

**AGENDA**  
**RIO DELL CITY COUNCIL**  
**CLOSED SESSION - 6:00 P.M.**  
**REGULAR MEETING - 6:30 P.M.**  
**TUESDAY, MAY 17, 2016**  
**CITY COUNCIL CHAMBERS**  
**675 WILDWOOD AVENUE**

***WELCOME . . .** By your presence in the City Council Chambers, you are participating in the process of representative government. Copies of this agenda, staff reports and other material available to the City Council are available at the City Clerk's office in City Hall, 675 Wildwood Avenue. Your City Government welcomes your interest and hopes you will attend and participate in Rio Dell City Council meetings often.*

*In compliance with the American with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Office of the City Clerk at (707) 764-3532. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to assure accessibility to the meeting.*

- A. CALL TO ORDER
- B. ROLL CALL
- C. ANNOUNCEMENT OF ITEMS TO BE DISCUSSED IN CLOSED SESSION AS FOLLOWS:
  - 1) 2016/0517.01 - **Public Employee Appointment**  
Title: Wastewater Superintendent  
(Pursuant to Gov't Code Section 54957)
- D. PUBLIC COMMENT REGARDING CLOSED SESSION
- E. RECESS INTO CLOSED SESSION
- F. RECONVENE INTO OPEN SESSION – 6:30 P.M.
- G. ORAL ANNOUNCEMENTS
- H. PLEDGE OF ALLEGIANCE

I. CEREMONIAL MATTERS

- 1) 2016/0517.02 – Proclamation in Recognition of Red Nose Day  
(Councilmember Garnes)

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J. PUBLIC PRESENTATIONS

*This time is for persons who wish to address the Council on any matter not on this agenda and over which the Council has jurisdiction. As such, a dialogue with the Council or staff is not intended. Items requiring Council action not listed on this agenda may be placed on the next regular agenda for consideration if the Council directs, unless a finding is made by at least 2/3rds of the Council that the item came up after the agenda was posted and is of an urgency nature requiring immediate action. Please limit comments to a maximum of 3 minutes.*

K. CONSENT CALENDAR

*The Consent Calendar adopting the printed recommended Council action will be enacted with one vote. The Mayor will first ask the staff, the public, and the Council members if there is anyone who wishes to address any matter on the Consent Calendar. The matters removed from the Consent Calendar will be considered individually in the next section, "SPECIAL CALL ITEMS".*

- 1) 2016/0517.03 - Approve Minutes of the May 3, 2016 Regular Meeting  
(ACTION) 2
- 2) 2016/0517.04 - Approve Minutes of the May 10, 2016 Special Meeting  
(ACTION) 18
- 3) 2016/0517.05 - Approve Resolution No. 1297-2016 Authorizing the  
Submittal of Application for Payment Programs and  
Related Authorizations with Department of Resources  
Recycling and Recovery (CalRecycle) (ACTION) 33
- 4) 2016/0517.06 - Approve Resolution No. 1295-2016 Adopting the Limit  
For the 2016-2017 Fiscal Year (ACTION) 35
- 5) 2016/0517.07 - Approve Resolution No. 1296-2016 Approving Billable  
Rates for Staff Time for FY 2016-2017 (ACTION) 38

L. ITEMS REMOVED FROM THE CONSENT CALENDAR

M. SPECIAL PRESENTATIONS/STUDY SESSIONS

N. SPECIAL CALL ITEMS/COMMUNITY AFFAIRS

1) 2016/0517.08 - Review and Approval of Chamber of Commerce Signage on City Property **(DISCUSSION/POSSIBLE ACTION)** 43

2) 2016/0517.09 - Manufacturing Recommendations – Medical Cannabis Commercial Land Use Regulations, Section 17.30.195 of the Rio Dell Municipal Code **(DISCUSSION/POSSIBLE ACTION)** 47

O. ORDINANCES/SPECIAL RESOLUTIONS/PUBLIC HEARINGS

1) 2016/0517.10 - Adopt Resolution No. 1288-2016 Approving Operating and Capital Budget for FY 2016-2017 **(DISCUSSION/POSSIBLE ACTION)** 79

P. REPORTS/STAFF COMMUNICATIONS

Q. COUNCIL REPORTS/COMMUNICATIONS

R. ADJOURNMENT

*A Special meeting of the City Council is scheduled for  
Tuesday, May 24, 2016 at 6:30 p.m.*

*The next regular City Council meeting is scheduled for  
Tuesday, June 7, 2016 at 6:30 p.m.*



**PROCLAMATION  
IN RECOGNITION OF  
RED NOSE DAY MAY 26, 2016**

**WHEREAS,** May 26, 2016 is known as Red Nose Day in many communities worldwide; this celebration will bring awareness to children and young people in need and help bring about positive change to our Community and our world; and

**WHEREAS,** Red Nose Day is a campaign dedicated to raising money for children and young people living in poverty by simply having fun and making people laugh; and

**WHEREAS,** the inaugural Red Nose Day was held in the United States on May 21, 2015 and people across the country will again come together to have fun and raise funds and awareness;

**WHEREAS,** the day's events will culminate in a three-hour entertainment television special on NBC, and locally on WPTZ, featuring the country's favorite comedians, musicians, and Hollywood stars;

**NOW THEREFORE,** I, Frank Wilson, Mayor of the City of Rio Dell, do hereby proclaim May 26, 2016 to be **RED NOSE DAY** in the City of Rio Dell.

May 17, 2016

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Frank Wilson, Mayor



**RIO DELL CITY COUNCIL  
REGULAR MEETING  
MAY 3, 2016  
MINUTES**

The regular meeting of the Rio Dell City Council was called to order at 6:30 p.m. by Mayor Wilson.

**ROLL CALL:** Present: Mayor Wilson, Mayor Pro Tem Johnson, Councilmembers Garnes and Thompson

Absent: Councilmember Marks (excused)

Others Present: City Manager Knopp, Finance Director Woodcox, Community Development Director Caldwell and City Clerk Dunham

Absent: Chief of Police Hill, Water/Roadways Superintendent Jensen and Wastewater Superintendent Chicora (excused)

**PUBLIC PRESENTATIONS**

**Nick Angeloff commented** that he had just returned from a trip to Washington, D.C, and Europe and one of the main things that came out of his trip is that Aqua Dam, located in Scotia is now doing business globally and entered into a large-scale contract. He said their products which are produced locally will be utilized to protect the U.S. Embassy in Bagdad from flooding. He asked the Council to not forget about this business in moving forward in implementation of Medical Marijuana Regulations.

He also reported that the Chamber, at next week’s meeting will be discussing Economic Development issues pertaining to their agreement with the City and said he wanted to thank the City Manager for his efforts in defining a source of income coming to them from the County.

He excused himself to attend a Little League meeting and said he would report to the Council by the end of the meeting, the schedule for opening day of Little League.

**CONSENT CALENDAR**

Motion was made by Thompson/Garnes to approve the consent calendar including approval of minutes of the April 19, 2016 regular meeting. Motion carried 4-0.

**SPECIAL CALL ITEMS/COMMUNITY AFFAIRS**

Overview of the Medical Marijuana Regulations and Safety Act (MMRSA) and Adoption of Proposed or Modified Hearing Schedule/Calendar Related to Ordinance No. 342-2016 Medical Marijuana Commercial Land Use Regulations

Community Development Director Caldwell provided a staff report and said tonight's discussion will include an overview of the Medical Marijuana Regulations and Safety Act (MMRSA), much like the information provided at the meeting at the Eagle Prairie Elementary School back in December, 2015.

He noted that Supervisor Estelle Fennell and Robert Christensen from Senator McGuire's office were present to answer questions regarding the proposed regulations.

He continued with a power point presentation and explained that the Medical Marijuana Regulations and Safety Act (MMRSA) approved by Governor Brown on October 5, 2015 is comprised of three (3) bills enacted by the legislature on September 11, 2015; AB 243, AB 266, and SB 643.

He then provided a summary of each of the three (3) bills. He explained that AB 243 regulates marijuana cultivation and provides a regulatory structure and specifically addresses environmental impacts. AB 266 contains provisions for local control and core provisions of the regulatory structure whereas; SB 643 contains provisions for state licensing, imposes restrictions with regard to physicians prescribing medical marijuana, and establishes the requirement for seed-to-sale or track-and-trace programs including protocols for testing to insure patient safety. He noted that SB 643 also allows the State to deny licenses for past criminal convictions related to the operation of a medical marijuana enterprise or felony convictions involving trafficking of controlled substances as well as other serious or violent felony convictions. He noted that it also upholds the local jurisdiction's ability to impose taxes on medical marijuana activities.

Staff said with regard to testing, 70% of cannabis grown is contaminated so the testing requirement is long overdue.

Next was review of the various State cultivator license types established under AB 243. The license types reviewed included:

- Type 1 - Specialty Outdoor
- Type 1A - Specialty Indoor
- Type 1B - Specialty Mixed-Light
- Type 2 - Small Outdoor
- Type 2A - Small Indoor
- Type 2B - Small Mixed-Light
- Type 3 - Outdoor
- Type 3A - Indoor
- Type 3B - Mixed Light
- Type 4 - Nursery
- Type 6 - Manufacturing Level 1

- Type 7 - Manufacturing Level 2
- Type 8 - Testing
- Type 10 - Dispensary; General
- Type 10A - Dispensary, No More Than 3 Retail Sites
- Type 11 - Distribution
- Type 12 - Transporter

Next was review of AB 2243, Assemblyman Wood's proposed excise tax on medical cannabis which was proposed to insure the revenue stays in the communities where the cannabis is grown.

He said the bill would levy a \$9.25 per ounce tax on cannabis flowers; a \$2.75 per ounce tax on cannabis leaves; and a \$1.25 tax on immature cannabis plants from nurseries. The distribution of funds would designate 30% to local law enforcement, 30% to the Natural Resources Agency to fund a grant program for environmental cleanup and restoration on public and private lands, 30% to fund the multi-agency Watershed Enforcement Team, and the remaining 10% for medical marijuana research. He noted that how the funds are to be distributed however is currently being debated.

Staff pointed out that the State Board of Equalization reported approximately \$720 million in medical cannabis sales and approximately \$63 million in taxes for 2015.

Community Development Director Caldwell said related to local taxes; there are various options for imposing taxes on cannabis related activities. He said staff is currently looking into the various options and based on discussion with potential stakeholders, came up with a potential tax schedule as follows:

- Cultivation - \$1.00 per sq. ft.
- Processing – Flowers - \$1.00 per ounce
- Processing – Leaves - \$.25 per ounce
- Extraction - \$.50 per gram
- Edibles - \$.50 per item
- Nursery Plants - \$.50 per plant
- Laboratories - 5% of testing fee
- Dispensary Sales - 5%

Staff estimated potential annual revenue to the City for all operations at \$1,147,500 and if only 25% of the revenue came to fruition, it would still be \$285,000.

