

**OROVILLE CITY COUNCIL  
JUNE 19, 2018 - REGULAR MEETING MINUTES  
CLOSED SESSION 5:30 P.M.  
OPEN SESSION 6:30 P.M.**

1. The Regular Meeting of the Oroville City Council was called to order by Mayor Dahlmeier at 5:30 p.m. in the Oroville City Council Chambers located at 1735 Montgomery Street, Oroville, CA.

**CITY COUNCIL MEMBERS PRESENT:** Jack Berry, Marlene Del Rosario, Linda Draper, Art Hatley, Vice Mayor Janet Goodson, and Mayor Linda Dahlmeier

**COUNCIL MEMBERS ABSENT:** Scott Thomson.

**2. MAYOR DAHLMEIER CONVENED THE MEETING to CLOSED SESSION (5:32 p.m.)**

- 2.1 Pursuant to Government Code Section 54957(b), the Council will meet with Acting City Administrator, Personnel Officer, and/or City Attorney to consider the employment related to the following positions: City Administrator.
- 2.2 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.

**3. MAYOR DAHLMEIER RECONVENED THE MEETING FOR OPEN SESSION (6:35 p.m.)**

- 3.1 **CLOSED SESSION ANNOUNCEMENT OF ACTION** – No action taken; direction given.
- 3.2 **PLEDGE OF ALLEGIANCE TO THE FLAG OF THE UNITED STATES OF AMERICA**  
led by Mayor Linda Dahlmeier.

**4. PROCLAMATIONS / PRESENTATIONS**

**None.**

**5. PUBLIC COMMUNICATION - HEARING OF NON-AGENDA ITEMS**

1. Pastor David Goodson reported a health hazard at 2584 “D” Street, next to 2687 “D” Street, stating that there is a rat infestation at the residence that is affecting the neighboring properties and asked Council to take action.
2. Tasha Levinson informed Council that the Oroville Water Study is available at the LAFCo website, Item 4.2 on the recent meeting agenda.
3. August Lincoln stated that he is concerned about the safety of the bridges in the City, specifically Thermalito Highway 70 and Highway 162, and asked if the City has done any inspections on these bridges.
4. John Miller-George stated that he made a request for records and has received no response, that he would like a brainstorming session to evaluate ideas for revenue, that he would like to meet with the City Attorney to troubleshoot some projects. He also stated that it is cheaper to feed the homeless than to arrest them.

5. Bill Speer stated that he would like the city to open their meetings with prayer, thanked the City Council, public servants, Police and Fire personnel and all who serve every day, and prayed for wisdom, provision and solutions for the homeless, for those in jail, and those in the hospitals, and for the service groups in the city.

6. **CONSENT CALENDAR** - Consent calendar items are adopted in one action by the Council. Items that are removed will be discussed and voted on immediately after adoption of consent calendar items.

COUNCIL CONCURRED TO REMOVE ITEMS 6.4, 6.6 AND 6.7 FROM THE CONSENT CALENDAR.

**FOLLOWING A MOTION BY VICE MAYOR GOODSON, SECONDED BY COUNCIL MEMBER DEL ROSARIO, THE FOLLOWING CONSENT CALENDAR ITEMS 6.2, 6.3 AND 6.5 WERE APPROVED BY THE COUNCIL BY THE FOLLOWING VOTE:**

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

6.2 ADOPTED RESOLUTION NO. 8707 AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE A LETTER OF AUTHORIZATION TO THE BUTTE COUNTY PUBLIC WORKS DEPARTMENT FOR THE CALIFORNIA DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY FISCAL YEAR 2018-2019 AND FOR FOUR (4) YEARS FROM THE DATE OF ADOPTION OF THIS RESOLUTION FOR THE USED OIL PAYMENT PROGRAM.

6.3 APPROVED EXPENDITURE OF \$7,000 FOR ACTUARIAL SERVICES FROM DEMSEY, FILLIGER & ASSOCIATES, LLC TO COMPLY WITH GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB) REQUIREMENT FOR VALUATION OF THE CITY'S LIABILITY FOR RETIREE HEALTHCARE PLAN OR OTHER POST EMPLOYMENT BENEFITS PLAN (OPEB).

6.5 AUTHORIZED THE YMCA TO UTILIZE TWO (2) OF THE CITY'S CONTRACTUALLY AGREED UPON DAYS FOR THE USE OF THE STATE THEATRE - JUN 27 AND JUN 28, 2018.

#### **ITEMS REMOVED FROM CONSENT CALENDAR**

Public Safety Chief/Assistant City Administrator LaGrone clarified that the contract for GIC Services with CSUC is for fiscal year 2018/2019 and that there is a \$14,000 fund balance in account 1601-6360.

