff in an action challenging the validity of this permit or any environmental or other documentation related to the approval of this permit. Applicant further agrees to provide a defense for the City in any such action.
2. The applicant shall place PARKING BY PERMIT ONLY signs along the closed street locations at least 26 hours prior to the event and they shall be removed promptly when the event is over. The PARKING BY PERMIT ONLY signs SHALL NOT be nailed or stapled to street trees. A contact person needs to ensure posting of signs meet City & Vehicle Code requirements.
3. Detour arrow signs are required at each end of closed streets.
4. Overnight RV parking is ONLY allowed for participants in the California State Fiddler's Contest. Applicant shall be responsible for parking arrangements and the most efficient use of permits.

5. Each RV shall display a City-approved parking permit in the windshield of the vehicle.
6. No overnight parking is allowed in Parking Lot A south of the Municipal Auditorium adjacent to Montgomery Street.
7. This permit ONLY authorizes overnight RV parking in the locations specified on the drawings that the applicant submitted to the City at the time this application was applied for. Event coordinators shall be responsible for maintaining the RV parking areas in a clean and orderly fashion.
8. The applicant shall maintain a 20-foot emergency access route on streets to be closed at all times to provide access for emergency vehicles. Vehicles or other items shall not be allowed to block access to fire hydrants at any time.
9. Trash containers MUST BE provided in RV parking areas.
10. The applicant shall keep the subject property and adjacent right-of-way free of litter and any other refuse that may accumulate during the event. Applicant shall return street to its original condition at the end of the event.
11. All RVs must be fully self-contained, or applicant shall provide portable restroom facilities.
12. Water, electrical and sewer discharge services are NOT the responsibility of the City.
13. Any food vendors are subject to the requirements of the Butte County Environmental Health Department.
14. Any person, business, or organization conducting sales or business at this event shall obtain a City of Oroville Business License prior to the start of the event.
15. Temporary signs or banners may be used for the event, but must be removed promptly at the end of the event.
16. Noise shall not exceed City noise standards.
17. Open fires are prohibited.
18. Provide contact information for point-of-contact person with cell phone number, location, etc.
19. Install and maintain all electrical cords in a safe manner.

- 20. Provide trip hazard protection for all electrical wiring in walkway's.
- 21. Provide the City of Oroville with a Certificate of Insurance naming the City as an additional insured for liability, i.e. comprehensive general liability providing for bodily injury with combined limits of at least \$1,000,000.00. The Certificate will be submitted to the City prior to the event.

I have read, understand, and agree to abide by the conditions of approval stated herein:

Applicant/Agent's (Signature)	(Print Name)	Date
	California State Old Time Fiddler's Association	
Donald Rust, Director	Community Development Department	02.14.18



City of Oroville

COMMUNITY DEVELOPMENT DEPARTMENT

Donald Rust
DIRECTOR

1735 Montgomery Street
Oroville, CA 95965-4897
(530) 538-2402 FAX (530) 538-2426
www.cityoforoville.org

CITY OF OROVILLE PARKING BY PERMIT ONLY

MONDAY, MARCH 12, 2018
THROUGH
MONDAY, MARCH 19, 2018

CA STATE FIDDLE AND PICKING CONTESTANTS ONLY

Unauthorized Vehicles will be towed away at vehicles owners' expense CVC 22651(M), by order of the City of Oroville Municipal Code §12.32.160(C). Oroville Police Department may be contacted at 530-538-2448.



Donald Rust, Director
Community Development Department



City of Oroville

COMMUNITY DEVELOPMENT DEPARTMENT

Donald Rust
DIRECTOR

1735 Montgomery Street
Oroville, CA 95965-4897
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CITY OF OROVILLE OVERNIGHT PARKING BY PERMIT ONLY

MONDAY, MARCH 12, 2018
THROUGH
MONDAY, MARCH 19, 2018

CA STATE FIDDLE AND PICKING CONTESTANTS ONLY

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Donald Rust, Director
Community Development Department

**OROVILLE CITY COUNCIL
STAFF REPORT**

TO: MAYOR AND CITY COUNCIL MEMBERS

**FROM: TYSON PARDEE, IT MANAGER
DONALD RUST, ACTING CITY ADMINISTRATOR**

**RE: DECLARATION AND DISPOSAL/DONATION OF SURPLUS
PROPERTY**

DATE: FEBRUARY 20, 2018

SUMMARY

The Council may consider the declaration and disposal/donation of items listed on the Surplus Property List.

DISCUSSION

Section 2-64 of the Code of the City of Oroville requires that fixed assets and other surplus property of the City be declared surplus before being disposed of by the Purchasing Agent (City Administrator). If any of the items to be declared surplus are worth more than \$5,000, competitive bids are required and these items would have to be brought to the Council for further consideration after bids are obtained.

The City Purchasing Agent can also transfer these items to other public agencies such as school districts.

After the equipment has been declared surplus, staff must follow the following process to surplus the item:

1. If appropriate, the items will be offered to other public agencies at no cost.
2. If the City Purchasing Agent feels that the City will realize more from the sale than it would cost to dispose of the item, the item will be offered for sale.
3. The disposal of the surplus property will be a team effort involving all department heads. Items will be sold by any one of four means: direct sale to be held by the City; sale to a third party after advertisement; transfer to an auctioneer who will receive a portion of the proceeds as compensation or; internet auction. If the item has no value it will be scrapped or taken to the dump, to be recycled, if possible.
4. Any items from which the City expects to net more than \$5,000 will be bid in accordance with City policy. The bids will be brought to the City Council for approval.

Surplus Items:

<u>Asset #</u>	<u>Workstations</u>	<u>Serial #</u>
4117	Dell Precision 370	8HJ8N51
4181	Dell Optiplex GX520	2SPWYC1
4157	Dell Optiplex GX620	G12C7B1
4163	Dell Optiplex GX620	8C7LMB1
4086	Dell Inspiron 5150	6VX8041

<u>Asset#</u>	<u>Miscellaneous</u>	
4149	HP LaserJet 3030	CNBM162183
4122	Panasonic KX-TS7305 Phone	5JATA007429
4049	Gateway Monitor FPD1730	7004036

FISCAL IMPACT

No revenue is expected as items will be donated or disposed of.

RECOMMENDATIONS

Declare the items listed as surplus and authorize that the items be added to the Surplus Property List and donated or disposed of.

ATTACHMENTS

None

**OROVILLE CITY COUNCIL
STAFF REPORT**

TO: MAYOR DAHLMEIER AND COUNCIL MEMBERS

**FROM: LIZ EHRENSTROM, HUMAN RESOURCE MANAGER
ADMINISTRATION DEPARTMENT**

**RE: RESOLUTION OF INTENT AND ORDINANCE TO AMEND THE
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
AGREEMENT REGARDING EMPLOYEES SHARING
ADDITIONAL COST**

DATE: FEBRUARY 20, 2018

SUMMARY

The Council will conduct a public hearing and may consider a Resolution of Intent and Ordinance to amend the California Public Employees Retirement System (CalPERS) Agreement for employees sharing additional cost.

DISCUSSION

With the adoption of the Oroville Fire Fighter's Association Memorandum of Understanding, members have agreed to pay an additional 11.4%, for a total savings of 10%, above their normal cost into the CalPERS retirement system. The City must amend its contract with CalPERS to allow the reporting of these additional amounts pursuant to the Public Employees' Retirement Law. The proposed change is:

"To provide section 20516 (Employees Sharing Additional Cost) of 11.4% for classic and PEPPA members of the Oroville Fire Fighter's Association."

Following the second reading of Ordinance on March 20, 2018, this action will become effective on April 19, 2018. The City will begin reporting all additional contributions to CalPERS, that have been withheld to date, starting with the pay period beginning April 23, 2018.

FISCAL IMPACT

The City is depositing savings into the new Section 115 Irrevocable Trust.

RECOMMENDATIONS

1. Adopt Resolution No. 8685 – A RESOLUTION OF INTENTION BY THE CITY COUNCIL OF THE CITY OF OROVILLE, CALIFORNIA, TO APPROVE AN AMENDMENT TO THE AGREEMENT BETWEEN THE BOARD OF ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM AND THE CITY COUNCIL OF THE CITY OF OROVILLE RELATING TO EMPLOYEES SHARING ADDITIONAL COSTS.
2. Waive the first reading, and introduce by title only, Ordinance No. 1827 – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF OROVILLE, CALIFORNIA, AUTHORIZING AN AMENDMENT TO THE AGREEMENT BETWEEN THE OROVILLE CITY COUNCIL OF THE CITY OF OROVILLE, CALIFORNIA, AND THE BOARD OF ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM.

ATTACHMENTS

- A - Resolution No. 8685
- B – Ordinance No. 1827
- C – Public Hearing Notice

**RESOLUTION OF INTENTION
TO APPROVE AN AMENDMENT TO CONTRACT
BETWEEN THE
BOARD OF ADMINISTRATION
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
AND THE
CITY COUNCIL
CITY OF OROVILLE**

WHEREAS, the Public Employees' Retirement Law permits the participation of public agencies and their employees in the Public Employees' Retirement System by the execution of a contract, and sets forth the procedure by which said public agencies may elect to subject themselves and their employees to amendments to said Law; and

WHEREAS, one of the steps in the procedures to amend this contract is the adoption by the governing body of the public agency of a resolution giving notice of its intention to approve an amendment to said contract, which resolution shall contain a summary of the change proposed in said contract; and

WHEREAS, the following is a statement of the proposed change:

To provide Section 20516 (Employees Sharing Additional Cost) of 11.4% for local fire members in the Oroville Fire Fighters' Association.

NOW, THEREFORE, BE IT RESOLVED that the governing body of the above agency does hereby give notice of intention to approve an amendment to the contract between said public agency and the Board of Administration of the Public Employees' Retirement System, a copy of said amendment being attached hereto, as an "Exhibit" and by this reference made a part hereof.