Community Development Director Caldwell stated that he and Chief Hill along with Mayor Pro Tem Johnson and Councilmember Garnes visited a dispensary in Arcata today and said they have been in operation for 14 years and have experienced no crime or burglaries

with approximately \$1.8 million in revenue generated each year.

He said staff's recommendation is that the Council adopts a Hearing Schedule for introduction, discussion and possible adoption of the Commercial Medical Cannabis Land Use Ordinance. The following recommended hearing schedule was presented:

- Introduction of Ordinance No. 342-2016 and Discussion of Cultivation Recommendations - **May 17, 2016**
- Discussion of Concentrate and Edible Manufacturing Recommendations - **June 7, 2016**
- Discussion of Labs and Dispensaries, Second Reading and Adoption of Ordinance No. 342-2016 (or not) - **June 21, 2016**

Supervisor Estelle Fennell addressed the Council and said it is helpful to see where Rio Dell is going pertaining to medical cannabis. She noted that the County of Humboldt is currently moving forward with a track-and-trace program in conjunction with SICPA, an international security firm that will be helping put the program in place. She said they will be using businesses in Arcata and Eureka to see how it meshes.

She explained the goal of the track-and-trace program is to provide assurances for the consumer that the product is safe as well as law enforcement and to give the producer a leg up by identifying what the product is and where it came from thus maintaining the integrity of the "Humboldt" brand. She explained the program is a very robust program in that on the label will be information that only law enforcement or the Board of Equalization can read with their smart phone or other device. She said the company has a proven track record working with government agencies and she has looked at other track-and-trace programs and likes what SICPA has to offer.

Supervisor Fennell commented that Lori Ajax, the newly appointed medical marijuana czar agrees there needs to be local control and much of her job will be to create information technology systems and craft regulation policy.

With regard to local excise taxes, she said the County is also looking at the issue and has consulted with a firm and has begun polling regarding the levying of a tax on marijuana related activities. She pointed out that it's good to see what the community at large thinks whether they are involved in the industry or not.

At the State level, both Assemblyman Wood and Senator McGuire were poised on the issue of excise taxes and if jurisdictions impose too much tax, the stakeholders won't buy-in and

the black market will remain predominant. She noted that she thinks the State tax will shrink and cautioned the Council to not make it so burdensome. She said the state of Washington's initial tax was too high and they had to roll it back.

Supervisor Fennell stated that she along with Supervisor Sunberg will be coming back to the Board of Supervisors next week with consideration of a Dispensary Ordinance and refining policies regarding the different cultivation types. She noted that mixed-light cultivation was disallowed because the Board didn't want to see the use of generators.

Robert Christensen from Senator McGuire's office provided a brief update on where the State is since adoption of the Medical Marijuana Regulations Safety Act (MMRSA).

He said as Supervisor Fennell mentioned, Governor Brown has appointed Lori Ajax as director to the Bureau of Medical Marijuana Regulation (BMMR), noting she was the former chief deputy director of the California Department of Alcohol Beverage Control. He said the bureau is the State licensing component after local licensing is obtained.

He added that the State legislature is considering six (6) follow-up bills related to the MMRSA and said some of the bills are related to employment training, smaller operations, and changing any reference of "marijuana" to "cannabis".

He said Senator McGuire is also supporting the Marijuana User Fee Act which is a proposed retail sales tax of 15% through dispensary sales collected by the Board of Equalization and distributed back with 30% going to local law enforcement, 20% to the County for drug and alcohol treatment programs, 20% to State parks, and the remaining 30% back to the State general fund.

He also noted that the State Department of Food and Agriculture is working on a statewide EIR Program.

Mayor Pro Tem Johnson asked if 100% of the local taxes stay local.

Community Development Director Caldwell explained the local taxes will stay local and the City Council has the discretion on how the funds are spent.

Councilmember Thompson read a statement which he requested to be entered into the record as part of the minutes and recited excerpts from *The Legalization of Marijuana in Colorado – the Impact, Volume 3, and September 2015* from the Rocky Mountain High Intensity Drug Trafficking Area. The key points included:

- In 2013 11.16% of Colorado youth ages 12-17 were considered users of marijuana compared to 7.15% nationally

- Colorado ranked third in the nation for marijuana use and was 56% higher than the national average
- Drug related suspensions increased 40% from school years 2008-2009 to 2013-2014 with the vast majority of suspensions related to marijuana violations
- Positive THC urinalysis tests for probation among youth at age 12-17 increased 20% since legalization of marijuana in 2013
- A 2015 survey by regional officers and school counselors revealed an increase of marijuana use since legalization
- In 2014 there was a 29% increase in the number of marijuana related emergency room visits
- When retail businesses began operating there was a 38% increase in the number of people hospitalized for marijuana related problems; in 3 years it increased to 46%
- Marijuana exposure increased 72% in one year
- Overall crime in Denver, Co increased 12.3% from 2012 to 2014
- The majority of cities and counties in Colorado have banned recreational marijuana businesses
- THC potency has risen from an average of 3.9% in 1995 to an average of 12.55% in 2013; the average in Colorado was 17.1%
- Homelessness increased with marijuana being a factor
- Marijuana related traffic deaths increased 92% in Colorado from 2010 to 2014
- 77% of DUI violations involved marijuana

Councilmember Thompson reviewed the Statement of Purpose which said that citizens and policy makers may want to delay any decisions on this important issue until there is sufficient information and accurate data to make an informed decision.

He said when you look at the statistics; marijuana is more of a killer than drunk drivers. and reported on the economic costs regarding fatalities and said it costs California taxpayers \$5.4 billion for DUI fatalities each year and if that cost doubles for marijuana related fatalities, it would cost \$10.8 billion.

He said the other thing that is going on that hasn't been addressed is the City's potential liability for an employee who uses recreational marijuana and comes to work high.

Also, pertaining to schools, he said he strongly believes the City should sit down with the school district and develop a plan to fund for counseling of kids as they are coming out of homes and going to school high and these children are considered abused children and there needs to be programs to help these kids.

He said he talked to the Rio Dell School Superintendent, Leslie Yale and they are looking into hiring a school counselor which will cost a minimum of \$93,000. He said the goal is to



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raise \$200,000 to fund the program and would like to see the Council move forward on that path.

Councilmember Garnes stated that what the Council is talking about is medicinal marijuana, not recreational. The California voters in 1996 voted to pass Proposition 215 to allow medical marijuana and the State has finally adopted regulations and put together a bureau to deal with it. She said Councilmembers need to stay focused on regulations for medicinal marijuana; not recreational marijuana because it is not legal and is not the issue before the Council at this time. She said that a majority of the numbers Councilmember Thompson referred to in Colorado were related to recreational marijuana in Colorado. She said the topic of discussion needs to pertain to medical marijuana; the rest of the information is merely "smoke and mirrors." She pointed out that no facts were given on the number of opiate or methamphetamines related deaths because it is not the issue at hand. She said the points Councilmember Thompson made are not relevant to medical marijuana and the information simply leads to miss-information and delays.

She commented that she respects the solid position Councilmember Thompson has taken on the subject but the Council needs to stay on target with regard to adopting medical marijuana land use regulations.

Councilmember Thompson said the two (2) points he would like to make is that medical marijuana directly related to children. This is a small community and the availability of marijuana into homes creates additional problems with kids getting addicted. He said the Council needs to realize there are very strong consequences on the actions they take on this issue.

He said the \$77 million the State is talking about will accumulate into billions of dollars to taxpayers.

He said there is no free ride and the City is dealing with something that is not set in stone. He said the Council needs to fully understand the consequences and there is no need to rush the adoption of the ordinance. He said he is more interested in the safety of kids than the dollars it could generate but he wants to make sure the school has funding to do what they need to do to protect the children.

Mayor Pro Tem Johnson stated that he agrees with Councilmember Garnes that the Council needs to stay on topic. He said about 10 or 12 years ago, he was working in Lake County and there was an add on the radio regarding a doctor that would be issuing 215 cards on the corner for \$80.00 and people were lined up around the block. He said there was no exam and this doctor was not operating professionally but there were no consequences for his actions.

He said what he is seeing now is the three (3) laws that Community Development Director Caldwell reviewed which have a lot of safeguards to prevent that from happening. He pointed out that if a person's primary doctor says they are not qualified to have a 215 card, they can't get one which is good. Also, there are consequences to a doctor who tries to circumvent the system and hand out 215 cards illegally. He said there is a \$5,000 fine and the prospect of losing their right to practice medicine is huge. He commented that the three (3) laws are a great start.

He said it sounds like the State is going to take a back seat to the local jurisdictions as far as them not issuing a State license until such time the local jurisdiction has done so.

He asked for a potential date for review of the first application to operate a medical marijuana facility once the ordinance is adopted and the tax measure is placed on the November ballot.

Community Development Director Caldwell commented that the ordinance would become effective 30 days after its adoption at such time a person could make application for a Conditional Use Permit (CUP). He pointed out that the Planning Commission has recommended that all marijuana related businesses go through the CUP process.

Mayor Pro Tem Johnson asked when staff expects to see the State issuing their permits and when the City can expect to see any ground breaking for a facility.

Community Development Director Caldwell said he believes the State dropped the date for enactment to 2018 and it depends on the type of industry as far as potential construction. He noted that if was a processing facility at the Eel River Industrial Park, construction may last 2-3 months but a potential developer may be better prepared to answer that question.

Mayor Pro Tem Johnson said the dispensary they visited in Arcata was perhaps less than one-half the size of the council chambers and they did almost \$2 million in sales last year. He said he is amazed at the amount of money it takes to start up a dispensary or other medical marijuana related business, estimating \$1 million in some cases. He said testing equipment is \$100,000 alone so it will not be the local sawmill worker establishing these businesses.

Mayor Wilson commented that at one point, the City Council provided support of Assemblyman Wood and Senator McGuire's legislative bills and one of the strongest points in SB 643 is that only a person's primary physician can issue a 215 card for medical marijuana. He said as time has gone on, he has seen more and more medical benefits of marijuana including salves and tinctures and pointed out that there are a lot of very powerful prescription drugs out there with harmful long-term effects. He said there is a lot of care and effort going into the legislative bills to control the use of marijuana versus letting the industry run wild. He pointed out that the Council is not going to eliminate the



fact that it is around and whether the State legalizes it for recreational use is another subject to discuss at another time. He agreed that the Council should keep the focus on "medical" marijuana, not recreational.

Mayor Wilson opened the public hearing to receive public comment on the matter.

**Steve Diziay** from Diza Biotech in San Diego, CA addressed the Council and said the City has a unique opportunity regarding the medical cannabis industry. He noted that the term "medical" means that it has gone through rigorous analysis and quality control to know the benefits as well as the downside and this plant and its compounds need to be treated as such in order to objectify it.