6.4 FOLLOWING A MOTION BY COUNCIL MEMBER BERRY, SECONDED BY COUNCIL MEMBER DEL ROSARIO, COUNCIL ADOPTED RESOLUTION NO. 8708 AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH CALIFORNIA STATE

UNIVERSITY, CHICO, EXTENDING THE TERM FOR FISCAL YEAR 2018/2019 BY THE FOLLOWING VOTE:

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

Public Safety Chief/Assistant City Administrator LaGrone clarified that the amendment to the contract for Tom Lando for Interim City Administrator Services extends the term through October 31, 2018 and provides for a bi-weekly payroll schedule.

**6.6** FOLLOWING A MOTION BY VICE MAYOR GOODSON, SECONDED BY COUNCIL MEMBER DEL ROSARIO, COUNCIL ADOPTED RESOLUTION NO. 8709 AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF OROVILLE AND TOM LANDO TO SERVE AS INTERIM CITY ADMINISTRATOR – EXTENDING TERM THROUGH OCTOBER 31, 2018 - BY THE FOLLOWING VOTE:

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

Oroville Airport Manager Farley informed Council that the land proposed for lease to NLC is land that has not been used for 70+ years and is airport land that cannot be sold for commercial use.

**6.7** FOLLOWING A MOTION BY COUNCIL MEMBER DRAPER, SECONDED BY VICE MAYOR GOODSON, COUNCIL ADOPTED RESOLUTION NO. 8710 AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE AN AIRPORT GROUND LEASE AGREEMENT WITH NLC CA, INC. DBA: NORTHWEST LINEMAN COLLEGE FOR AN EXPANSION OF THEIR FACILITIES – AGREEMENT NO. 3250 – BY THE FOLLOWING VOTE:

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

## 7. PUBLIC HEARINGS

Mayor Dahlmeier informed the public of the hearing procedure and introduced Neil Hall of SCI Consulting who was hired by the City Council to research and present information relating to cannabis issues.

Neil Hall, SCI Consulting, reported to Council regarding the proposed cannabis business tax including

revenue estimates, tax methodology, and election timeline, and answered general questions from Council about the process.

Mayor Dahlmeier opened the public hearing relating to the ordinance and ballot measure proposed for implementation of a cannabis business tax in the City of Oroville.

1. William Byneham spoke in favor of the ballot measure and thanked Council for bringing this to the voters.
2. Jeanine Cecchi spoke against cannabis dispensaries in Oroville and discussed health and social issues associated with use of cannabis.
3. Celia Hirschman spoke in favor of allowing use of marijuana for patients who need it and in favor of the ballot measure.
4. John Mitchell spoke against marijuana use in the City, pointed out there are many, many regulations that the State of California has put in place, would like higher tax rates that what is currently proposed and does not approve of any cannabis revenues going in to the City's General Fund.
5. Luke Wilson stated that he is a farmer and an employer, hopes to become a cannabis business owner in the City of Oroville, spoke against setting tax rates too high and suggested a 1% beginning tax rate that could be raised by 1% per year.
6. Cheri Bunker stated there has been no planning for anything that relates to this issue, that more research is needed on the potential impacts of cannabis businesses in the community, and that there needs to be brainstorming opportunities to find other ways to bring in revenue to the city.
7. Alex Geller stated that he is in favor of the proposal, that he works in real estate and is currently working with Rio Vista to set up cannabis businesses, thinks a 5% tax rate is reasonable, that it takes about a year to get a cannabis business up and running, that development costs are up to \$1 million per acre including ancillary business services and that a small percentage of revenue should be dedicated to police services.
8. August Lincoln stated that he is in favor of the tax as tax revenue from cannabis businesses in the state of Colorado has been significant.
9. John Miller George stated that he is in favor of legalizing marijuana, that THC does not cause cancer, and is against high tax rates for cannabis businesses.
10. Steve Terry stated that he opposes use of marijuana and cannabis businesses, thinks cannabis use destroys lives, has seen the destructive results in people through his work with the Oroville Mission, and referred to the Shasta Lake Grand Jury Report which indicates the City of Shasta did not plan very well for impacts prior to authorizing cannabis businesses in the city.
11. David Pittman stated that he opposes marijuana use, is against the tax measure and against the establishment of cannabis businesses, that issues and infrastructure need to be first addressed and entered a copy of the Shasta City Grand Jury report as his comment.
12. Chuck Reynolds stated that he is opposed to this proposal, referred to the John Hopkins Study, [Lessons Learned After 4 Years of Marijuana Legalization](#), provided a copy to each of the Council Members, and stated that the study indicates that legalization leads to higher use by the population which increases demand on public safety services, that the black market production of marijuana will increase, the homeless population will increase, that the City needs more data before considering this further and that he believes the downside outweighs the upside.
13. Bill Speer asked that Council to "just say no", that marijuana is against federal law, that taxpayers should not have to pay \$40,000 for studies or \$10,000 for a tax measure to go on the ballot, that

any revenues from cannabis taxation would be ill-gotten money and will not be good for the community.