By: _____
Presiding Officer

Title

Date adopted and approved

**CITY OF OROVILLE
ORDINANCE NO. 1827**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF OROVILLE, CALIFORNIA, AUTHORIZING AN AMENDMENT TO THE CONTRACT BETWEEN THE OROVILLE CITY COUNCIL OF THE CITY OF OROVILLE AND THE BOARD OF ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

NOW, THEREFORE, THE COUNCIL OF THE CITY OF OROVILLE DO ORDAIN AS FOLLOWS:

SECTION I. That an amendment to the contract between the Oroville City Council of the City of Oroville and the Board Administration, California Public Employees' Retirement System is hereby authorized, a copy of said amendment being attached hereto, marked Exhibit, and by such reference made a part hereof as though herein set out in full.

SECTION II. The Mayor of the Oroville City Council is hereby authorized, empowered, and directed to execute said amendment for and on behalf of said Agency.

SECTION III. This Ordinance shall take effect 30 days after the date of its adoption, and prior to the expiration of 10 days from the passage thereof shall be published at least once in the Oroville Mercury Register, a newspaper of general circulation, published and circulated in the City of Oroville and thenceforth and thereafter the same shall be in full force and effect.

PASSED AND ADOPTED by the Oroville City Council at a regular meeting held on February 20, 2018, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

/

/

/

/

/

/

Linda L. Dahlmeier, Mayor

APPROVED AS TO FORM:

ATTEST:

Scott E. Huber, City Attorney

Donald Rust, Acting City Clerk



EXHIBIT

California
Public Employees' Retirement System

AMENDMENT TO CONTRACT

**Between the
Board of Administration
California Public Employees' Retirement System
and the
City Council
City of Oroville**

The Board of Administration, California Public Employees' Retirement System, hereinafter referred to as Board, and the governing body of the above public agency, hereinafter referred to as Public Agency, having entered into a contract effective January 1, 1961, and witnessed October 3, 1960, and as amended effective October 1, 1968, October 1, 1973, December 27, 1976, January 5, 1977, April 16, 1979, March 3, 1980, May 25, 1981, August 1, 1983, January 6, 1992, July 1, 1993, April 24, 1995, September 22, 1995, September 6, 1999, December 25, 2000, April 29, 2002, August 14, 2017 and December 18, 2017 which provides for participation of Public Agency in said System, Board and Public Agency hereby agree as follows:

- A. Paragraphs 1 through 15 are hereby stricken from said contract as executed effective December 18, 2017, and hereby replaced by the following paragraphs numbered 1 through 15 inclusive:
1. All words and terms used herein which are defined in the Public Employees' Retirement Law shall have the meaning as defined therein unless otherwise specifically provided. "Normal retirement age" shall mean age 55 for classic local miscellaneous members, age 62 for new local miscellaneous members, age 50 for classic local safety members and age 57 for new local safety members.

PLEASE DO NOT SIGN "EXHIBIT ONLY"

2. Public Agency shall participate in the Public Employees' Retirement System from and after January 1, 1961 making its employees as hereinafter provided, members of said System subject to all provisions of the Public Employees' Retirement Law except such as apply only on election of a contracting agency and are not provided for herein and to all amendments to said Law hereafter enacted except those, which by express provisions thereof, apply only on the election of a contracting agency.
3. Public Agency agrees to indemnify, defend and hold harmless the California Public Employees' Retirement System (CalPERS) and its trustees, agents and employees, the CalPERS Board of Administration, and the California Public Employees' Retirement Fund from any claims, demands, actions, losses, liabilities, damages, judgments, expenses and costs, including but not limited to interest, penalties and attorney fees that may arise as a result of any of the following:
 - (a) Public Agency's election to provide retirement benefits, provisions or formulas under this Contract that are different than the retirement benefits, provisions or formulas provided under the Public Agency's prior non-CalPERS retirement program.
 - (b) Any dispute, disagreement, claim, or proceeding (including without limitation arbitration, administrative hearing, or litigation) between Public Agency and its employees (or their representatives) which relates to Public Agency's election to amend this Contract to provide retirement benefits, provisions or formulas that are different than such employees' existing retirement benefits, provisions or formulas.
 - (c) Public Agency's agreement with a third party other than CalPERS to provide retirement benefits, provisions, or formulas that are different than the retirement benefits, provisions or formulas provided under this Contract and provided for under the California Public Employees' Retirement Law.
4. Employees of Public Agency in the following classes shall become members of said Retirement System except such in each such class as are excluded by law or this agreement:
 - a. Local Fire Fighters (herein referred to as local safety members);
 - b. Local Police Officers (herein referred to as local safety members);
 - c. Employees other than local safety members (herein referred to as local miscellaneous members).

PLEASE DO NOT SIGN "EXHIBIT ONLY"

5. In addition to the classes of employees excluded from membership by said Retirement Law, the following classes of employees shall not become members of said Retirement System:

NO ADDITIONAL EXCLUSIONS

6. The percentage of final compensation to be provided for each year of credited prior and current service for classic local miscellaneous members shall be determined in accordance with Section 21354 of said Retirement Law, subject to the reduction provided therein for service prior to March 31, 1979, termination of Social Security, for members whose service has been included in Federal Social Security (2% at age 55 Full and Modified).
7. The percentage of final compensation to be provided for each year of credited prior and current service as a new local miscellaneous member shall be determined in accordance with Section 7522.20 of said Retirement Law (2% at age 62 Supplemental to Federal Social Security).
8. The percentage of final compensation to be provided for each year of credited prior and current service as a classic local safety member shall be determined in accordance with Section 21362 of said Retirement Law (2% at age 50 Full).
9. The percentage of final compensation to be provided for each year of credited prior and current service as a new local safety member shall be determined in accordance with Section 7522.25(d) of said Retirement Law (2.7% at age 57 Full).
10. Public Agency elected and elects to be subject to the following optional provisions:
 - a. Section 21222.1 (One-Time 5% Increase - 1970). Legislation repealed said Section effective January 1, 1980.
 - b. Section 21319 (One-Time 15% Increase for Local Miscellaneous Members Who Retired or Died Prior to July 1, 1971). Legislation repealed said Section effective January 1, 2002.
 - c. Section 20020.1 ("Local Police Officer" shall include employees of a police department who were employed to perform identification or communication duties on August 4, 1972 and who elected to be local safety members within six months of January 5, 1977). Legislation repealed said Section effective January 1, 1985.
 - d. Section 21151 (Industrial Disability Retirement For Local Miscellaneous Members).
 - e. Sections 21624 and 21626 (Post-Retirement Survivor Allowance).

PLEASE DO NOT SIGN "EXHIBIT ONLY"

- f. Section 21427 (Improved Nonindustrial Disability Allowance).
- g. Section 21574 (Fourth Level of 1959 Survivor Benefits).
- h. Section 21325 (One-Time 3% to 15% Increase For Local Miscellaneous Members and Local Safety Members Who Retired or Died Prior to January 1, 1974). Legislation repealed said Section effective January 1, 2002.
- i. Section 21326 (One-Time 1% to 7% Increase For Local Miscellaneous Members and Local Safety Members Who Retired or Died Prior to July 1, 1974). Legislation repealed said Section effective January 1, 2002.
- j. Section 20042 (One-Year Final Compensation) for classic members only.
- k. Section 20903 (Two Years Additional Service Credit).
- l. Section 21024 (Military Service Credit as Public Service) for local police members only.
- m. Section 20965 (Credit for Unused Sick Leave).
- n. Section 20516 (Employees Sharing Cost of Additional Benefits):

From and after August 14 2017, 5% for classic local miscellaneous members in the Unrepresented Miscellaneous Management Unit.

From and after August 14 2017, 3% for classic local safety members in the Unrepresented Safety Management Unit.

From and after the December 18, 2017, 3% for local miscellaneous and local police members in the Oroville Police Officers' Association.

From and after the effective date of this amendment to contract, 11.4% for local fire members in the Oroville Firefighter's Association.

The portion of the employer's contribution that the member agrees to contribute from his or her compensation, over and above the member's normal contribution ("Cost Sharing Percentage"), shall not exceed the Employer Normal Cost Rate, as that rate is defined in the CalPERS Actuarial Valuation for the relevant fiscal year. If the Cost Sharing Percentage will exceed the relevant Employer Normal Cost Rate, the Cost Sharing Percentage shall automatically be reduced to an amount equal to, and not to exceed, the Employer Normal Cost Rate for the relevant fiscal year.

PLEASE DO NOT SIGN "EXHIBIT ONLY"

11. Public Agency, in accordance with Government Code Section 20790, ceased to be an "employer" for purposes of Section 20834 effective on December 27, 1976. Accumulated contributions of Public Agency shall be fixed and determined as provided in Government Code Section 20834, and accumulated contributions thereafter shall be held by the Board as provided in Government Code Section 20834.
12. Public Agency shall contribute to said Retirement System the contributions determined by actuarial valuations of prior and future service liability with respect to local miscellaneous members and local safety members of said Retirement System.
13. Public Agency shall also contribute to said Retirement System as follows:
 - a. Contributions required per covered member on account of the 1959 Survivor Benefits provided under Section 21574 of said Retirement Law. (Subject to annual change.) In addition, all assets and liabilities of Public Agency and its employees shall be pooled in a single account, based on term insurance rates, for survivors of all local miscellaneous members and local safety members.
 - b. A reasonable amount, as fixed by the Board, payable in one installment within 60 days of date of contract to cover the costs of administering said System as it affects the employees of Public Agency, not including the costs of special valuations or of the periodic investigation and valuations required by law.
 - c. A reasonable amount, as fixed by the Board, payable in one installment as the occasions arise, to cover the costs of special valuations on account of employees of Public Agency, and costs of the periodic investigation and valuations required by law.
14. Contributions required of Public Agency and its employees shall be subject to adjustment by Board on account of amendments to the Public Employees' Retirement Law, and on account of the experience under the Retirement System as determined by the periodic investigation and valuation required by said Retirement Law.