He said more importantly this is an opportunity for the City to promote a unique understanding and relationship. Being a small community and putting in a pharmaceutical company that's going to be dealing specifically with this compound, it's important to have educational outreach programs. He said that he can't emphasize enough that when the term "medical cannabis" is used, they fully understand what can and cannot be done with this and what the medical benefits are as well as what the negative connotations are. He said the goal should be to de-mystify this and treat it as a unique opportunity for the community to understand the compound and how it can be utilized and make it truly medical.

Mayor Pro Tem Johnson asked what specifically they do.

**Steve Diziay** said they do pharmaceutical manufacturing development so a company will call them and say they have a specific compound they want to generate. What his company does is help identify the compound and builds machinery to produce it, following Federal guidelines to stay compliant.

Mayor Pro Tem Johnson commented that there are probably hundreds of different cannabinoid compounds, a couple of which are physio-active and asked how out of the various compounds how many go out as psychoactive. He said 30% of the sales at the Arcata dispensary are non-psychoactive.

Steve explained that there is actually only one that is psychoactive; Delta 9 THC and the other 63 compounds they identify are not. He said because Delta 9 THC is a separate hallucinogenic compound that is where the dilemma lies but if treated as a pharmaceutical product and understanding that it has a therapeutic index as opposed to a euphoric index and knowing where that is medically it can be effectively used to treat patients. He explained that over the last few years he is starting to see more of push on the medical side but Delta 9 THC used in lower amounts gives an entourage effect. He noted that in San Diego, it is more like 60-70% of the marijuana sold at dispensaries is non-psychoactive.

He pointed that not only will the industry drive economics; the City can become the model.

Mayor Pro Tem Johnson said he found it interesting that a fairly large percentage of 215 prescriptions are for non-psychoactive products such as salves and edibles which provide relief from pain without the high effect.

**James Bidwell** from Al's Community Place said he is considering putting in a nursery and said instead of letting these large companies come into the City why not let a small local dispensary come in to see how it goes. He said the Council should take out the aspect of oils and edibles getting into the hands of children because they would only have small plants for medical marijuana and they aren't even considered a drug. He commented that Colorado and Washington are great examples of what happens when you allow a free for all, and noted that in Washington you can purchase marijuana in Walmart or the local 7-11 convenience store.

**Alonzo** addressed the Council and said long-term effects of opiates are much worse than long-term use of marijuana. He said 52% of pain pills are obtained from friends or family members and that opiates lead to heroin use. People that think that marijuana is the gateway drug need to realize that opiates are far worse.

There being no further public comment, the public hearing closed.

Community Development Director once again reviewed the recommended hearing schedule and noted that a presentation by Bio-Track is scheduled for a special meeting on May 24, 2016. Also, making a decision on a track-and-trace program may be premature until the County completes their pilot program and the City finds out what is going on at the State level.

He said Councilmember Garnes suggested the ordinance be introduced on May 10, 2016 so the tax initiative could move forward.

Mayor Wilson suggested the special meeting on May 10, 2016 be used for dialog and review of the MMRSA and to keep the schedule for introduction of the ordinance on May 17, 2016 with possible adoption on June 21, 2016.

Community Development Director Caldwell said another option would be to add one of the discussions on May 24<sup>th</sup> with the Bio-Track presentation and perhaps adopt the ordinance on June 7, 2016.

City Manager Knopp commented that the taxing strategy is the other issue that needs to be addressed and that having a meeting every Tuesday would be helpful.

Mayor Wilson suggested scheduling a special meeting on May 10<sup>th</sup> to begin dialog and to discuss the calendar after that. Council concurred.

Mayor Wilson called for a 5 minute recess.

The meeting reconvened.

Review of Draft FY 2016-2017 Operating and Capital Budget

Finance Director Woodcox provided an overview of the proposed FY 2016-2017 Annual Budget and said that this year's budget is much like last year's budget with a reduction of one staff position, a Utility Worker I/II position which has been vacant for several months. She noted that the elimination of this position shows total salary and benefits savings of \$57,348 in the Public Works Department.

Budget highlights included:

- A decrease of (\$1,676) in budgeted operating expenditures for FY 2016/2017 in comparison to FY 2016/2017
- An increase of \$239,163 in budgeted revenues for FY 2016/2017 in comparison to FY 2015/2016 with Wells Project amounts not included
- An increase in General Fund reserves of \$61,550 at 6/30/17
- A decrease in Streets Fund reserves of \$60,375 and ending reserve balance of \$171,532
- A decrease of one full-time employee from 17.8 positions in FY 2015/2016 to 16.8 positions in FY 2016/2017
- A budget surplus of \$246,446 (netting of all 2016/2017 revenues less expenditures for overall increase in fund balance reserves)

Finance Director Woodcox stated for clarification that the reserves are actually the amount of cash sitting in that particular fund.

Citywide revenues for the proposed FY 2016/2017 Budget were estimated at \$4,520,048 with total expenditures at \$4,273,602; a difference of \$62,347.

Proposed Capital Projects included \$10,000 for Economic Development out of the general fund; \$1,133,523 from the water fund for a generator and the Wells project; and \$45,000 out of the sewer fund for two lift station pumps and I & I repairs for a total of \$1,188,523.

In the water fund, revenues exceeded expenditures by \$143,832 representing a positive increase in reserve balances across the water funds by that same amount. Staff noted that this is a positive step towards replacement of aging water infrastructure.

Finance Director Woodcox presented as a separate handout, *Summary of Water and Sewer Services for the Rio Dell Fire Department and Library*. She reported that to date, the City's general fund has paid a total of \$9,703 for water and sewer services for the Fire Hall, Fireman's Park bathrooms, and the library.

She said staff budgeted amounts in the proposed budget to cover only the base charges for water and sewer totaling \$3,331. Charges for actual water consumption would be the responsibility of the Rio Dell Fire Department, estimated at \$2,612 for the year. The alternative would be for the City to cover the entire expenditure for an estimated total of \$5,943. She noted that the estimates were based on actual consumption from July 1, 2014 through April 2016.

Finance Director Woodcox then provided a budget summary and said staff anticipates that the next few years will show a general fund reserve upward trend beginning with the proposed FY 2016/2017 Budget of \$61,550. She explained that this trend is temporary since Measure U will expire if not reinstated in 2019. At this point, the progress of the past two years will be brought to a halt. She noted that by the 2019/2020 fiscal year, the General Fund deficit is estimated to be around \$140,000 for the same City services as they are today. She said this doesn't include covering the deficit in the streets funds estimated to be \$83,500. She added that depending on current trends in sales tax revenues, departments that are funded out of the general fund will be forced to cut their respective budgets by 20% or more.

She further reported that the streets funds remain problematic with expenditures exceeding revenues which results in a drawdown of reserves. As such, the fund balances in the streets funds are expected to be fully expended around the same time that Measure U expires. She noted that under the Governor's proposed transportation plan (AB 1591) the estimated annual revenue for Rio Dell is only around \$18,000. She said the general fund is ultimately responsible to carry the streets fund deficit and is the only fund that can be utilized to keep the streets maintained once streets reserves are depleted. The overall impact will negatively affect City services and the City's streets won't be maintained even at the minimal levels that they are today.

With the last slide, Finance Director Woodcox pointed out that what it basically shows is that staff has been really conscience of the budget and trying to save money anywhere they can so the bottom line, considering that everything seems to be going up these days, reflects that staff is working towards the goal of having a balanced budget.

Mayor Pro Tem Johnson commented that annually the City is collecting sizable amounts of money in the water and sewer funds and said it is great that the Metropolitan Wells Project will be underway but also thinks the City needs to be planning on investing some of the additional monies into the water fund. In particular, he noted that he has been talking with the City Manager about Old Ranch Road and the high cost of maintaining that water

line. He said it seems it is long overdue to get a waterline buried up there instead of one that is hanging over the side of the hill from redwood stumps in black berry bushes.

Also, the Public Works crew has inventoried about one-half of the sewer system this past year with the idea of doing the other half during the upcoming summer and would hope that between those two reviews would be able to identify some potential projects to take care of some of the City's I & I problems (inflow and infiltration). He noted that the City had sizable rainfall (3 inches/day) for a period of time and the amount of fluid the City treats ranges from 300,000 to 3.3 million gallons so there are a lot of unnecessary costs for pumping and chemicals.

Mayor Wilson questioned the Workers' Compensation line item and asked if joining the Keenan JPA helped to reduce those costs.

Finance Director Woodcox explained that Keenan is the JPA for employee health insurance benefits and SCORE is the JPA that handles the city's workers' comp, liability and property insurance. She said joining the Keenan JPA helped to reduce the medical insurance benefits but not workers' comp. She added that she is not sure if Keenan even offers workers' comp.

Mayor Wilson called for public comment on the FY 2016-2017 proposed Budget.

**Dean Glaser** commented on one item that seemed to be missing from the revenue pie chart which was the City's Transient Occupancy Tax (TOT).

He also pointed out that the workers' comp, PERS, and health benefits are three big expenditures that affect every city. He said these expenditures continue to go up and no matter how the city tries to find other revenue sources to fund those expenditures, it's an uphill battle.

Mayor Wilson pointed out that the City of Rio Dell does not participate in PERS.

Mayor Pro Tem Johnson noted that in the budget there is a revenue line item at around \$11,000 for TOT.

**Dean Glaser** also pointed out that with regard to TDA funding, when gasoline sales go down, so does TDA revenue which is affecting all cities.

He also noted that the water and sewer funds are enterprise funds and are restricted which some citizens are not aware of. He complimented the Finance Director for putting together a great report.

Finance Director Woodcox asked for City Council direction regarding any changes to the proposed budget including the expenditure for the Fire Department water and sewer charges.

Councilmember Thompson commented that there was one month where the Fire Department used a tremendous amount of water for some unknown reason and suggested the City pay for the base amount only as proposed in the draft budget.

**Jim Barsanti**, Rio Dell Fire Commissioner agreed with the recommendation and expressed his appreciation.

Mayor Pro Tem Johnson asked if this is the appropriate time to discuss potential salary adjustments.

City Manager Knopp stated that employee negotiations would be discussed at another time.

Councilmember Garnes asked Jim Barsanti if he understood the recommendation regarding the City's contribution toward the Fire Department's water and sewer bills.

He asked for clarification as to what the City is willing to pay.

Finance Director Woodcox explained that the budgeted amounts as proposed would cover the base charges for water and sewer for the fire department, including the restrooms in the park and the library for a total of \$3,331. Consumption costs would then be the responsibility of the Fire Department, estimated at \$2,612 for the year.

**Nick Angeloff** questioned the possibility of the City receiving a water adjustment for the high-usage month in accordance with the City's Water Claim Adjustment policy.

**Jim Barsanti explained** the excess usage was the result of a leak in the water line running from the fire hall to the library and said after the 1992 earthquake a new line was installed from Pacific Ave. but the old line was not disconnected.

He asked the Council if they could absorb the expense for the entire expense as the Fire District is on a tight budget.