14. Jessica Mackenzie stated that she is in favor of the ballot measure, that money should not be the only reason for this measure as patient care and access should also be considered, that tax revenue is not the only revenue the city would receive from cannabis businesses, that she would like tax rates to be lower as startup costs for cannabis business is astronomical and that money cannot be borrowed from the banks for this purpose.
15. Annie Terry stated that she is opposed to the tax on cannabis for revenue to support city services and asked the Council not to rush into thinking this measure would be the savior of the city.
16. Laura Page stated that she is from Doug LaMalfa's office, is against marijuana use, referred to the Shasta County Grand Jury report and discussed the summit at CSUC regarding social services' concerns about marijuana use that was sponsored by Butte County Behavioral Health, including its effect on the homeless population, and that marijuana is federally illegal.
17. Fred Spenger stated that he thinks Oroville could become the jewel of the County as it has a more desirable area than Chico, that he understands the feelings of the opponents to the tax on cannabis business but thinks the tax is one little step and he is in favor of the ballot measure.

Mayor Dahlmeier closed the public hearing at 7:57 p.m.

**7.1** FOLLOWING A MOTION BY COUNCIL MEMBER DEL ROSARIO, SECONDED BY COUNCIL MEMBER DRAPER, COUNCIL INTRODUCED ORDINANCE NO. 1825, AN ORDINANCE OF THE PEOPLE OF THE CITY OF OROVILLE, CALIFORNIA ADDING TO CHAPTER 3 OF THE OROVILLE MUNICIPAL CODE APPROVING AND IMPLEMENTING A CANNABIS BUSINESS TAX IN THE CITY OF OROVILLE; **and,**

ADOPTED RESOLUTION NO. 8711 APPROVING BALLOT MEASURE TEXT TO BE SUBMITTED TO THE VOTERS OF THE CITY IMPOSING A CANNABIS BUSINESS TAX; REQUESTING THE ASSISTANCE OF THE COUNTY OF BUTTE IN CONNECTION WITH THAT ELECTION; AND, REQUESTING CONSOLIDATION OF THAT ELECTION WITH ANY OTHER ELECTION HELD ON THAT DATE by the following vote:

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

## **8. REGULAR BUSINESS – Action Calendar**

**8.1** FOLLOWING A MOTION BY COUNCIL MEMBER BERRY, SECONDED BY COUNCIL MEMBER DRAPER, COUNCIL APPROVED A SUPPLEMENTAL APPROPRIATION IN THE AMOUNT OF \$30,000 FOR PROFESSIONAL SERVICES AGREEMENT WITH BENNETT ENGINEERING FOR CITY ENGINEER SERVICES BY THE FOLLOWING VOTE:

Ayes: Council Members Berry, Del Rosario, Draper, Hatley, Vice Mayor Goodson and Mayor Dahlmeier.

Noes: None.  
Abstain: None.  
Absent: Council Member Thomson

**8.2 COUNCIL DEFERRED CONSIDERATION OF THE SCHOOL RESOURCE OFFICER SERVICES MEMORANDUM OF UNDERSTANDING TO A FUTURE MEETING AT THE REQUEST OF STAFF.**

**8.3 FOLLOWING A MOTION BY VICE MAYOR GOODSON, SECONDED BY COUNCIL MEMBER HATLEY, COUNCIL AUTHORIZED VICE MAYOR GOODSON TO ATTEND THE LEAGUE OF CALIFORNIA CITIES ANNUAL CONFERENCE AND DESIGNATED VICE MAYOR GOODSON TO BE THE VOTING DELEGATE BY THE FOLLOWING VOTE:**

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

## **9. COUNCIL ANNOUNCEMENTS/COMMITTEE REPORTS**

Council Member Draper stated that she missed the June 5, 2018 Council meeting because she was out of the country, that she watched the video of the meeting this morning, responded to comments that were made at that meeting and stated that she is in favor of the annexation of the Highway 70 Industrial Park property.

## **10. CITY ADMINISTRATOR/ ADMINISTRATION REPORTS**

Interim City Administrator Lando informed Council that the staff has met with developers on housing projects that are still in their infancy.

Public Safety Chief/Assistant City Administrator LaGrone presented Council a written report of Police and Fire regarding the activities, revenues and general information for the Police and Fire Departments for the month of May 2018.

## **11. CORRESPONDENCE**

None.

## **12. AT 8:35 p.m. MAYOR DAHLMEIER ADJOURNED THE COUNCIL MEETING TO JULY 10, 2018.**

Submitted on: July 10, 2018

Approved: *July 10, 2018*

By: \_\_\_\_\_

Linda Dahlmeier, Mayor

Attest: *July 25, 2018*

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Joanna Gutierrez, Interim City Clerk