15. Contributions required of Public Agency and its employees shall be paid by Public Agency to the Retirement System within fifteen days after the end of the period to which said contributions refer or as may be prescribed by Board regulation. If more or less than the correct amount of contributions is paid for any period, proper adjustment shall be made in connection with subsequent remittances. Adjustments on account of errors in contributions required of any employee may be made by direct payments between the employee and the Board.

B. This amendment shall be effective on the _____ day of _____, _____.

BOARD OF ADMINISTRATION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

CITY COUNCIL
CITY OF OROVILLE

BY _____
ARNITA PAIGE, CHIEF
PENSION CONTRACTS AND PREFUNDING
PROGRAMS DIVISION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BY _____
PRESIDING OFFICER

Witness Date

Attest

Clerk



CITY OF OROVILLE
OFFICE OF THE CITY CLERK
1735 MONTGOMERY STREET • OROVILLE, CA 95965-4897

530-538-2535
Fax 530-538-2468

PUBLIC NOTICE
CITY OF OROVILLE
ORDINANCE NO. 1827 – 1st READING
AMENDMENT TO CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT
SYSTEM CONTRACT

Pursuant to Article VII of the Oroville City Charter, a summary of the adopted amendment to the Board of Administration, California Public Employees' Retirement System Ordinance has been prepared by the Assistant City Clerk:

Amendment to the Board of Administration, California Public Employees' Retirement System Ordinance: The City Council may consider an amendment to the contract between the Board of Administration California Public Employees' Retirement System and the City Council of the City of Oroville.

Additional information regarding the adopted proposal described in this notice can be obtained from the Oroville City Clerk at 1735 Montgomery Street, Oroville, CA.

Posted/Published:

Dawn Nevers
Interim Assistant City Clerk

**OROVILLE CITY COUNCIL
STAFF REPORT**

TO: MAYOR DAHLMEIER AND COUNCIL MEMBERS

FROM: SCOTT E. HUBER, CITY ATTORNEY

**RE: POTENTIAL BALLOT INITIATIVE FOR VOTERS TO DETERMINE
WHETHER COMPREHENSIVE COMMERCIAL CANNABIS SHOULD
BE ALLOWED IN THE CITY**

DATE: FEBRUARY 20, 2018

SUMMARY

The Council may review and consider whether an initiative should be placed on the ballot for voters of the City to determine whether comprehensive commercial cannabis should be allowed in the City.

BACKGROUND

On February 1, 2011, the Council, citing public health and safety concerns caused by cannabis activities, passed Ordinance No. 1771 prohibiting cannabis dispensaries and other cannabis related activities within the City. The current ban makes the establishment or operation of a dispensary and/or other cannabis activities unlawful and subject to administrative fines, civil nuisance abatement and other remedial measures.

Measure L was a Butte County measure on the ballot in November 2016. If passed, Measure L would have allowed cannabis cultivation, distribution, transportation, manufacturing, and dispensaries, subject to the regulations specified in the measure. Measure L would have applied in unincorporated areas of Butte County and would not have had effect within the City of Oroville. 55.67% of the voters within the City of Oroville voted no on Measure L (i.e. to not allow cannabis in unincorporated Butte County). Proposition 64 was a statewide measure for legalizing recreational marijuana for persons aged 21 years or older under state law and establishing certain sales and cultivation taxes. 51.67% of the voters within the City of Oroville voted to approve Proposition 64 (i.e. to allow recreational cannabis use throughout the state and for approval of the sales taxes).

At the December 5, 2017 City Council meeting, the Council received a presentation from Jessica McKenzie, Director of the Inland Cannabis Farmers Association, regarding commercial cannabis. Following a discussion, the Council directed staff to bring more information back at a subsequent meeting.

On January 3, 2018, the Public Safety Director, Community Development Director, and three Councilmembers visited the City of Shasta Lake and met with City staff and elected officials to receive information on how the City of Shasta Lake has been regulating commercial cannabis and what impact it has had to their community.

At the January 16, 2018 City Council meeting, an item was brought to the City Council to review and consider directing staff to pursue amendments to the City of Oroville Municipal Code regarding commercial cannabis regulations and pursuing a special or general tax applicable to all commercial cannabis businesses. At this meeting, the Council gave staff direction to research the matter further, and to return to Council for (1) consideration of an ordinance to establish comprehensive commercial cannabis regulations, and zoning code amendments related to commercial cannabis operations; (2) consideration of an agreement for consulting services related to development of potential cannabis regulatory fees, a cannabis tax measure, and to facilitate community outreach; and (3) consideration of a ballot measure to adopt a special or general tax on all proposed commercial cannabis businesses.

DISCUSSION

Following the January 16, 2018 Council meeting, Staff has been approached by a member of the community requesting information regarding the process required to gather signatures to have the decision related to whether commercial cannabis should be allowed in the City of Oroville and related to the potential adoption of comprehensive commercial cannabis regulations in the City of Oroville placed on the ballot for a vote of the City residents.

In addition, two Council members have requested that this item be brought to the full Council to consider whether an initiative should be placed on the ballot for voters of the City to determine whether comprehensive commercial cannabis should be allowed in the City.

Pursuant to the Government Code, all excise taxes associated with commercial cannabis would require a vote of the City residents.

FISCAL IMPACT

Costs associated with placing the decision of comprehensive commercial cannabis regulations on the ballot. The proposed sales tax measure placed on the ballot by the Council in 2016 cost the City approximately \$2,000 in County election related expenses.

RECOMMENDATIONS

1. Direct staff to move forward with placing an initiative and ordinance on the ballot for voters of the City to determine whether comprehensive commercial cannabis should be allowed in the City;

or

2. Provide other direction.

ATTACHMENTS

None.

**OROVILLE CITY COUNCIL
STAFF REPORT**

TO: MAYOR AND CITY COUNCIL MEMBERS

FROM: SCOTT E. HUBER, CITY ATTORNEY

**RE: CONSIDERATION OF A SPECIAL OR GENERAL SALES TAX
INITIATIVE TO BE PLACED ON NOVEMBER 6, 2018 GENERAL
MUNICIPAL ELECTION**

DATE: FEBRUARY 20, 2018

SUMMARY

The Council may consider preparing a special or general sales tax initiative to be placed on the 2018 General Municipal Election.

DISCUSSION

The General Municipal Election for the City of Oroville is to be held in consolidation with the General Statewide Election on November 6, 2018, for the election of three (3) Council Members and Mayor for four-year terms of office pursuant to the provisions of the Oroville Municipal Charter, Article VII, section 1.

Ballot Measures – Impartial Analysis/Arguments For and Against

If the Oroville City Council wishes to prepare a measure to be placed onto the November 6, 2018 ballot relating to a proposed special or general sales tax. The deadline for the submission of a measure resolution to the County Elections Department would be approximately June 29, 2018.

When any city measure qualifies for placement onto the ballot, the governing body may direct the City Attorney to prepare an impartial analysis of the measure showing the effect of the measure on the existing law and the operation of the measure. For measures placed on the ballot by the legislative body, the legislative body, or any member or members of the legislative body authorized by that body or any individual voter who is eligible to vote on the measure, or bona fide association of citizens, or any combination of voters and associations, may file a written argument for or against any city measure.

FISCAL IMPACT

Based upon the costs of prior elections, a total of \$20,000 would need to be budgeted for the overall 2018 General Municipal Election costs. The proposed sales tax measure

placed on the ballot by the Council in 2016 cost the City approximately \$2,000 in County election related expenses.

RECOMMENDATIONS

1. Direct staff to prepare a Special or General Sales Tax initiative for the November 6, 2018 General Election;

or

2. Provide other direction to staff.

**OROVILLE CITY COUNCIL
STAFF REPORT**

TO: MAYOR DAHLMEIER AND COUNCIL MEMBERS

**FROM: DONALD L. RUST, DIRECTOR
COMMUNITY DEVELOPMENT DEPARTMENT**

**RE: PROFESSIONAL SERVICES AGREEMENT WITH SCI CONSULTING
GROUP FOR COMMERCIAL CANNABIS RELATED CONSULTING
SERVICES**

DATE: FEBRUARY 20, 2018

SUMMARY

The Council may review and consider entering into a Professional Services Agreement with SCI Consulting Group for commercial cannabis related consulting services.

BACKGROUND

At the December 5, 2017 City Council meeting, the Council received a presentation from Jessica McKenzie, Director of the Inland Cannabis Farmers Association, regarding commercial cannabis. Following a discussion, the Council directed staff to bring more information back at a subsequent meeting.

On January 3, 2018, the Public Safety Director, Community Development Director, and three Councilmembers visited the City of Shasta Lake and met with City staff and elected officials to receive information on how the City of Shasta Lake has been regulating commercial cannabis and what impact it has had to their community.

At the January 16, 2018 City Council meeting, an item was taken back to the City Council to review and consider directing staff to pursue amendments to the City of Oroville Municipal Code regarding commercial cannabis regulations and pursuing a special or general tax applicable to all commercial cannabis businesses. At this meeting, the Council gave staff the following direction:

1. *Direct staff to move forward with bringing back the following items for Council action:*
 - A. *An ordinance to establish comprehensive regulations related to the establishment, operation, cultivation, manufacturing/processing, sale, testing and distribution of commercial cannabis within the City of Oroville.*
 - B. *An ordinance amending the City's Zoning Code establishing land use regulations for the cultivation, distribution, dispensing, manufacturing/processing, nursery,*

testing and transport of commercial cannabis within the City of Oroville.

C. A resolution to approve contract with a consultant to provide guidance in the development of the regulatory fees for cannabis monitoring and compliance, to help develop a cannabis tax measure (ballot initiative), and to facilitate the community outreach process.

2. Provide direction regarding a Special or General Election and a ballot measure to adopt an ordinance imposing a special or general tax on all commercial cannabis businesses.

Measure L and Proposition 64 Results

At the January 16, 2018 City Council meeting, Council requested staff return with the results of how City residents voted for Measure L and Proposition 64. The City of Oroville’s voting results for Measure L and Proposition 64 are as follows.