Mayor Wilson and Councilmember Garnes indicated they would be willing to absorb the additional costs.

Councilmember Thompson suggested the Council consider capping the monthly water usage at 8 units with the Fire Department being responsible for any excess usage beyond that.



**Jim Barsanti** said he would present the proposal to the Board at their meeting on May 10, 2016 and noted that Councilmember Garnes would be in attendance at that meeting.

Mayor Pro Tem Johnson commented that the City is paying approximately \$2,000 in property taxes for the wastewater disposal site in Metropolitan and LAFco will be updating their municipal service area and would like to see the City's Sphere of Influence increase and to annex that parcel into the City to eliminate those property taxes.

### **REPORTS/STAFF COMMUNICATIONS**

City Manager Knopp reported on recent activities and events and distributed a written City Manager update. He said Community Development Director Caldwell and Chief of Police Hill accompanied Councilmember's Garnes and Johnson on a tour of the Heart of Humboldt dispensary in Arcata; the County Board of Supervisors met today and discussed allocations of Measure Z money including the City's application for \$33,649 to continue funding the clerical support in the Police Department which they approved after thorough examination; Said staff will be meeting with representatives of Humboldt Redwood to discuss modifications to the water line along Old Ranch Road; reported on his attendance at the 4<sup>th</sup> Groundwater Workshop related to the Eel River groundwater basin; reported on potential funding with a 0% match through the Regional Transportation Planning Grant program and said staff submitted an application for \$25,000 to conduct a traffic study for Northwestern Ave. and Highway 101; said staff was able to remove and dispose of 55 tires at no charge to the City, courtesy of HWMA; announced May 7<sup>th</sup> as the date for the Annual Spring Clean-Up Event ; and reported the Bureau of Medical Marijuana Regulations will be holding public meetings on May 11<sup>th</sup> in Arcata and information will be provided to the Council as it becomes available.

Finance Director Woodcox stated that she had nothing to report at this time.

### **COUNCIL REPORTS/COMMUNICATIONS**

Mayor Pro Tem Johnson reported on his attendance at the HCAOG meeting and announced there will be a Trails Summit on June 4, 2016 at the Warfinger Building; announced that May is Bike Month and on May 21<sup>st</sup> the Chamber of Commerce and Community Resource Center will be hosting a bike rodeo where the Police Department will be giving out bicycle helmets to kids; and said Gas Tax monies are on a serious decline and the State is looking into options including a 9-month pilot program on a miles driven program. He said one option for tracking miles driven is to plug into a vehicle's GPS which tracks miles driven and bills the owner of the vehicle for public miles driven. He said if anyone is interested in being a participant in the pilot program he can provide information on how to do that.

Councilmember Garnes asked for a consensus of the Council regarding the adoption of a proclamation or resolution in recognition and support of Red Nose Day for St. Jude's

Children are Hospital and said she thinks it would be worthwhile cause for the City to support. She commented that she will be working on getting some red noses.

Finance Director Woodcox mentioned that with regard to May being Bike Month, the Prairie Creek State Park closes the old highway the first Saturday of the month from February through May and next Saturday is the last month for the year. She noted that people can bring bikes, roller skates, skate boards or even pets on a lease.

Mayor Pro Tem Johnson commented that hiring Finance Director Woodcox has been a great asset to the City and commended her for the accuracy of the financial reports which has improved tremendously. He expressed thanks to her and the finance staff for a job well done.

**ADJOURNMENT**

Motion was made by Johnson/Garnes to adjourn the meeting at 9:02 p.m. to the May 10, 2016 special meeting. Motion carried 5-0.

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Frank Wilson, Mayor

Attest:

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Karen Dunham, City Clerk



**RIO DELL CITY COUNCIL  
SPECIAL MEETING  
MAY 10, 2016  
MINUTES**

A special meeting of the Rio Dell City Council was called to order at 6:00 p.m. by Mayor Wilson.

- ROLL CALL:** Present: (Closed Session) Mayor Wilson, Mayor Pro Tem Johnson, Councilmembers Garnes, Marks and Thompson
- Others Present: City Manager Knopp and City Attorney Gans
- Present: (Special Meeting) Mayor Wilson, Mayor Pro Tem Johnson, Councilmembers Garnes, Marks and Thompson
- Others Present: City Manager Knopp, Finance Director Woodcox, Community Development Director Caldwell, Chief of Police Hill and City Clerk Dunham
- Absent: Roadways Superintendent Jensen and Wastewater Superintendent Chicora (excused)

**ANNOUNCEMENT OF ITEMS TO BE DISCUSSED IN CLOSED SESSION AS FOLLOWS:**

EMPLOYEE NEGOTIATIONS – Conference with Labor Negotiator: Kyle Knopp, City Manager – Employee Organizations: Rio Dell Employees Association, Rio Dell Police Officers Association and all Contract Employees (Pursuant to Gov’t Code Section 54957.6)  
The City Council recessed into closed session at 6:00 p.m. with City Manager Knopp and City Attorney Gans.

The Council reconvened into open session at 6:30 p.m.

Mayor Wilson announced there was no reportable action taken in closed session.

**PUBLIC PRESENTATIONS**

None

**SPECIAL MEETING MATTERS**

Introduction of Ordinance No. 342-2016, Commercial Medical Cannabis Land Use Ordinance (CMCLUO), Section No. 17.30.195 of the Rio Dell Municipal Code and Discussion of Recommended Cultivation and Processing Regulations  
Community Development Director Caldwell provided a staff report and said this is the first

**MAY 10, 2016 MINUTES**

**Page 2**

meeting with the City Council for introduction and discussion of the ordinance related to the Commercial Medical Cannabis Land Use and recommended cultivation and processing regulations. He said as the Council is aware, the Planning Commission held five (5) public hearings beginning in January including approximately 18 hours of discussion on proposed medical marijuana regulations before making their final recommendations to the City Council.

He commented that as Robert Christensen, Senator McGuire's local representative indicated, clean-up legislation to the MMRSA has been introduced to replace the term "marijuana" with "cannabis." As such, the proposed ordinance was changed to reflect the amended language.

He proceeded with a power point presentation beginning with a tentative hearing schedule for the consideration, deliberation and possible adoption of the Commercial Medical Cannabis Land Use Ordinance (CMCLUO). The following tentative hearing schedule was presented:

- May 10, 2016 - Cultivation and Processing
- May 17, 2016 - Concentrates and Edibles
- May 24, 2016 - Track and Trace Requirements and Local Tax Options
- June 7, 2016 - Laboratories and Dispensaries and potential Adoption of Ordinance 342-2016

He noted that he, the City Manager and a couple of councilmembers will be attending a workshop tomorrow in Arcata which is being sponsored by the Bureau of Cannabis Regulations and Safety Act, formerly referred to as BMMR. He said one of the topics of discussion will be the track and trace program that is to be administered by the State Department of Food & Agriculture.

Community Development Director Caldwell said at the last meeting, there was discussion on the different license types the State will be issuing and reviewed the ten (10) cultivation type licenses and related zoning requirements for each type.

He noted that the Planning Commission discussed open field cultivation and decided to recommend that no open field cultivation, anywhere in the City be allowed at this time.

He also pointed out that the State will be limiting the number of certain license types, specifically Type 3, Outdoor, Type 3A, Indoor, and Type 3B, Mixed-Light.

He presented a copy of the City's zoning map and pointed out the Rural( R) and Natural Resources (NR) land use designations as recommended locations for outdoor cultivation.

**MAY 10, 2016 MINUTES**  
**Page 3**

Community Development Director Caldwell provided an example of a 2,500 sq. ft. greenhouse on the Dinsmore Plateau and a 3,000 sq. ft. greenhouse on Rio Vista Dr. to give the Council an idea of the scale staff is talking about with regard to greenhouses on larger parcels.

He reiterated that there is no outdoor allowed as far as open field cultivation and all outdoor cultivation has to be in a secured lockable greenhouse.

Councilmember Thompson asked why greenhouses are being designated as outdoor cultivation rather than simply designating them as greenhouses.

Community Development Director Caldwell explained the idea is to try and be consistent with State law because the State law definition also considers greenhouses as outdoor whereas; mixed-light types of cultivation are a little different.

Councilmember Thompson commented that he couldn't find where it specifically says in the ordinance that no outdoor open field cultivation is allowed.

Staff referred to *(7) General Provisions* of the proposed ordinance under (b) which specifically states: *"Outdoor and Mixed-Light commercial cultivation of cannabis for medical use shall be conducted entirely within a fully enclosed, secure and lockable greenhouse and shall be conditionally permitted in the Rural (R) and Natural Resources (NR) designations"* .....and so forth.

Mayor Wilson asked staff to explain for clarification what it means by "conditionally permitted."

Community Development Director Caldwell explained that all applications are subject to approval by the Planning Commission and through the Conditional Use Permit process, the public has the opportunity to provide input on the proposed applications.

Mayor Wilson asked what the allowed cultivation area would be on a 1-2 acre parcel and what the total acreage is at the Eel River Industrial Park.

Staff responded that on parcels up to 1-acre, the allowable canopy is 1,000 sq. ft. which is equivalent to a 20' x 50' greenhouse.

Community Development Director Caldwell noted that outdoor cultivation is not being recommended at the Eel River Industrial Park in the Industrial Commercial designation.

Mayor Wilson asked if there will be a limit on the number of greenhouses allowed.

Staff stated that there is no limit however; the Planning Commission has the authority to approve or deny all applications.

Mayor Wilson then asked how much oversight the City Council will have on the approval process and if they will be made aware of approved Conditional Use Permits as the Planning Commission reviews them.

Community Development Director Caldwell explained the applications would only come before the Council if a formal appeal is filed.

Mayor Wilson said he would like the Council to be informed on all license approvals and asked if the Council can stop staff from processing licenses if they feel things are getting out of hand.

Staff noted that it would be in the purview of the Council's authority however; the ordinance would have to be amended.

Councilmember Garnes commented that the State will be limiting the number of licenses anyway.

Community Development Director Caldwell clarified that the State will not be limiting the number of Type 1 or 2 licenses; just on the larger cultivation type licenses.

Councilmember Thompson asked staff to explain the difference between an outdoor greenhouse and mixed-light.

Staff explained that no artificial lights are used in a greenhouse whereas mixed-light, light deprivation referred to as light dep is a process of basically forcing plants to flower by controlling the budding cycle by blocking the sunlight with blackout tarps for a certain number of hours each day.

Mayor Wilson called for public comment.

**Melissa Marks** questioned the negative impact to the City if seasonal workers stayed in town during the off-season.

Community Development Director Caldwell said most operations will likely be year round and that employers will be subject to Cal-Osha and other fair labor standards. He noted that southern Humboldt does have problems with "trimigrants" but the new regulations should take care of that problem.

He stated that cannabis will basically be treated like any other agricultural product and with the track and trace programs, plants will be tacked from seed to sale.