	Yes	No
Proposition 64	51.67% (2,746)	48.33% (2,569)
Measure L	44.33% (2,296)	55.67% (2,883)

In summary, Measure L was a Butte County measure for new regulations to allow cultivation, distribution, transportation, manufacturing, and dispensaries, subject to the regulations specified in the measure. And Proposition 64 was a statewide measure for legalizing recreational marijuana for persons aged 21 years or older under state law and establishing certain sales and cultivation taxes.

DISCUSSION

Staff reached out to SCI Consulting Group (SCI) who has submitted a proposal for cannabis-related consulting services to the City of Oroville. The scope of work is attached (**Attached B**), and includes the following work tasks:

Scope of Work	Cost
Obtain Input from Staff, Stakeholders and the Broader Community ¹	\$4,200
Cannabis Ordinance Development and Review ²	\$10,850
Preparation of Tax Ballot and Assistance with Community Outreach	\$22,075
Incidental Costs (travel & other out-of-pocket expenses) ³	\$2,500
Total	\$39,625
Optional Future Scope of Work	
Implementation of Dispensary Selection Process	TBD
Develop Regulatory Fee for Full Cost Recovery of City Costs (Police / Monitoring and Compliance / etc.)	TBD
Provide Initial & Potentially Long-Term Monitoring & Compliance Services	TBD

[1] Additional community meetings, if desired, will be charged at \$2,100 per meeting.

[2] Total compensation shall be minimum of \$6,500 for this task, and shall not exceed \$10,850 without

prior authorization from the City.

[3] Scope for this item includes two staff meetings. Any additional staff meetings, if required, shall be billed at the rate of \$750 per person per meeting.

[4] The scope of work and costs shown in this staff report are only a summary. For details, please reference complete scope of work in Attachment B.

Since the January 16, 2018 Council meeting, staff has had approximately 35 inquiries related to commercial cannabis in the City of Oroville (realtors, property owners, potential business owners, etc.).

FISCAL IMPACT

Expense of \$39,625 for consulting services from SCI Consulting Group. A budget adjustment in the amount of \$39,625 utilizing available fund balance is needed for this expenditure. Planning – Outside Services 2201-6360

RECOMMENDATIONS

1. Adopt Resolution No. 8686 - A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH SCI CONSULTING GROUP FOR COMMERCIAL CANNABIS RELATED CONSULTING SERVICES (Agreement No. 3245).

ATTACHMENTS

- A – Voting Results for City of Oroville on Measure L and Proposition 64
- B – Proposal from SCI Consulting Group
- C – Resolution No. 8686
- D – Agreement No. 3245

Statement of Votes Cast
 Official Results November 8, 2016
 PRESIDENTIAL GENERAL ELECTION
 Butte County, California

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	MEASURE L BUTTE COUNTY MEDICAL CANNABIS			
	Yes		No	
County Supervisor District				
1st Supervisor District				
Poll-OS	1136	46.20%	1323	53.80%
Poll-TS	590	43.93%	753	56.07%
VBM	3931	37.94%	6430	62.06%
MB	903	41.38%	1279	58.62%
Total	6560	40.13%	9785	59.87%
2nd Supervisor District				
Poll-OS	2841	59.74%	1915	40.26%
Poll-TS	913	55.70%	726	44.30%
VBM	4746	44.42%	5939	55.58%
MB	265	35.10%	490	64.90%
Total	8765	49.14%	9070	50.86%
3rd Supervisor District				
Poll-OS	2621	54.46%	2192	45.54%
Poll-TS	692	52.03%	638	47.97%
VBM	5592	44.99%	6837	55.01%
MB	404	44.01%	514	55.99%
Total	9309	47.76%	10181	52.24%
4th Supervisor District				
Poll-OS	1831	49.81%	1845	50.19%
Poll-TS	565	47.08%	635	52.92%
VBM	3845	40.38%	5677	59.62%
MB	427	38.06%	695	61.94%
Total	6668	42.96%	8852	57.04%
5th Supervisor District				
Poll-OS	2049	47.32%	2281	52.68%
Poll-TS	589	47.35%	655	52.65%
VBM	5319	40.87%	7694	59.13%
MB	1061	40.47%	1561	59.53%
Total	9018	42.52%	12191	57.48%
Total				
Poll-OS	10478	52.30%	9556	47.70%
Poll-TS	3349	49.57%	3407	50.43%
VBM	23433	41.84%	32577	58.16%
MB	3060	40.27%	4539	59.73%
Total	40320	44.60%	50079	55.40%
City				
City of Biggs				
Poll-OS	59	43.38%	77	56.62%
Poll-TS	32	45.71%	38	54.29%
VBM	144	39.34%	222	60.66%
MB	0	-	0	-
Total	235	41.08%	337	58.92%
City of Chico				
Poll-OS	5732	59.98%	3825	40.02%
Poll-TS	1665	58.28%	1192	41.72%
VBM	10451	47.53%	11537	52.47%
MB	3	100.00%	0	0.00%
Total	17851	51.88%	16554	48.12%
City of Gridley				
Poll-OS	259	46.42%	299	53.58%
Poll-TS	87	42.23%	119	57.77%
VBM	483	38.83%	761	61.17%
MB	0	-	0	-
Total	829	41.28%	1179	58.72%
City of Oroville				
Poll-OS	430	49.94%	431	50.06%
Poll-TS	246	50.62%	240	49.38%

Statement of Votes Cast
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 Butte County, California

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	MEASURE L BUTTE COUNTY MEDICAL CANNABIS			
	Yes		No	
VBM	1440	42.84%	1921	57.16%
MB	180	38.22%	291	61.78%
Total	2296	44.33%	2883	55.67%
Town of Paradise				
Poll-OS	1344	45.79%	1591	54.21%
Poll-TS	371	44.75%	458	55.25%
VBM	3426	39.77%	5188	60.23%
MB	48	23.30%	158	76.70%
Total	5189	41.23%	7395	58.77%
No Matching District				
Poll-OS	2654	44.33%	3333	55.67%
Poll-TS	948	41.07%	1360	58.93%
VBM	7489	36.64%	12948	63.36%
MB	2829	40.89%	4090	59.11%
Total	13920	39.05%	21731	60.95%
Total				
Poll-OS	10478	52.30%	9556	47.70%
Poll-TS	3349	49.57%	3407	50.43%
VBM	23433	41.84%	32577	58.16%
MB	3060	40.27%	4539	59.73%
Total	40320	44.60%	50079	55.40%
State Board of Equalization District				
1st District Board Equalization				
Poll-OS	10478	52.30%	9556	47.70%
Poll-TS	3349	49.57%	3407	50.43%
VBM	23433	41.84%	32577	58.16%
MB	3060	40.27%	4539	59.73%
Total	40320	44.60%	50079	55.40%
Total				
Poll-OS	10478	52.30%	9556	47.70%
Poll-TS	3349	49.57%	3407	50.43%
VBM	23433	41.84%	32577	58.16%
MB	3060	40.27%	4539	59.73%
Total	40320	44.60%	50079	55.40%
Unincorporated Area				
Unincorporated Area				
Poll-OS	2654	44.33%	3333	55.67%
Poll-TS	948	41.07%	1360	58.93%
VBM	7489	36.64%	12948	63.36%
MB	2829	40.89%	4090	59.11%
Total	13920	39.05%	21731	60.95%
No Matching District				
Poll-OS	7824	55.70%	6223	44.30%
Poll-TS	2401	53.98%	2047	46.02%
VBM	15944	44.82%	19629	55.18%
MB	231	33.97%	449	66.03%
Total	26400	48.22%	28348	51.78%
Total				
Poll-OS	10478	52.30%	9556	47.70%
Poll-TS	3349	49.57%	3407	50.43%
VBM	23433	41.84%	32577	58.16%
MB	3060	40.27%	4539	59.73%
Total	40320	44.60%	50079	55.40%

Statement of Votes Cast
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 PRESIDENTIAL GENERAL ELECTION
 Butte County, California

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	PROPOSITION 64 MARIJUANA LEGALIZATION			
	Yes		No	
County Supervisor District				
1st Supervisor District				
Poll-OS	1211	47.70%	1328	52.30%
Poll-TS	658	48.10%	710	51.90%
VBM	4919	46.50%	5659	53.50%
MB	1034	46.39%	1195	53.61%
Total	7822	46.80%	8892	53.20%
2nd Supervisor District				
Poll-OS	3390	63.35%	1961	36.65%
Poll-TS	1079	60.45%	706	39.55%
VBM	6401	56.03%	5024	43.97%
MB	373	47.64%	410	52.36%
Total	11243	58.12%	8101	41.88%
3rd Supervisor District				
Poll-OS	3183	60.58%	2071	39.42%
Poll-TS	875	60.72%	566	39.28%
VBM	7608	57.44%	5637	42.56%
MB	490	51.20%	467	48.80%
Total	12156	58.17%	8741	41.83%
4th Supervisor District				
Poll-OS	2069	52.61%	1864	47.39%
Poll-TS	661	52.63%	595	47.37%
VBM	4932	49.45%	5041	50.55%
MB	521	45.23%	631	54.77%
Total	8183	50.16%	8131	49.84%
5th Supervisor District				
Poll-OS	2482	53.18%	2185	46.82%
Poll-TS	744	56.58%	571	43.42%
VBM	6969	50.92%	6717	49.08%
MB	1435	51.36%	1359	48.64%
Total	11630	51.78%	10832	48.22%
Total				
Poll-OS	12335	56.73%	9409	43.27%
Poll-TS	4017	56.06%	3148	43.94%
VBM	30829	52.34%	28078	47.66%
MB	3853	48.68%	4062	51.32%
Total	51034	53.31%	44697	46.69%
City				
City of Biggs				
Poll-OS	62	44.60%	77	55.40%
Poll-TS	33	45.83%	39	54.17%
VBM	176	46.93%	199	53.07%
MB	0	-	0	-
Total	271	46.25%	315	53.75%
City of Chico				
Poll-OS	6870	64.33%	3809	35.67%
Poll-TS	1995	63.88%	1128	36.12%
VBM	13916	58.87%	9721	41.13%
MB	3	100.00%	0	0.00%
Total	22784	60.85%	14658	39.15%
City of Gridley				
Poll-OS	277	48.68%	292	51.32%
Poll-TS	101	48.33%	108	51.67%
VBM	564	43.82%	723	56.18%
MB	0	-	0	-
Total	942	45.62%	1123	54.38%
City of Oroville				
Poll-OS	478	53.47%	416	46.53%
Poll-TS	274	55.13%	223	44.87%