Community Development Director asked if the Council had any recommended changes to the ordinance at this point.

Councilmember Thompson referred to the last sentence under *(2) Purpose and Intent* which states: *"This Section is not intended to supersede the provisions of Section 17.30.190 of the Rio Dell Municipal Code concerning cultivation of medical cannabis for personal use."*

Community Development Director Caldwell explained that this section of the RDMC titled Medical Marijuana Regulations and currently in effect will not be superseded by the new ordinance.

Councilmember Thompson then referred to (4) Release of Liability and Hold Harmless that says that the owner or permittee shall indemnify and hold harmless the City of Rio Dell and its agents, officers, elected officials, and employees for any claims, damages or injuries caused by them due to cannabis activities. He said that this regulation is not enforceable unless they are required to place a bond due to the possibility of the business going bankrupt.

Community Development Director Caldwell commented that all of the other jurisdictions ordinances that he looked at have this language.

Councilmember Thompson pointed out that they can only indemnify if money is there and suggested the language be modified to require permittees to obtain a bond.

Mayor Wilson suggested the City Attorney be consulted for a legal opinion on this issue.

Councilmember Garnes suggested the Council get back on track with the specific question from staff regarding the Council's vote on the land use and minimum parcel size for greenhouses and mixed-light operations.

Community Development Director Caldwell said it would be helpful in the future if Council could provide their list of questions to him prior to the meeting so he has an opportunity to research the information.

The consensus of the Council was that they were in agreement with the proposed cultivation locations, parcel sizes and allowable canopies for greenhouse and mixed-light cultivation as proposed.

Discussion continued regarding indoor cultivation regulations.

Staff stated that the Planning Commission is recommending two (2) different locations and two different scales of operations for indoor cultivation. One in the Industrial Commercial (IC) designation at the Eel River Industrial Park where canopies are a little larger than in the Rural (R) and Natural Resources (NR) designations; and one for indoor cultivation in the Rural (R) and Natural Resources (NR) designations. The license types and corresponding parcel sizes and allowable canopy was reviewed.

Mayor Wilson questioned setbacks and asked what would happen if someone put a greenhouse in the middle of a large parcel so that it was more than 300 feet from any adjacent parcels so as to avoid the notification requirement.

Staff said the requirement refers to the perimeter of the parcel so neighbors would be notified.

Councilmember Thompson referred to (f) Community Relations section of the ordinance and asked what the 100 feet was referring to.

Staff explained that it applies to businesses and that each medical cannabis facility shall provide certain information to its business neighbors located within 100 feet of the medical cannabis facility. He said it is basically a safeguard so any new neighboring businesses know what's going on next to them.

Mayor Pro Tem Johnson asked if the State has indicated what the limit is going to be on Type 3, 3A and 3B licenses.

Staff responded that it was unknown at this time.

Mayor Wilson called for public comment.

A gentleman in the audience asked if 215 cards will still be legal and asked what happens with taxes in the event a cannabis business goes broke.

Community Development Director Caldwell commented that they would still be obligated to pay taxes to the Board of Equalization.

Discussion continued regarding AB 2516, the Cottage Industry Cannabis Farmers Bill recently introduced by Assemblyman Wood which the ordinance doesn't address.

Community Development Director Caldwell commented that he had been contacted by a number of residents in the Urban Residential (UR) designation who currently grow and expressed interest in becoming legal. He stated that the Planning Commission recommended cultivation not be allowed in any UR designations due to the small size of most of the parcels and inability to meet the required setbacks. He noted that there are a

number of large parcels in the Belleview area that may be suitable for mixed-light cultivation. He added that there are also some larger parcels in the Suburban Residential (SR) designation which allows for agricultural uses however; the Planning Commission also recommended that cultivation not be allowed in the SR designation.

He explained AB 2516 is geared toward small growers who don't want to jump through the hoops or can't afford to.

Mayor Wilson stated that the reason he is willing to support medical cannabis regulations is because they make it totally legitimate but if the State and local jurisdictions are allowing loopholes in the regulations, it will be a deal breaker for him.

Community Development Director Caldwell said the bill mostly relieves the applicant from the erosion control requirements and said they will still be required to implement best practices but not go through all of the tier 3 regulations.

Mayor Wilson expressed concern about the recent drought and draining of creeks by cultivators.

Staff noted that the Water Quality Control Board and the Department of Fish & Game will be out inspecting sites on a regular basis to make sure cultivators are in compliance.

Mayor Pro Tem Johnson stated that with approval of AB 2516 pending, it potentially will be modified before its final approval.

Councilmember Thompson wanted assurance that the ordinance clearly states that there shall be no outdoor open field cultivation anywhere.

Staff explained that there were some residents in the UR and SR zones recommending outdoor cultivation be allowed but the Planning Commission recommended against it.

Mayor Wilson stated that obviously these particular residents are already growing and will continue to do so and asked where that puts the police department.

Chief Hill said they will be out of compliance with the ordinance and as such the police department will address those issues provided they have available staff. He stated that illegal cultivation will be abated under provisions of the Code Enforcement regulations.

Mayor Wilson questioned the scenario of a landlord who has a clause in the rental agreement that prohibits any form of cannabis activity.

Staff's response was that for any commercial cannabis operation, the owner of the property is required to sign a form consenting to the activity before a tenant can begin operating.



Chief Hill pointed out that if the cannabis operation is allowed within the ordinance but not allowed under the rental agreement, the landlord has ground for eviction.

Mayor Wilson commented that he wanted to make sure the police department is not going to turn a deaf ear on illegal operations.

Councilmember Thompson stated that when it comes to taxation, he would like to make sure a portion of the taxes go to the police department for enforcement.

Mayor Wilson noted that it is a valid point and the subject of taxes will be addressed at a later time.

Community Development Director Caldwell asked for a consensus of the Council regarding modifying the ordinance to allow cultivation in the Urban Residential (UR) and Suburban Residential (SR) designations.

He said if the City Council were to consider commercial grows in the Urban Residential (UR) and Suburban Residential (SR) designations, he would recommend they be allowed on a smaller scale than the Rural (R) or Natural Resources (NR) designations.

After brief discussion, the consensus was to not modify the provisions and uphold the Planning Commission's recommendation.

Next was discussion of Type 4, "Nursery" Licenses.

Community Development Director Caldwell explained that nurseries basically clone the plants and have a mother room, a cloning room and a separate area where clones (babies) are set under lights and grown up to a certain height and either sold or used for their own cultivation process.

He said that nurseries are recommended to be allowed in the Industrial Commercial (IC), Rural (R), and natural Resources (NR) designations. He said some members of the community have requested nurseries be allowed in the Town Center (TC) designation as well and noted that traditional nurseries are allowed in the City's commercial zones. Also, they are not limited at the State level other than the 43,560 sq. ft. (1 acre) nursery size.

He said obviously these plants have little or no psychoactive properties and are not considered cultivation. He said the only difference is that its medical cannabis as opposed to for example, tulips.

He stated that he talked to **Alonzo** today and told him that he would bring the request back to the Council for consideration.



He asked for a consensus of the Council whether they wanted to expand the allowable locations for nurseries.

Mayor Pro Tem Johnson asked what the required setbacks are for nurseries.

Community Development Director Caldwell explained that nurseries are not in the category of cultivation so the 600 foot setback from schools does not apply. He said he is not sure if the Planning Commission would want to impose a 50 foot setback as that setback was established to address potential odor. He reiterated that these plants don't generate the odor that flowering plants do.

Councilmember Thompson said from what he has read, other businesses don't care to be located next to cannabis related businesses.

Councilmember Garnes commented that she is okay with the Planning Commission's recommendation but she would like to hear reasons behind the Planning Commission's recommendations, not only on this issue but for everything that comes before the Council.

Community Development Director Caldwell said one of the reasons for limiting nurseries to the three zones is because of the limited supply of commercial property in the City and there is sufficient acreage where the use is allowed.

**Larry Arsenol** commented that it seems the City is focusing toward large businesses only and trying to cut out the little guy and asked if large parcels are needed for nurseries.

Staff said there is no minimum parcel size for nurseries and if someone has a parcel in one of the allowed zones, they can make application.

Mayor Wilson commented that he can see small scale businesses having the capability to operate a nursery but they would need to follow the rules so would limit business as usual.

**Jack Steeves** addressed the issue and said he thinks the Council is crazy to allow any growing in the City limits. He added that there is plenty of land out in the hills to grow. He said he realizes that everyone is greedy and wants to collect taxes off of it but he doesn't want to live in a city where "pot" is grown next to a school where kids can go pick their own. He questioned why anyone needs to grow in town and said you don't see Phillip Morris growing tobacco here.

Mayor Wilson clarified that absolutely no outdoor open field grows are allowed and that that what is under consideration is "medical" cannabis and the areas recommended for nurseries are in the Industrial Commercial, Rural and Natural Resources designations. He added that all applications are subject to approval by the Planning Commission and anyone who has property within a radius of 300 feet is notified and given the opportunity to

comment on the proposed use. He pointed out that medical marijuana operations will be regulated like everything else.

**Jack Steeves** commented that it's against the law to smoke cigarettes in most places and now the City Council wants to make it legal to smoke pot in town. He said it's a good argument that the Council doesn't have an answer for. He said his opinion is that it's all about the money. He added that he sees how the Council regulates everything else and this will be no different. He said he has lived here for a lot of years and things are never the way the City Council says they will be; everything goes downhill.

**David Bridge** stated that based on Federal guidelines for cannabis, anything less than 23% THC is considered industrial hemp and not medical cannabis so what we're really talking about is industrial hemp because most of these plants will be less than 23% THC and is legal across the country. He pointed out that there is no difference between growing industrial hemp than any other nursery plant.

The consensus of the Council was to uphold the Planning Commission's recommendation and not expand nurseries to the Town Center (TC) zone.

The next topic of discussion was Processing.

Community Development Director Caldwell explained that once mature plants are harvested they are dried or cured. Processing is basically considered accessory to cultivation activities so it is allowed anywhere cultivation is allowed.

He said staff has been approached by a number of people who would like to establish a regional processing facility and the Planning Commission said if they do come to town they should be located in the Industrial Commercial (IC) designation which is primarily the Eel River Industrial Park. He noted that any other agricultural processing would be principally permitted (without a Conditional Use permit (CUP)). He said that any new buildings however; because of the City's design review would trigger the CUP as far as design review.

He noted that the Planning Commission is recommending only stand-alone processing facilities be allowed with a CUP in the Industrial Commercial (IC) designation.

Mayor Pro Tem Johnson questioned size limitations on the buildings and setback requirements.

Staff stated there are no size restrictions and the setback requirements would be the same as the current setbacks for that zone.

Community Development Director Caldwell commented that based on his discussion with stakeholders, they hope to build a regional processing facility and hire trimmers' subject to

all labor laws for the State of California. He noted that the cultivators would bring their product to the processing center where it would be manicured, trimmed and packaged for sale then distributed, likely out of the County to southern California markets.