Statement of Votes Cast
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 PRESIDENTIAL GENERAL ELECTION
 Butte County, California

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	PROPOSITION 64 MARIJUANA LEGALIZATION			
	Yes		No	
VBM	1768	51.41%	1671	48.59%
MB	226	46.60%	259	53.40%
Total	2746	51.67%	2569	48.33%
Town of Paradise				
Poll-OS	1640	51.93%	1518	48.07%
Poll-TS	487	55.15%	396	44.85%
VBM	4475	49.81%	4510	50.19%
MB	79	35.43%	144	64.57%
Total	6681	50.43%	6568	49.57%
No Matching District				
Poll-OS	3008	47.71%	3297	52.29%
Poll-TS	1127	47.33%	1254	52.67%
VBM	9930	46.88%	11254	53.13%
MB	3545	49.21%	3659	50.79%
Total	17610	47.50%	19464	52.50%
Total				
Poll-OS	12335	56.73%	9409	43.27%
Poll-TS	4017	56.06%	3148	43.94%
VBM	30829	52.34%	28078	47.66%
MB	3853	48.68%	4062	51.32%
Total	51034	53.31%	44697	46.69%
State Board of Equalization District				
1st District Board Equalization				
Poll-OS	12335	56.73%	9409	43.27%
Poll-TS	4017	56.06%	3148	43.94%
VBM	30829	52.34%	28078	47.66%
MB	3853	48.68%	4062	51.32%
Total	51034	53.31%	44697	46.69%
Total				
Poll-OS	12335	56.73%	9409	43.27%
Poll-TS	4017	56.06%	3148	43.94%
VBM	30829	52.34%	28078	47.66%
MB	3853	48.68%	4062	51.32%
Total	51034	53.31%	44697	46.69%
Unincorporated Area				
Unincorporated Area				
Poll-OS	3008	47.71%	3297	52.29%
Poll-TS	1127	47.33%	1254	52.67%
VBM	9930	46.88%	11254	53.13%
MB	3545	49.21%	3659	50.79%
Total	17610	47.50%	19464	52.50%
No Matching District				
Poll-OS	9327	60.41%	6112	39.59%
Poll-TS	2890	60.41%	1894	39.59%
VBM	20899	55.40%	16824	44.60%
MB	308	43.32%	403	56.68%
Total	33424	56.98%	25233	43.02%
Total				
Poll-OS	12335	56.73%	9409	43.27%
Poll-TS	4017	56.06%	3148	43.94%
VBM	30829	52.34%	28078	47.66%
MB	3853	48.68%	4062	51.32%
Total	51034	53.31%	44697	46.69%

January 29, 2018

Submitted via electronically

drust@cityoforoville.org
planning@cityoforoville.org

Donald Rust
Community Development Services Director
City of Oroville
1735 Montgomery Street
Oroville, CA 95965

Dear Don:

SCI Consulting Group ("SCI") is pleased to submit this proposal for cannabis-related consulting services to the City of Oroville ("City"). We understand the City seeks assistance for a safe and effective implementation of commercial cannabis activities and personal cultivation. We believe our expert knowledge of the cannabis industry, coupled with our broad experience providing municipalities with regulation, revenue and administration consulting services, will serve the City of Oroville well.

Specifically, the City would like assistance from SCI to:

1. Obtain input from staff, stakeholders and/or the broader community through direct meetings and/or a community survey. (also known as "Cannabis 101")
2. Review/Develop ordinances, consistent with state law, that provide the desired health and safety regulations, and support a successful local marketplace.
3. Provide consulting in support of a voter-approved, cannabis-related tax to provide significant additional revenue to the City.

Also, in the future, the City may seek assistance to:

- a. Develop and assist with the selection process to ensure optimal and responsible cannabis marketplace participants.
- b. Develop regulatory fees for licensees for full cost recovery to the City for all additional cannabis-related services (e.g., additional police services, inspections, monitoring and compliance, etc.
- c. Provide initial, and potentially long term, monitoring and compliance services.

SCI provides cannabis-related advice and consulting to a variety of public agencies in California regarding community support analysis, health and safety regulations, fee studies, taxation, implementation, monitoring and compliance, and community outreach. SCI has conducted comprehensive cannabis-related webinars, workshops and training specifically for public officials in California. See www.sci-cg.com/webinars-past.php, and scroll down to watch any of our five cannabis-related webinars. Our two most recent webinars are:

- **THE NEW MARIJUANA FRONTIER IN CALIFORNIA - PREPARING FOR PROPOSITION 64 AND THE MCRSA AND THEIR EFFECT ON CITIES AND COUNTIES**

- **LOCAL CANNABIS REGULATION AND POLICY: UNDERSTANDING STATE INTEGRATION OF MEDICAL AND NON-MEDICAL CANNABIS – SB 94 FOR PUBLIC AGENCIES**

SCI developed and maintains a network of relationships with government agencies and cannabis-related industry leaders, including attorneys, testing laboratories, cultivators, nursery owners, and retailers. SCI maintains these relationships and continually upgrades and expands our knowledge base so we can provide expertise on all elements of the cannabis industry: retail operations, cultivation, manufacturing, delivery, monitoring and compliance, legal issues, ordinance development, and State regulations. SCI staff trained at the nation's premier cannabis educational entity, Oaksterdam University in Oakland, and investigated and gathered lessons learned and best practices regarding cannabis operations in Colorado, Michigan, Oregon, Washington, and British Columbia.

Our new business comes almost entirely from word-of-mouth referrals. We encourage you to contact our clients who can attest to the level of service we provide, the long-term relationships we have developed, the unmatched accuracy of our approach, our successful experience with funding measures, and our industry-leading track record of winning ballot measures.

SCOPE OF WORK

1. Obtain input from Staff, Stakeholders and the Broader Community

SCI has considerable expertise in organizing and managing stakeholder and public outreach meetings. SCI will plan, coordinate, develop materials for, and participate in community meetings and commission, committee and council meetings, as needed. SCI is available to refine and host an interactive (typically three hours) Power-Point presentation on local cannabis policy called **Cannabis 101**. SCI has conducted **Cannabis 101** presentations in many cities and counties throughout the State. Also, SCI will develop cannabis-related content for, and assist with the development of website, e-mail, Q&A and other communication tools in support of the project.

Our budget includes developing and leading one City Council study session, one Stakeholder meeting and two Community meetings.

2. Cannabis Ordinance Development and Review

Drafting a Health and Safety Regulatory Ordinance, or ordinances, is one of the most important tasks in the implementation process. After we work with City staff, stakeholders and the community to understand the goals and priorities of local cannabis policies, we will present options and advise the City regarding the best strategies for the content of the ordinance, as well as key components of timing and development. In addition to establishing land use and operating criteria, the regulations must ensure compliance with all State regulations, reflect local preferences, be flexible enough to adapt to the dynamic aspects of this unique industry, and lay the foundation for monitoring and compliance activities so that appropriate regulatory fees can be calculated. We will use the input gathered from the City staff, elected officials and stakeholders, combine it with our knowledge of the regulations and industry, and draft a set of comprehensive regulations. We will include input from City staff and stakeholders to help determine where the City's best fit is on a continuum ranging from minimal to significant local control of the industry. We will consider the political nature of local governance and the City's desire to create jobs and revenue for its citizens.

Commercial Cannabis Activity

We will use our established matrix of over 60 cannabis-related attributes to ensure completeness and highlight all areas that need expansion and/or reconsideration. We will include the best practices from other similar cannabis ordinances, as well as emerging or anticipated industry changes in the draft of the City's ordinance. Our work will be carefully documented with specific reference to the appropriate code or reason for a change. We will carefully research our work to be compliant with all local and State

laws and regulations, but the final ordinances should be reviewed by the City's legal counsel prior to implementation. We will help shepherd the ordinance through the approval process.

Personal Cultivation

SCI has assisted several cities with the development of regulations for personal cultivation, along with associated permits and fees. SCI will present options and recommendations regarding important considerations, including outdoor personal cultivation, odor control issues, security issues, and enforcement.

Our budget includes the development and support of cannabis-related ordinances through approval. Alternatively, we offer review and recommendations based upon development of a draft document by the City.

3. Implementation of a voter-approved cannabis special tax to provide significant additional revenue to the City

We will work with the City to develop a comprehensive revenue plan based upon a voter-approved cannabis-related general or special tax including planning, tax rate engineering, tax measure administration and preparation of documents and community outreach.

Our revenue approach is designed to analyze the opportunities in each of the desired license type categories, and we will propose the optimal combination of taxes based upon factors like gross receipts, per square foot taxes, and weight-based taxes. We will review and discuss our findings and recommendations with the City to develop the best mechanism for providing maximum revenue for the City, and will include in our analysis the effect of competition from other jurisdictions and the goal of eliminating the black market.

Preparation of Tax for Balloting

SCI will assist with the preparation of the draft election resolution, ballot question, full ballot text, and election materials. After these election materials are prepared, they will be provided to the County Elections Department, the City, and its legal counsel for review and comment. Feedback and comments will be incorporated before the documents are finalized. SCI will also prepare draft resolutions, notices and other materials and documents required or recommended for any proposed taxes. Such documents will be finalized in conjunction with the City's legal counsel.

Assistance with Community Outreach in Support of Proposed Tax

Clear, concise and appropriate informational outreach is one of the most important elements for a successful cannabis tax ballot outcome. If the community is adequately informed about the issues, the City's proposed special tax measure will have a good chance for a successful outcome. The unparalleled track record of success for SCI is, in large part, due to our extensive expertise in this area.

In summary, SCI can assist the City with public outreach strategies and voter informational services. Our firm's informational outreach efforts include tasks necessary to ensure that the public is adequately informed about the election and the purpose of the measure prior to the mailing of ballots and election materials. Throughout the process, SCI will work closely with City staff and other interested parties.

These services will include the preparation of question and answer documents, informational handouts and other materials. We will guide City staff who may be contacting or responding to voters or who will be making presentations on the proposed taxes to the public. Workshops will be conducted if appropriate. We will deliver the following:

- a. An Informational Outreach Plan and suggested approaches,
- b. Informational, FAQ, and other documents
- c. Assistance with public workshops, as appropriate, and
- d. Assistance with media, as appropriate.

Our fee schedule includes all project work as described above to implement a cannabis-related special tax.

OPTIONAL FUTURE SCOPE OF WORK

a. Implementation of dispensary selection process

The selection process is typically the most onerous and difficult portion of a successful municipal cannabis implementation, especially pertaining to a competitive process for a finite number of licenses. The typical approach is to determine a fixed, finite number of retail and delivery locations while limiting the other license type categories by zoning.

SCI typically recommends a scored, two-step process, as follows:

Step 1: Initial Review

This step requires basic information and has a relatively low associated fee (e.g., \$500). It is used to eliminate non-credible applicants without the need for a detailed and expensive review.

Step 2: Final Review

This step requires detailed information and a detailed review with a more significant associated fee (e.g., \$3,500). It is used to confirm viability and to support a merit-based selection system in cases where a finite number of licenses are issued.

Our goal for this task is to provide the City with a fair model of selection that favors community safety, longevity and sustainability. We will clearly detail all conditions required of the applicant in the application package. We want to ensure the applicant is completely familiar with the application process, and understands the potential time and financial investment, as well as the regulatory process. SCI has set up several successful selection processes which currently are being utilized by California municipalities.

b. Develop regulatory fee for licensees for full cost recovery to City for all additional cannabis-related services (e.g., additional police presence, monitoring and compliance, etc.)

SCI will provide engineering services to develop the fees for commercial cannabis regulation in the City. SCI recommends the City develop and implement the four basic regulatory fees for each of the desired license types, as shown below. The goal is to establish a reliable, robust cannabis fee structure that is supported by the community and the local cannabis industry, is Proposition 26 compliant, and adheres to all State and local regulations.

The four-basic cannabis related regulatory fees are:

- Application: Initial Review
- Application: Final Review
- Application: Renewal
- Annual Regulatory Fee (aka "commercial cannabis business permit")

The first step for developing the specific fees is to work with the City to establish administrative process flow documentation for each fee type. Next, the process flow is divided into discrete tasks within a spreadsheet, with the associated time increment required to conduct each task for each staff position type and hourly rate. Finally, these data are analyzed to ensure that all costs are covered, and a final fee rate is established.

Fees can be based upon a flat rate per type of business or a variable such as square footage. (Cannabis regulatory fees are typically not based upon gross receipts.) All fees are for cost recovery of actual costs and do not generate new general fund revenue. They must be developed consistent with Proposition 26.

Application: Initial and Final Review Fees

We typically advise a two-step process, starting with a lean initial application process and associated fee, followed by a more exhaustive final review and associated fee, but we will work closely with staff to design an efficient process and fee structure. The first step is the “initial review” step and involves a more cursory review of the application to ensure completeness and basic suitability, and eligibility to move to the second step. A typical fee for the application step is \$500. The second step is based upon the City’s preference to process and issue permits based upon its existing CUP process or to develop a stand-alone cannabis permit process. There are pros and cons to either of these approaches. In either case, this second “Final Review” step involves detailed evaluation of all facets of the application and often a scoring of each application based upon pre-set criteria. (Note that the scoring is only required if there are a finite number of permits to be issued as is often the case for retail.) A typical fee for the Final Review step is \$3,500.

These fees are non-refundable and are engineered to be comprehensive. For example, we will meet with Public Safety to determine the cost of Live Scan, including the DOJ fee, staff time, IT time, and management time, before a final assessment is determined. As an example, John Bliss, President of SCI and a licensed engineer, developed fees for all cannabis activities in the City of Coalinga to ensure 100% of the costs were recovered, and the fees were Proposition 26 compliant.

Application: Renewal Fees

The costs associated with reviewing and processing renewal applications will be quantified to develop these fees. This process is similar to, and more efficient than, the application and CUP/special permit review work described above.

Annual Regulatory Fees (AKA “Commercial Cannabis Business Permit”)

Regulatory fees are based on the actual cost of monitoring and compliance. These fees can include phone and e-mail support services, video monitoring, onsite inspections, waste review, water control and sources, product testing, signage, odor control, labelling, employee records and application processing as needed. Once the tasks and cost estimates are in place, the number of licenses to be issued in each category will be used to calculate the final cost of the “per license” fee.

The final deliverable products for this project include a comprehensive Fee Study Report and supporting PowerPoint presentation based upon a rigorous and detailed engineering analysis that will include equitable and defensible allocation of project costs among all properties. The final fee methodologies will balance and satisfy the complex and inter-related parcel, process, legal, administrative, and political aspects.

c. Provide initial, and potentially long term, monitoring and compliance services

Once the regulatory fees are established, SCI is available at the City’s request to conduct monitoring and compliance for the City when commercial cannabis activities commence. Roles and responsibilities are assigned based on the most efficient method to conduct them. For instance, the Oroville Police Department might be the best entity to conduct the Live Scan fingerprinting. In addition to regular and in-person onsite inspections, SCI maintains a state-of-the-art service center that can monitor facilities remotely and manage inbound and outbound calling as needed. SCI currently manages four contracts for the State of California with monitoring and compliance components. The current legal and political in landscape regarding the health and safety regulation of cannabis is still dynamic, so we will advise the City regarding a compliance policy with an eye towards built-in flexibility. Our cannabis compliance work allows the City to begin compliance at any time, to conclude compliance at any time, and to transition compliance activities to City staff at the City’s discretion.

QUALIFICATIONS OF THE FIRM

SCI Consulting Group is a public finance consulting firm with over 30 years of expertise in assisting public agencies in California with planning, justifying and successfully establishing new revenues and

policies for their service and capital improvement needs and objectives, and managing special assessment levies. SCI also offers extensive expertise with the important legal and procedural issues involving policies, benefit assessments, special taxes and fees. The principals at SCI are acknowledged experts on these public financing mechanisms and were involved with the cleanup legislation for Proposition 218.

CANNABIS-RELATED CONSULTING SERVICE CLIENTS

SCI's most recent similar cannabis-related services are provided to:

City of Alameda

Cannabis Services: Implementation Planning, Community Outreach and Stakeholder Engagement, Ordinance Review and Regulatory Fees
 Status: Ongoing
 Contact: Debbie Potter, Community Development Department Director
dpotter@alamedaca.gov; (510) 747-6800

City of Avalon

Cannabis Services: Implementation Planning and City Council Workshop
 Status: Complete
 Contact: Scott Campbell, Contract Attorney to the City
Scott.campbell@bbklaw.com; (310) 510-2125

City of Coalinga

Cannabis Services: Implementation Planning, Community Outreach and Stakeholder Engagement, Ordinance Review, Regulatory Fees and Monitoring and Compliance
 Status: Complete with ongoing monitoring and compliance
 Contact: Sean Brewer, Community Development Director
sbrewer@coalinga.com; (559) 935-1533, ext. 124

City of Davis

Cannabis Services: Implementation Planning, Stakeholder Engagement and Ordinance Development and Review
 Status: Complete
 Contact: Ashley Feeney, Assistant Director Community Development & Sustainability
afeeney@cityofdavis.org; (530) 757-5654

City of Encinitas

Cannabis Services: Community Outreach and Stakeholder Engagement and Ordinance Development and Review
 Status: Ongoing
 Contact: Glenn Sabine, City Attorney
gsabine@encinitasca.gov; (760) 633-2672

City of La Mesa

Cannabis Services: Ordinance Development and Review and Application Process
 Status: Ongoing
 Contact: Carol Dick, Director of Community Development
cdick@ci.la-mesa.ca.us; (619) 667-1187

City of Merced

Cannabis Services: Implementation Planning, Community Outreach and Stakeholder Engagement, Ordinance Development and Review, Application Process, Fees and Implementation and Regulatory Fees
 Status: Ongoing
 Contact: Kim Espinosa, Planning Manager
espinosak@cityofmerced.org; (209) 385-6858

City of Richmond

Cannabis Services: Review Ordinance Development and Review of Regulatory Fees
 Status: Ongoing
 Contact: Lina Velasco, Project Manager II
Lina_Velasco@ci.richmond.ca.us; (510) 620-6705

City of San Carlos

Cannabis Services: Implementation Planning, Community Outreach and Stakeholder Engagement, Ordinance Development and Review, Application Process, Fees and Implementation and Regulatory Fees
 Status: Ongoing
 Contact: Martin Romo, Economic Development Coordinator
mromo@cityofsancarlos.org; (650) 802-4257

City of Santa Ana

Cannabis Services: Ordinance Development and Review
 Status: Ongoing
 Contact: Ali Pezeshkpour, Senior Planner
apezeshkpour@santa-ana.org; (714) 647-5882

City of Santa Clara

Cannabis Services: Implementation Planning, Community Outreach and Stakeholder Engagement, Ordinance Development and Review, Application Process, Fees and Implementation and Regulatory Fees
 Status: Beginning phase
 Contact: Ruth Shikada, Assistant City Manager
RShikada@SantaClaraCA.gov; (408) 615-2210

City of Shasta Lake

Cannabis Services: Implementation Planning, Community Outreach and Stakeholder Engagement, Ordinance Development and Review, Application Process and Fees, Regulatory Fees and Tax Measure
 Status: Complete with ongoing monitoring and compliance
 Contact: John Duckett, City Manager
jduckett@cityofshastalake.org; (530) 275-7427