He said there is also a small area of Industrial Commercial (IC) zoning on Eeloa Ave., west of CC Market but there is limited room for additional development as every parcel is already developed. He noted there are a few parcels that are large enough to potentially subdivide.

Mayor Wilson said he would like to see processing facilities isolated to the Eel River Industrial Park because of the residential uses on Eeloa Ave.

Councilmember Thompson referred to (7) General Provisions (d) and (e) of the ordinance and said it seems like staff is not talking about the same thing because under subsection (d) it states that processing facilities are allowed in IC, as well as R, and NR designations.

Community Development Director Caldwell explained that if someone is allowed to cultivate under a Conditional Use Permit they can process along with that license in the IC, R, or NR designations however; if they don't have a cultivation license and only want to establish a stand-alone processing facility they can only do it in the IC designation. Also, a cultivator can only process their own cannabis at the cultivation site and cannot process anyone else's whereas a stand-alone processing facility can process anyone's cannabis.

Councilmember Thompson commented that the language in subsections (d) and (e) needed to be amended to make it clear.

Mayor Pro Tem Johnson stated that the language is very clear and represents exactly what staff said.

Discussion continued with review of (9) Application Requirements for all MMCLUO Conditional Use Permits.

Community Development Director Caldwell reviewed each of the requirements and acknowledged Councilmember Thompson's comment regarding cultivation areas needing to be being at least 1,000 feet from a school rather than 600 feet as recommended under subsection (c) Site Plan.

Councilmember Thompson said he understood that under Federal law, any drug activity had to have at least a 1,000 foot buffer from any school property.

Staff explained that law refers to illegal drugs; not medical cannabis which is not considered a drug.

Community Development Director Caldwell identified parcels within 1,000 feet of the school and noted that the State law is 600 feet and local jurisdictions can be more restrictive but not less restrictive.

Motion was made by Thompson/Wilson to amend the ordinance to reflect if the area for cultivation is within  $\frac{1}{4}$  mile of a school, the nearest point of the cultivation area must be at least 1,000 feet of a school.

Mayor Wilson called for public comment on the motion.

**Dean Smither** asked if this relates to all cannabis activities.

Staff explained it pertains to cultivation and a dispensary with cultivation would also have to maintain the 1,000 foot buffer.

Mayor Pro Tem asked if this ordinance amendment would need to go back to the Planning Commission for review.

Community Development Director Caldwell explained only significant changes would have to be referred back to the Planning Commission and this is not a significant change.

Motion then carried 5-0.

Motion was made by Thompson/Johnson to amend the ordinance under (f) Community Relations to say that each medical cannabis facility shall provide prescribed information to its business neighbors located within *300 feet* of the medical cannabis facility rather than 100 feet as recommended.

Mayor Wilson called for public comment on the motion.

**Leslie Yale**, Rio Dell School Superintendent asked if the 300 feet is from the perimeter of the property or the site where the facility is located.

Community Development Director Caldwell said it refers to the location of the facility.

**Leslie Yale** pointed out that if a facility is located in the center of a parcel creating a 300 foot buffer or more they wouldn't be required to notify adjacent property owners.

Community Development Director Caldwell noted that these are just minimum performance standards and the Planning Commission has the discretion to make them more restrictive.

Councilmember Thompson made a motion to amend the previous motion, seconded by Mayor Wilson to say *300 feet from the perimeter of the parcel* rather than from the facility.

Mayor Wilson called for public comment on the amended motion.

**Dean Smither** commented that people are notified and allowed to provide input on a proposed project but they must have a legitimate reason for opposing it other than just because they may personally dislike it.

Motion then carried 5-0.

Mayor Wilson called for a brief recess.

The Council reconvened and continued discussion of (10) Performance Standards for all MCLUO Cultivation Operations.

Community Development Director Caldwell stated the Planning Commission is recommending that no surface water withdrawals and no timberland conversions be executed for the purpose of cultivation activities.

Mayor Wilson asked how this affects water conservation measures.

Staff explained that cultivators would have to comply with the 25% reduction in usage like everyone else.

Community Development Director Caldwell continued by high-lighting the key points of the performance standards.

Councilmember Thompson commented on the requirement related to the storage of fertilizer and questioned the manufacturer's recommendation stating that fertilizers contain nitrogen. His concern had to do with fertilizers in connection with volatile fuels and whether there should be a required distance between fertilizers and volatile fuels.

Mayor Pro Tem Johnson noted that when he was working as a contractor and breaking up rock, they used ammonia nitrate and in order to get it to explode they had to use a stick of dynamite with an electric blasting cap to make it explode.

Councilmember Marks asked if cultivators will be allowed to store rain water.

Staff responded that they absolutely would be allowed and staff would actually encourage it.

**Jack Steeves** asked what sets the base for the 25% water reduction when they haven't used any water to establish an average. He complained that he can't grow a vegetable garden because of water restrictions and the cost of water yet cultivators of marijuana will be allowed.

Community Development Caldwell agreed that it would take one year to determine the base rate and the Planning Commission could require cultivators to have additional water storage as a condition of the application approval.

He pointed out that many cultivators today implement the perma culture technique with is a technique that uses very little water.

**Melissa Marks** noted that water rationing pertains to personal use; not commercial use.

**Steve Ambrosini** presented the option of restricting water the first year to so much per plant as a base line and said there is information available related to how much water plants need. He pointed out that most cultivators use drip systems that conserve water anyway.

**David Bridge** stated that he works with farmer's use Atmospheric Water Recapture Systems where no water is used other than what is taken out of the air. He said this is a technology that various companies provide and is being used across the country.

Mayor Wilson pointed out that water restrictions only apply to municipal water usage.

**Leslie Yale** encouraged the Council to keep in mind they should pay attention to water storage and collection and impacts to groundwater which affects the supply of municipal water.

Councilmember Thompson referred to subsection (i) related to the use of generators and commented that generators, fans and compressors are unique in that they all pulsate and unless they are isolated, are capable of shaking walls. He said he would like to see restrictions put on the decibels level for pulsating vibrations.

Community Development Director Caldwell pointed out that generators are only allowed as an emergency back-up power source when electricity is out.

Next was review of (11) Employee Performance Standards for Cultivation and Processing Activities.

Community Development Director Caldwell stated that the Employee Performance Standards and Safety Practices require that cultivators comply with all applicable federal, state and local laws and regulations governing California Agriculture Employers including

State and federal wage and hour laws and Cal/Osha requirements. He provided an overview of each performance standard.

**Dean Smither** asked what the Workers Compensation rate is for cannabis related activities.

Community Development Director Caldwell stated that he did not have that information but staff could do some research to find out.

Community Development Caldwell once again reviewed the Council hearing schedule and said at the next meeting on May 17, 2016 the discussion will be on concentrates and edible manufacturing recommendations, followed by a meeting on May 24, 2015 with discussion of the track and trace program and local tax options. Then on June 7, 2016 discussion on labs and dispensaries along with the second reading and possible adoption of the ordinance.

Mayor Wilson stated that he appreciates the community's support and attendance at the meetings and would encourage others that have concerns about the proposed ordinance to attend and provide input to the Council.

#### **ADJOURNMENT**

Motion was made by Johnson/Garnes to adjourn the meeting at 8:55 p.m. to the May 17, 2016 regular meeting. Motion carried 5-0.

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Frank Wilson, Mayor

Attest:

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Karen Dunham, City Clerk





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*Rio Dell City Hall  
675 Wildwood Avenue  
Rio Dell, CA 95562  
(707) 764-3532  
riodellcity.com*

May 17, 2016

TO: Rio Dell City Council

FROM: Kyle Knopp, City Manager 

SUBJECT: Approval of Resolution 1297-2016 Related to Signatory Authorizations for the Humboldt Waste Management Authority to Administer Compliance and Waste Reduction Services Provided to the City.

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Adopt Resolution 1297-2016

BACKGROUND AND DISCUSSION

On June 2, 2015 the City Council extended services provided by Humboldt Waste Management Authority to perform certain planning, event and reporting requirements for state mandated recycling programs. Administration of the compliance with CalRecycle mandates and payment programs can be improved by granting HWMA the Authority to apply for various grants and execute those grants on behalf of the City. CalRecycle requires the attached Resolution be passed by the City in order for HWMA to perform these functions. A similar arrangement is in place with the County of Humboldt and funds involved in this program must be spent on achieving the City's overall waste diversion requirements. No General Fund dollars are involved.

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**RESOLUTION NO. 1297-2016**

**RESOLUTION AUTHORIZING THE SUBMITTAL OF  
APPLICATION FOR PAYMENT PROGRAMS AND RELATED AUTHORIZATIONS  
WITH DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY  
(CALRECYCLE)**

**WHEREAS**, pursuant to Public Resources Code sections 48000 et seq., 14581, and 42023.1(g), the Department of Resources Recycling and Recovery (CalRecycle) has established various payment programs to make payments to qualifying jurisdictions; and

**WHEREAS**, in furtherance of this authority CalRecycle is required to establish procedures governing the administration of the payment programs; and

**WHEREAS**, CalRecycle's procedures for administering payment programs require, among other things, an applicant's governing body to declare by resolution certain authorizations related to the administration of the payment program.

**NOW, THEREFORE, BE IT RESOLVED** that Humboldt Waste Management Authority is authorized to submit an application to CalRecycle on behalf of the city of Rio Dell for any and all payment programs offered; and

**BE IT FURTHER RESOLVED** that the Executive Director of Humboldt Waste Management Authority, or his/her designee, is hereby authorized as Signature Authority to execute all documents necessary to implement and secure payment; and

**BE IT FURTHER RESOLVED** that this authorization is effective until rescinded by the Signature Authority or this governing body.

**PASSED AND ADOPTED** by the City Council of the City of Rio Dell on May 17, 2016 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Frank Wilson, Mayor

ATTEST:

I, Karen Dunham, City Clerk for the City of Rio Dell, State of California, hereby certify the above to be a full, true and correct copy of Resolution No. 1297-2016 adopted by the City Council of the City of Rio Dell on May 17, 2016.

\_\_\_\_\_  
Karen Dunham, City Clerk

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675 Wildwood Avenue  
Rio Dell, CA 95562  
(707) 764-3532  
(707) 764-5480 (fax)  
E-mail: [cm@riodellcity.com](mailto:cm@riodellcity.com)



CITY OF RIO DELL  
STAFF REPORT  
CITY COUNCIL AGENDA  
May 17, 2016

TO: Mayor and Members of the City Council  
THROUGH: Kyle Knopp, City Manager *JK*  
FROM: Brooke Woodcox, Finance Director *BW*  
DATE: May 17, 2016  
SUBJECT: **Gann Appropriations Limit for the 2016-2017 Fiscal Year**

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**Recommendation**

Adopt Resolution 1295-2016 adopting the Gann Appropriation Limit for FY 2016/17

**Background and Discussion**

The Gann Appropriations Limit (Gann Limit) constrains spending of state and local tax resources. For fiscal year 2016/17 the City's Gann Limit is \$1,170,066. Budgeted amounts for tax revenues are \$412,410, which puts the City well under the allowable appropriated amount.