City of Vallejo

Cannabis Services: Ordinance Development and Review
 Status: Ongoing
 Contact: Joanna Altman, Assistant to City Manager
Joanna.altman@cityofvallejo.net; (707) 648-4362

City of West Hollywood

Cannabis Services: Development and Implementation of Application Process
 Status: Ongoing
 Contact: John Leonard, Revenue Manager
JLeonard@weho.org; (323) 848-6467

City of Woodlake

Cannabis Services: Ordinance Development and Review, Application Process and Fees, Regulatory Fees and Monitoring and Compliance
 Status: Complete with ongoing monitoring and compliance
 Contact: Jason Waters, Community Development Director
jwaters@ci.woodlake.ca.us; (559) 564-8055

City of Yreka

Cannabis Services: Implementation Planning, Community Outreach and Stakeholder Engagement, Ordinance Development and Review, Application Process and Fees, Regulatory Fees and Tax Measure
 Status: On hold
 Contact: Brian Bowles, Police Chief
bbowles@yrekapd.org; (530) 841-2300

County of Alameda

Cannabis Services: Application Process and Regulatory Fees
 Status: Beginning phase
 Contact: Elizabeth McElligott, Assistant Planning Director
Elizabeth.mcelligott@acgov.org; (510) 670-5400

County of San Luis Obispo

Cannabis Services: Implementation Planning, Community Outreach and Stakeholder Engagement, Ordinance Development and Review, Application Process and Fees
 Status: Ongoing
 Contact: Guy Savage, Assistant County Administrative Officer
gsavage@co.slo.ca.us; (805) 781-5071

County of Tuolumne

Cannabis Services: Implementation Planning, Community Outreach and Stakeholder Engagement
 Status: Ongoing
 Contact: Daniel Van Essen, Assistant Planning Director
dvanessen@co.tuolumne.ca.us; (209) 533-5612

LOCAL CLIENTS

We have worked extensively throughout Butte County, and currently provide, or have provided, assessment engineering and consulting services other than cannabis to numerous public agencies, including:

- Butte County Mosquito and Vector Control District
- El Medio Fire Protection District
- Oroville Mosquito Abatement District
- Chico Area, Feather River and Paradise Recreation and Park Districts

Please let us if you would like to speak with any of our clients directly, and we will provide their contact information.

PROJECT STAFFING

NEIL HALL, CANNABIS PROJECT LEADER

Neil Hall brings over 40 years of intensive interaction with public agencies and communities throughout California. He is a recognized leader in municipal cannabis policy in California. As Owner and President of the Fairfield Research Group from 1995 to 2014, Mr. Hall conducted over 150 focus groups, and attitude and satisfaction surveys for various communities, political candidates, and public agencies in Solano County. Mr. Hall earned a Bachelor of Arts degree in Business Management and M.B.A. from St. Mary's College.

JOHN BLISS, M.ENG., P.E., PRESIDENT

John Bliss, a professional engineer and President of SCI, specializes in special tax consulting, assessment engineering, special and general benefit analysis, crafting legally compliant, robust Engineer's Reports, assessment administration, cost estimating and budgeting, database design and implementation, regulatory compliance, and revenue measure formations. He has 15 years of experience in this field of expertise. Mr. Bliss graduated from Brown University with a Bachelor of Science Degree in Engineering, and holds a Master's Degree in Civil Engineering from The University of California, Berkeley, where he was a Regent's Scholar. He is a licensed professional Civil Engineer in the State of California and is a LEED accredited professional.

KYLE TANKARD, SENIOR CONSULTANT

Kyle Tankard contributes experience leading and assisting in local cannabis policy, as well as the formation of local revenue ballot measures and their annual administration, for both benefit assessments and special taxes. He currently administers a variety of assessments and taxes for vector, landscaping and lighting, levee and flood control and other special districts throughout California. His scope of work extends to include public opinion research, public outreach, data analysis and GIS mapping and database management. Kyle graduated from the University of California, Santa Cruz with a Bachelor of Arts in Environmental Studies with GIS emphasis.

OTHER INFORMATION

Employment Policies

SCI does not and shall not discriminate against any employee in the work place or against any applicant for such employment or against any other person because of race, religion, sex, color, national origin, handicap, or age or any other arbitrary basis. SCI Consulting Group insures compliance with all civil rights laws and other related statutes.

Conflict of Interest Statements

SCI has no known past, ongoing or potential conflicts of interest for working with the City, performing the Scope of Work or any other service for this Project.

Pending Litigation

SCI does not have any claims, lawsuits or litigation pending or within the last 5 years.

Insurance

SCI carries professional Errors and Omissions insurance in the amount of \$2 million per occurrence and \$2 million aggregate. SCI also carries general liability insurance in the amount of \$2 million per occurrence and \$4 million aggregate.

Independent Contractor

If selected, SCI shall perform all services included in this proposal as an independent contractor.

Scope of Work

In the event the City elects to request optional, additive scope of work, SCI will work with the City to negotiate compensation for these additional tasks, and execute an Addendum to the agreement for these additional services.

Responsibilities of City

SCI will make every effort to minimize the workload on the City, but may need assistance, iteratively, with project overview and history, scheduling and budgeting.

Coordination with City

SCI will coordinate services with City staff through frequent and concise communications including face-to-face meetings, telephone calls and e-mail.

Software Used

SCI uses Microsoft Word for word processing on computers using the Windows operating system.

FEE SCHEDULE

In consideration for the work accomplished, as outlined in this proposal, the SCI Team shall be compensated as detailed below:

1. Community Engagements

Two presentations of "Cannabis 101" to Council, Planning Commission, Staff, Stakeholder and the Community, as described in the Scope of Work shall be \$4,200. Additional community meetings if desired will be charged \$2,100 per meeting.

2. Ordinance Development

Review and Recommendations based upon a draft document development by the City.

Services as described in the Scope of Work shall be billed upon an hourly basis, at the rates listed below.

- Total compensation for the work performed shall be a minimum of \$6,500 which includes the initial 20 hours of consulting work.
- Total compensation shall not exceed \$10,850 without permission from the City.

3. Special Tax Consulting

Tax Strategy, Document Services and Community Outreach as described in the Scope of Work are not to exceed \$22,075 without approval from the City.

Optional Work (to proceed upon request)

- a. Selection Process
- b. Regulatory Fees
- c. Monitoring and Compliance

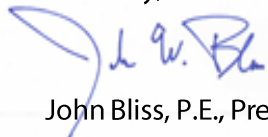
Billing for out of scope services shall be based upon hourly rates shown in the table below:

SCI Staff	Hourly Rates
John Bliss, President, Fee Engineer	\$ 245
Neil Hall, Senior Cannabis Consultant	\$ 275
Arcelia Herrera, Cannabis Consultant	\$ 175
Support Staff	\$ 65

Incidental costs incurred by SCI for the purchase of travel and other out-of-pocket expenses will be reimbursed at actual cost, with the total not to exceed \$2,500 without prior authorization from the City. The scope of services includes two staff meetings. Any additional staff meetings, if required, shall be billed at the rate of \$750 per person, per meeting.

We look forward to this opportunity in assisting the City of Oroville with this important project and stand ready to proceed. If you have any questions or require additional information, please do not hesitate to contact me. I can be reached at (707) 430-4300 or via email at john.bliss@sci-cg.com. This proposal is binding for 90 days from January 25, 2018.

Sincerely,

A handwritten signature in blue ink, appearing to read "John Bliss", is written over a light blue rectangular background.

John Bliss, P.E., President

**CITY OF OROVILLE
RESOLUTION NO. 8686**

A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH SCI CONSULTING GROUP FOR COMMERCIAL CANNABIS RELATED CONSULTING SERVICES

(Agreement No. 3245)

BE IT HEREBY RESOLVED by the Oroville City Council as follows:

1. The Mayor is hereby authorized and directed to execute a Professional Services Agreement with SCI Consulting Group for commercial cannabis related consulting services as specified in the attached agreement and scope of work.

2. The City Clerk shall attest to the adoption of this Resolution.

PASSED AND ADOPTED by the Oroville City Council at a regular meeting on February 20, 2018, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Linda L. Dahlmeier, Mayor

APPROVED AS TO FORM:

ATTEST:

Scott E. Huber, City Attorney

Donald Rust, Acting City Clerk

AGREEMENT FOR PROFESSIONAL SERVICES

This Agreement is made and entered into as of February 20, 2018, by and between the **City of Oroville**, a municipal corporation ("City") and **SCI Consulting Group** ("Consultant").

RECITALS

- A. The Consultant is specially trained, licensed, experienced and competent to provide the professional services to the City of Oroville as required by this Agreement.
- B. The Consultant possesses the skill, experience, ability, background, license, certification, and knowledge to provide the services described in this Agreement on the terms and conditions described herein.
- C. City desires to retain the Consultant to render the professional services as set forth in this Agreement.

AGREEMENT

- 1. Scope of Services. The Consultant shall furnish the following services in a professional manner. Consultant shall perform the scope of services described in Exhibit "A", which is attached hereto and incorporated herein by reference.
- 2. Time of Performance. The services of Consultant are to commence upon execution of this Agreement and shall continue until February 20, 2019, or until all contractual services have been completed, unless Agreement is amended by the parties.
- 3. Compensation. Compensation to be paid to Consultant shall be in accordance with the Cost Estimate described in Exhibit "A", which is attached hereto and incorporated herein by reference, which **shall not exceed \$39,625**, unless Agreement is subsequently amended by the parties. Payment by City under this

Agreement shall not be deemed a waiver of defects in Consultant's services, even if such defects were known to the City at the time of payment.

4. Method of Payment. Consultant shall submit monthly billing to City describing the work performed during the preceding month. Consultant's bills shall include a brief description of the services performed, the date the services were performed, the number of hours spent and by whom, and a description of any reimbursable expenditures. City shall pay Consultant no later than 30 days after approval of the monthly invoice by City staff.
5. Extra Work. At any time during the term of this Agreement, City may request that Consultant perform Extra Work. As used herein, "Extra Work" means any work which is determined by City to be necessary for the proper completion of Consultant's services, but which the parties did not reasonably anticipate would be necessary at the execution of this Agreement. Consultant shall not perform, nor be compensated for, Extra Work without prior written authorization from City.
6. Termination. This Agreement may be terminated by the City immediately for cause or by either party without cause upon fifteen days' written notice of termination. Upon termination, Consultant shall be entitled to compensation for services properly performed up to the effective date of termination.
7. Ownership of Documents. All plans, studies, documents, and other writings prepared by and for Consultant, its officers, employees, and agents and subcontractors in the course of implementing this Agreement, except working notes and internal documents, shall become the property of the City upon payment to Consultant for such work, and the City shall have the sole right to use such materials in its discretion without further compensation to Consultant or to any other party. Consultant shall, at Consultant's expense, provide such reports,

plans, studies, documents, and other writings to City within three (3) days after written request.

8. Licensing of Intellectual Property. This Agreement creates a nonexclusive and perpetual license for City to copy, use, modify, reuse, or sublicense any and all copyrights, designs, and other intellectual property embodied in documents or works of authorship fixed in any tangible medium of expression including, but not limited to, data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Consultant under this Agreement (“Documents and Data”). Consultant represents and warrants that Consultant has the legal right to license any and all Documents and Data. Consultant makes no such representation and warranty in regard to Documents and Data which may be provided to Consultant by City. City shall not be limited in any way in its use of the Documents and Data at any time, provided that any such use not within the purposes intended by this Agreement shall be at City’s sole risk.

9. Consultant’s Books and Records

a. Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services, expenditures, and disbursements charged to City for a minimum period of three (3) years, or for any longer period required by law, from the date of final payment to Consultant under this Agreement.

b. Consultant shall maintain all documents and records which demonstrate performance under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of termination or completion of the Agreement.

c. Any records or documents required to be maintained pursuant to this Agreement shall be made available for inspection or audit, at any time during

regular business hours, upon written request by the City Administrator, City Attorney, City Finance Director, or a designated representative of these officers. Copies of such documents shall be provided to the City for inspection at 1735 Montgomery Street, Oroville, California when it is practical to do so. Otherwise, unless an alternative is mutually agreed upon, the records shall be available at Consultant's address indicated for receipt of notices in this Agreement.

d. Where City has reason to believe that such records or documents may be lost or discarded due to dissolution, disbandment, or termination of Consultant's business, City may, by written request by any of the above named officers, require that custody of the records be given to the City and that documents be maintained by City Hall.

10. Independent Contractor. It is understood that Consultant, in the performance of the work and services agreed to be performed, shall act as and be an independent contractor and shall not act as an agent or employee of the City. Consultant shall obtain no rights to retirement benefits or other benefits which accrue to City's employees, and Consultant hereby expressly waives any claim it may have to any such rights.

11. Interest of Consultant. Consultant (including principals, associates, and professional employees) covenants and represents that it does not now have any investment or interest in real property, and shall not acquire any interest, direct or indirect, in the area covered by this Agreement or any other source of income, interest in real property or investment which would be affected in any manner or degree by the performance of Consultant's services hereunder. Consultant further covenants and represents that in the performance of its duties hereunder no person having any such interest shall perform any services under this

Agreement. Consultant is not a designated employee within the meaning of the Political Reform Act because Consultant:

- a. will conduct research and arrive at conclusions with respect to its rendition of information, advice, recommendation, or counsel independent of the control and direction of the City or any City official, other than normal agreement monitoring; and
- b. possesses no authority with respect to any City decision beyond rendition of information, advice, recommendation, or counsel. (FPPC Reg. 18700(a)(2).)

12. Professional Ability of Consultant. City has relied upon the professional training and ability of Consultant to perform the services hereunder as a material inducement to enter into this Agreement. All work performed by Consultant under this Agreement shall be in accordance with applicable legal requirements and shall meet the standard of quality ordinarily to be expected of competent professionals in Consultant's field of expertise.
13. Compliance with Laws. Consultant shall use the standard of care in its profession to comply with all applicable federal, state, and local laws, codes, ordinances, and regulations.
14. Licenses. Consultant represents and warrants to City that it has all licenses, permits, qualifications, insurance, and approvals of whatsoever nature which are legally required of Consultant to practice its profession. Consultant represents and warrants to City that Consultant shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement, any licenses, permits, insurance, and approvals which are required by the City for its business.
15. Indemnity. Consultant agrees to defend, indemnify, and hold harmless the City, its officers, officials, agents, employees, and volunteers from and against any and all claims, demands, actions, losses, damages, injuries, and liability, direct or

indirect (including any and all costs and expenses in connection therein), arising from its performance of this Agreement or its failure to comply with any of its obligations contained in this Agreement.

16. Insurance Requirements. Consultant, at Consultant's own cost and expense, shall procure and maintain, for the duration of the Agreement, the insurance coverage and policies as set forth in Exhibit "B" attached hereto.
17. Notices. Any notice required to be given under this Agreement shall be in writing and either served personally or sent prepaid, first class mail. Any such notice shall be addressed to the other party at the address set forth below. Notice shall be deemed communicated within 48 hours from the time of mailing if mailed as provided in this section.

If to City: **Director of Community Development
City of Oroville
1735 Montgomery Street
Oroville, CA 95965**

If to Consultant: **John Bliss, P.E., President
SCO Consulting Group
4745 Mangels Blvd
Farfield, CA 94534**

18. Entire Agreement. This Agreement constitutes the complete and exclusive statement of Agreement between the City and Consultant. All prior written and oral communications, including correspondence, drafts, memoranda, and representations are superseded in total by this Agreement.
19. Amendments. This Agreement may be modified or amended only by a written document executed by both Consultant and City and approved as to form by the City Attorney.
20. Assignments and Subcontracting. The parties recognize that a substantial inducement to City for entering into this Agreement is the professional reputation,

experience, and competence of Consultant. Assignments of any or all rights, duties, or obligations of the Consultant under this Agreement will be permitted only with the express prior written consent of the City. Consultant shall not subcontract any portion of the work to be performed under this Agreement without the prior written authorization of the City. If City consents to such subcontract, Consultant shall be fully responsible to City for all acts or omissions of the subcontractor. Nothing in this Agreement shall create any contractual relationship between City and subcontractor nor shall it create any obligation on the part of the City to pay or to see to the payment of any monies due to any such subcontractor other than as otherwise required by law.

21. Waiver. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver of a subsequent breach of the same or any other provision under this Agreement.
22. Severability. If any term or portion of this Agreement is held to be invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall continue in full force and effect.
23. Controlling Law Venue. This Agreement and all matters relating to it shall be governed by the laws of the State of California and any action brought relating to this Agreement shall be held exclusively in a state court in the County of Butte, or in the United States District Court, Eastern District of California.
24. Litigation Expenses and Attorneys' Fees. If either party to this Agreement commences any legal action against the other part arising out of this Agreement, the prevailing party shall be entitled to recover its reasonable litigation expenses, including court costs, expert witness fees, discovery expenses, and attorneys' fees.

25. Execution. This Agreement may be executed in several counterparts, each of which shall constitute one and the same instrument and shall become binding upon the parties when at least one copy hereof shall have been signed by both parties hereto. In approving this Agreement, it shall not be necessary to produce or account for more than one such counterpart.
26. Authority to Enter Agreement. Consultant has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each party warrants that the individuals who have signed this Agreement have the legal power, right, and authority, to make this Agreement and to bind each respective party.
27. Prohibited Interests. Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift, or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer, or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.
28. Equal Opportunity Employment. Consultant represents that is and equal opportunity employer and it shall not discriminate against any subcontractor, employee, or applicant for employment because of race, religion, color, national origin, disability, ancestry, sex, or age. Such non-discrimination shall include, but

not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, or termination.

/

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date first written above.

CITY OF OROVILLE

SCI CONSULTING GROUP

By: _____
Linda L. Dahlmeier, Mayor

By: _____
Title: _____

APPROVED AS TO FORM:

By: _____
Scott E. Huber, City Attorney

Business License #: _____
Tax ID No.: _____

ATTEST:

By: _____
Donald Rust, Acting City Clerk

ATTACHMENTS

- Exhibit A Scope of Services and Cost Estimate
- Exhibit B Insurance Requirements

INSURANCE REQUIREMENTS FOR CONSULTANTS

Consultant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Consultant, his agents, representatives, or employees.

Minimum Scope of Insurance

Coverage shall be at least as broad as:

1. Insurance Services Office Commercial General Liability coverage (occurrence Form CG 0001).
2. Insurance Services Office Form Number CA 0001 covering Automobile Liability, Code 1 (any auto).
3. Workers' Compensation insurance as required by the State of California and Employee's Liability Insurance.
4. Errors and Omissions Liability insurance appropriate to the consultant's profession.

Minimum Limits of Insurance

Consultant shall maintain limits no less than:

1. General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
2. Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.
3. Employer's Liability: \$1,000,000 per claim for bodily injury or disease.
4. Errors and Omissions Liability: \$1,000,000 per occurrence.

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees and volunteers; or the Consultant shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration and defense expenses.

Other Insurance Provisions

The commercial general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

1. The City, its officers, officials, employees and volunteers are to be covered as additional insured's as respects: liability arising out of work or operations performed by or on behalf of the Consultant; or automobiles owned, leased, hired or borrowed by the Consultant.
2. For any claims related to this project, the Consultant's insurance coverage shall be primary insurance as respects the City, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.
3. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days' prior written notice by first class mail has been given to the City.
4. Coverage shall not extend to any indemnity coverage for the negligence of the additional insured in any case where an agreement to indemnify the additional insured would be invalid under Subdivision (b) of Section 2782 of the Civil Code.

Acceptability of Insurers

Insurance is to be placed with insurers with a current A. M. Best's rating of no less than A:VII, unless otherwise acceptable to the City.

Verification of Coverage

Consultant shall furnish the City with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on forms provided by the City or on other than the City's forms provided those endorsements conform to City requirements. All certificates and endorsements are to be received and approved by the City before work commences. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications at any time.