The Gann Appropriations Limit (Gann Limit) was adopted by California voters in 1979 and is designed to limit growth in government spending. By nature of the calculation the Gann Limit controls appropriations to ensure that government spending is not faster than the growth in population and inflation.

The Gann Limit is different for all agencies and is adjusted every year based on the Consumer Price Index (CPI) and the percentage change in population. The

prior year's Gann Limit is multiplied by the product of the CPI and percentage change to determine the City's new limit (shown below).

$$\text{Gann Limit} = \text{Prior year's Gann Limit} \times (\text{CPI} \times \text{percentage change in population})$$

**GANN Appropriations Limit Calculation  
FY 2016-2017**

<b>Prior Years Appropriations Limit</b>	<b><u>\$ 1,109,769</u></b>
 <b>Adjustment Factors for the current year</b>	
2016/17 Inflation *	1.0537
2015/16 Population Change*	<u>100.06%</u>
<b>Total Adjustment</b>	<b>1.0543</b>
 <b>2016/17 Appropriations Limit</b>	 <b><u>\$ 1,170,066</u></b>

\* Provided by Demographic Research Unit, Department of Finance, State of California

**GENERAL FUND TAX PROCEEDS**

GF	Tax - Documentary Real Property	2,800
GF	Tax - Home Owner's Property	1,400
GF	Tax - In Lieu Retail Sales - County	16,000
GF	Tax - Measure U Sales Tax	170,000
GF	Tax - Prior Years - Supplemental	-
GF	Tax - Property Current Secured	102,000
GF	Tax - Property Current Unsecur	3,600
GF	Tax - Property Prior Secured	-
GF	Tax - Property Prior Unsecured	100
GF	Tax - Public Safety .5% sales	3,300
GF	Tax - Retail Sales	100,500
GF	Tax - Supplemental Roll	2,200
GF	Tax - Timber Yield	10
GF	Tax - Transient Occupancy Tax	<u>10,500</u>
	<b>TOTAL GENERAL FUND TAX PROCEEDS</b>	<b>412,410</b>

*Tax revenues received from the state that are restricted for use (such as the gas tax) are counted in the State's Gann Appropriations Limit calculation, and therefore not included in the calculation at the local level.*

*If a government agency is expected to exceed their Gann Limit the State must be notified and the overage is added into the State's tax resource spending in order that the Gann Limit is not exceeded on a state-wide level.*



**RESOLUTION NO. 1295-2016  
A RESOLUTION OF THE CITY COUNCIL OF  
THE CITY OF RIO DELL  
ADOPTING GANN APPROPRIATIONS LIMIT  
FOR THE YEAR 2016-2017**

**WHEREAS**, the voters of the State of California in November 1979 approved Proposition 4, commonly known as the Gann Initiative; and

**WHEREAS**, the Proposition created Article XIII B of the California State Constitution placing limits on the amount of revenue which can be spent by all entities of the government within the State; and

**WHEREAS**, these limits require a municipality to determine an appropriations limit each year in accordance with a formula set forth by state law; and

**NOW, THEREFORE BE IT RESOLVED**, the City Council of the City of Rio Dell hereby adopts the Gann Appropriations limit of \$1,170,066 for year 2016-2017.

**I HEREBY CERTIFY** that the foregoing Resolution was duly introduced, passed and adopted at a regular meeting of the City Council of the City of Rio Dell, held on the 17th day of May, 2016 by the following vote:

Ayes:  
Noes:  
Abstain:  
Absent:

\_\_\_\_\_  
Frank Wilson, Mayor

ATTEST:

\_\_\_\_\_  
Karen Dunham, City Clerk



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Rio Dell, CA 95562  
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**CITY OF RIO DELL  
STAFF REPORT  
CITY COUNCIL AGENDA  
May 17, 2016**

TO: Mayor and Members of the City Council

THROUGH: Kyle Knopp, City Manager *3*

FROM: Brooke Woodcox, Finance Director *BW*

DATE: May 17, 2016

SUBJECT: Approve Resolution 1296-2016 Approving Billable Rates for Staff Time for Fiscal Year 2016-2017 and Rescind Resolution 1286-2016

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**RECOMMENDATION**

Approve Resolution 1296-2016 Approving the Billable Rate for staff time for the fiscal year 2016-2017 and Rescind Resolution 1286-2016.

**BACKGROUND AND DISCUSSION**

From time to time the City is involved in various activities and projects that require cost recovery for staff time spent on behalf of a customer. In these circumstances the City prepares an invoice detailing all direct and indirect costs incurred by the City. Often times the primary charge is for staff time, which requires the City to develop a rate that includes the cost of the employee's salary, benefits, and overhead. This is the billable rate.

A **billable rate** for each employee for the fiscal year of 2016-2017 has been developed and utilizes the following formula:

Billable Rate = Hourly Rate + (Hourly Rate x City's Average Benefit Cost %) + Overhead

The result of the formula is a billable rate that allows the City to recover all costs associated with staff time.

Hourly Rate = Depending on employee classification the **hourly rate** is set by various employee contract agreements and is based on classification and step.

Benefit Cost % =  $\text{Total Benefits} \div (\text{Total Salary} + \text{Total Benefits})$

Overhead =  $\text{Indirect Expenditures} \div \text{Total Department Labor hours}$

**ATTACHMENT**

Billable Rates Sheet

Resolution 1296-2016 approving the billable rate for staff time for the fiscal year 2016-2017 and Rescind Resolution 1286-2016





2016-2017  
 Billable Burdened Rates  
 Resolution No.  
 Adopted June 7, 2016

TITLE	HOURLY RATE	AVERAGE BENEFIT COST %	INDIRECT COST PER LABOR HOUR	HOURLY RATE CHARGE
City Clerk	28.18	27%	27.12	62.91
City Manager	54.51	27%	27.12	96.35
Accountant I	22.42	27%	10.87	39.35
Finance Director	34.41	27%	10.87	54.58
Fiscal Assistant II	19.33	27%	10.87	35.41
Senior Fiscal Assistant	16.86	27%	10.87	32.28
Chief of Police	40.57	27%	12.78	64.30
Police Sergeant	25.81	27%	12.78	45.56
Police Officer	20.11	27%	12.78	38.31
Police Officer	22.63	27%	12.78	41.52
Police Officer	21.97	27%	12.78	40.68
Utility Worker I	14.18	27%	48.52	66.54
Utility Worker I	14.18	27%	48.52	66.54
Wastewater Treatment Operator I	16.85	27%	48.52	69.92
Wastewater Superintendent	26.92	27%	48.52	82.71
Water Superintendent	30.28	27%	48.52	86.98
Community Development Director	39.31	27%	11.74	61.66



**RESOLUTION NO. 1296-2016 CITY OF RIO DELL  
 APPROVING THE BILLABLE RATES FOR STAFF TIME  
 FOR FISCAL YEAR 2016-2017  
 AND RESCINDING RESOLUTION 1286-2016**

**WHEREAS**, the California Constitution Article XI, 7 grants Cities the authority to enforce all local ordinances and regulations not in conflict with general laws; and

**WHEREAS**, the City has further authority to charge regulatory fees to cover the cost of regulatory programs, and user fees to limited to the cost of providing service, and

**WHEREAS**, the City from time to time must recover the cost of labor and operating expenses; and

**NOW THEREFORE BE IT RESOLVED**, that the City of Rio Dell City Council does hereby adopt the following billable rates for staff time to ensure cost recovery on various projects as follows:

2016-2017  
 Billable Burdened Rates  
 Resolution No. 1296-2016  
 Adopted May 17, 2016

TITLE	HOURLY RATE	AVERAGE BENEFIT COST %	INDIRECT COST PER LABOR HOUR	HOURLY RATE CHARGE
City Clerk	28.18	38%	19.20	58.09
City Manager	54.51	38%	19.20	94.43
Community Development Director	39.31	38%	10.95	65.20
Finance Director	34.41	38%	10.95	58.43
Accountant I	22.42	38%	10.95	41.89
Senior Fiscal Assistant	16.86	38%	10.95	34.21
Fiscal Assistant II	19.33	38%	10.95	37.62
Chief of Police	40.57	38%	16.06	72.05
Police Sergeant	25.81	38%	16.06	51.68
Police Officer	20.11	38%	16.06	43.81
Police Officer	22.63	38%	16.06	47.29
Police Officer	21.97	38%	16.06	46.38
Wastewater Superintendent	26.92	38%	38.57	75.72
Water/Roads Superintendent	30.28	38%	38.57	80.36
Wastewater Treatment Operator I	16.85	38%	38.57	61.82
Utility Worker I	14.18	38%	38.57	58.14
Utility worker I	14.18	38%	38.57	58.14

**PASSED AND ADOPTED** by the City of Rio Dell on this 17<sup>th</sup> day of May, 2016.

Ayes:  
Noes:  
Abstain:  
Absent:

\_\_\_\_\_  
Frank Wilson, Mayor

ATTEST:

\_\_\_\_\_  
Karen Dunham, City Clerk



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*Rio Dell City Hall  
675 Wildwood Avenue  
Rio Dell, CA 95562  
(707) 764-3532  
riodellcity.com*

May 17, 2016

TO: Rio Dell City Council

FROM: Kyle Knopp, City Manager 

SUBJECT: Discussion and Possible Action for Review and Approval of Chamber of Commerce Signage on City Property.

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Review and provide direction.

BACKGROUND AND DISCUSSION

The Chamber of Commerce has been pursuing the construction and placement of signs within Rio Dell as part of larger initiative to add signage to the freeway and encourage motorists to come to Rio Dell and stop at the visitor center and chamber. On April 7, 2015 the Council gave conceptual approval for the design of the Visitor Center signs. The signs are now complete and are being returned to the Council for final approval. Staff will provide an update on potential placement of the signs.

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THANK  
YOU FOR  
VISITING

VISITORS  
CENTER  
1 MILE AHEAD



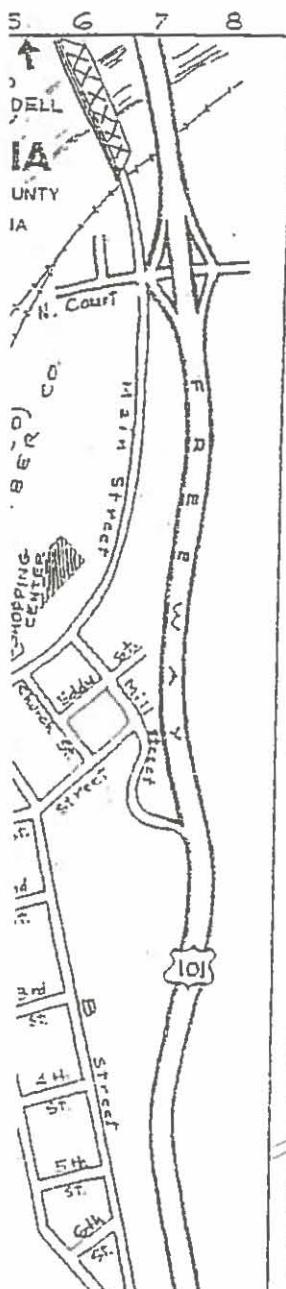
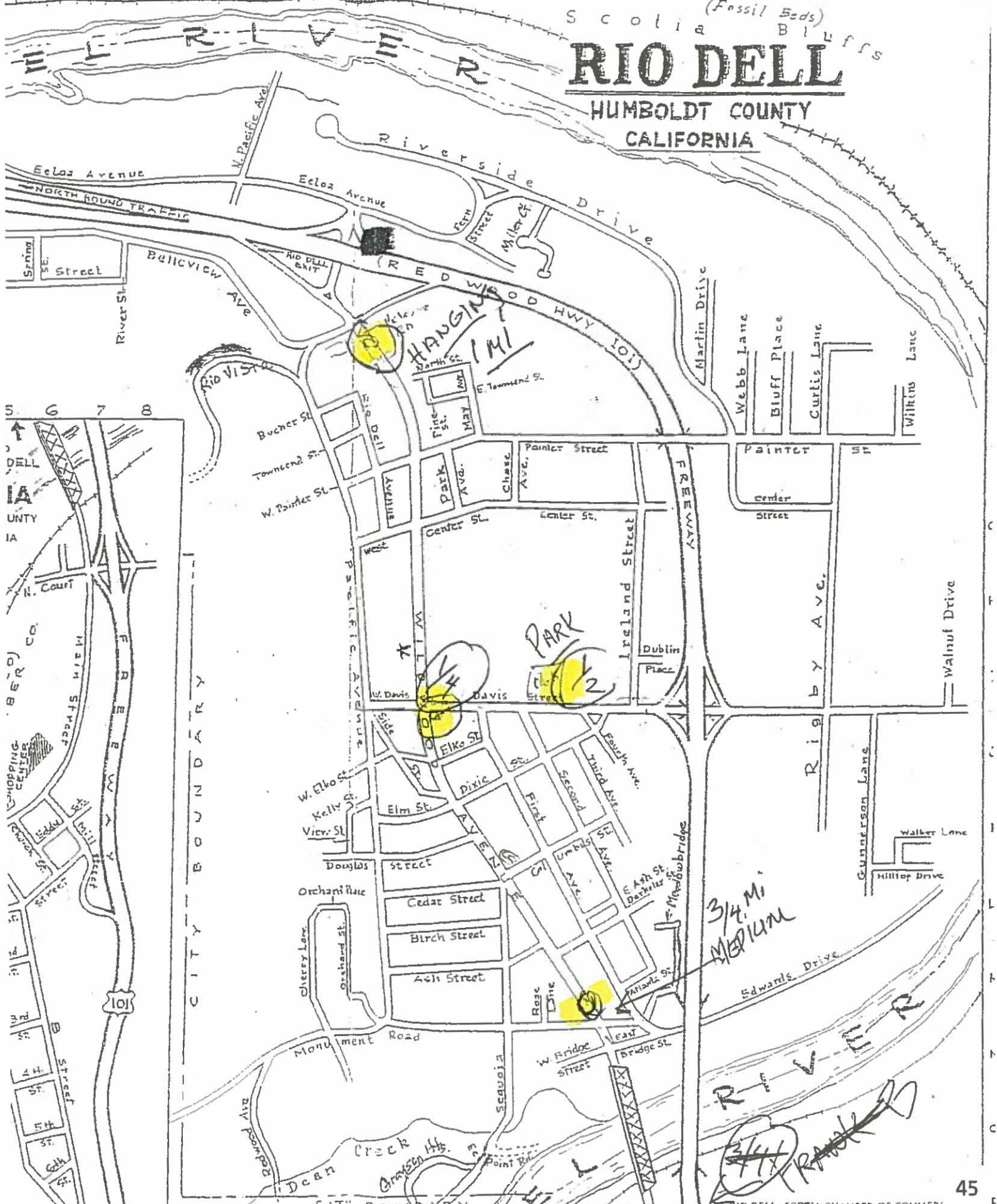
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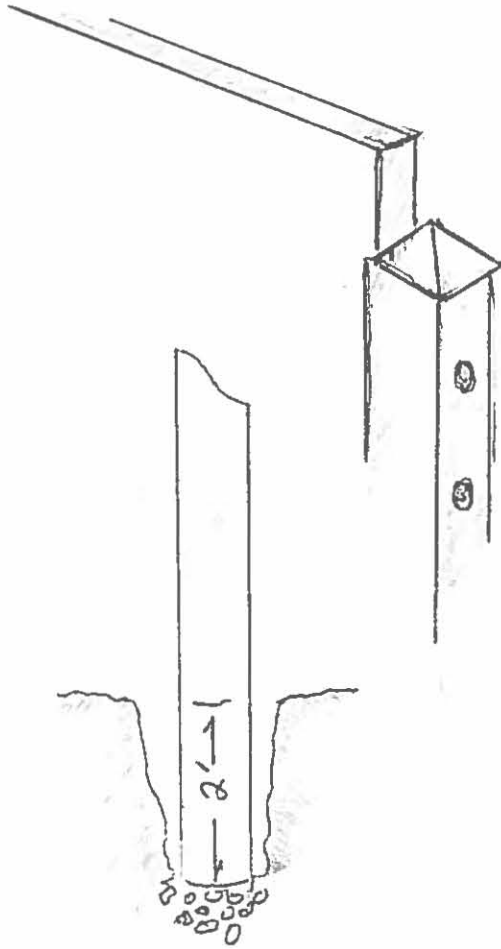
# RIO DELL

HUMBOLDT COUNTY  
CALIFORNIA





# Materials:



- (4) 4x4x8' PT POSTS  
(\$10. ea)
- (8) SACKS - FAST-SET CONCRETE  
(\$3.50 ea -)

## HARDWARE -

- (16) LAG BOLTS -  $\frac{1}{2}$ " x 6"  
(\$3.10 ea)
- (16) FLAT WASHERS  
(\$7.31 per Bag - 25 per Bag)

POSTS - \$40.-

CEMENT - 30.-


HARDWARE - 40.-


Total: \$110. ESTIMATE



For Meeting of: May 17, 2016

To: City Council

From: Kevin Caldwell, Community Development Director 

Through: Kyle Knopp, City Manager 

Date: May 11, 2016

Subject: Manufacturing Recommendations - Medical Marijuana Commercial Land Use Regulations, Section 17.30.195 of the Rio Dell Municipal Code (RDMC)

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**Recommendation:**

That the City Council:

1. Reopen the public hearing, receive staff's report regarding Manufacturing Regulations associated with Medical Cannabis Commercial Land Use Regulations, Section 17.30.195 of the Rio Dell Municipal Code; and
2. Receive public input and deliberate; and
3. Continue consideration of the Medical Cannabis Commercial Land Use Regulations to a Special Meeting scheduled for May 24, 2016.

**Background**

This meeting is the third in a series of meetings regarding the discussion of the Medical Marijuana Regulation and Safety Act (MMRSA) and the proposed Medical Cannabis Land Use Ordinance (MCLUO).

At this meeting your Council is scheduled to discuss Manufacturing provisions, including:

- “Manufacturing Level 1”, for manufacturing sites that produce medical cannabis products using nonvolatile solvents;
- “Manufacturing Level 2”, for manufacturing sites that produce medical cannabis products using volatile (i.e. butane, hexane, ethanol, etc.) solvents. This process will be regulated at a higher level. *The State Department of Public Health will limit the number of licenses of this type;* and
- Cannabis Commercial Kitchens that produce edibles.

Again, at the Special Meeting scheduled for May 24, 2016 the Council is scheduled to discuss a Track and Trace Program and Local Taxing Options.

#### Discussion - Manufacturing

Below are the State definitions and proposed definitions in the City’s draft Ordinance of “Manufactured Cannabis” and “Manufacturing Facility”

*“Manufactured Cannabis” means raw cannabis that has undergone a process whereby the raw agricultural product has been transformed into a concentrate, an edible product or topical product.*

*“Manufacturing Facility” means a process whereby the raw agricultural product is transformed into a concentrate, an edible product, or a topical product, and the production, preparation, propagation, or compounding of medical cannabis or medical cannabis products, directly or indirectly, by extraction methods, independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis.*

The State has designated “Manufacturing” as Type 6 and 7 license types. As indicated above “Manufacturing Level 1” requires a Type 6 License. Type 6 manufacturing utilizes non-volatile solvents (i.e. dry sieve, water, CO<sub>2</sub>, isopropyl alcohol). The Type 7 manufacturing utilizes volatile solvents (i.e. butane, hexane, ethanol, etc.). Again, the State will be limiting the number of Type 7 licenses. Attachment 1 includes information from CannLabs regarding the various manufacturing techniques. Staff understands that the manufacturing of concentrates occurs in a laboratory environment. Staff anticipates that experts in the field of manufacturing will be attending the meeting and will be able to provide detailed information regarding the concentrate manufacturing process.



The State Department of Public Health is responsible for developing regulations governing the licensing of cannabis manufacturers. Of course manufacturers will be subject State and Federal labor laws, Cal/OSHA regulations, California Department of Public Health regulations.

A manufacturing licensee may not send product directly to a dispensary, but instead will have to send all cannabis through a distributor and testing licensee, who will test for concentration, purity of product, and contaminants.

Staff recommended to the Planning Commission that manufacturing of commercial cannabis for medical use be a conditionally permitted use in the **Industrial Commercial (IC)** designation, subject to a Conditional Use Permit and the conditions and limitations set forth in the proposed ordinance and as deemed appropriate by Planning Commission and/or the City Council.

It should be noted that the County allows manufacturing of commercial cannabis with a Special Permit in the Community Commercial (C-2), Industrial Commercial (C-3), Business Park (MB) and Heavy (MH) and Limited Industrial (ML) zones.

Based on the County's allowable locations for concentrate manufacturing, to be competitive with the County, staff recommended that the Planning Commission consider expanding the areas where manufacturing could be allowed. After some discussion the Commission believed that based on the process, that the Industrial Commercial (IC) zone is the appropriate location for concentrate manufacturing.

There has been significant interest in developing concentrate manufacturing facilities in the City. As the Council is aware the Eel River Sawmill site has a number of development constraints, including the flood zone, lack of wastewater services, the 10,000 square foot cap of new development until a traffic study and possible improvements to Highway 101 and brownfield contamination. In addition, due to the lack of vacant or underdeveloped parcels in the Industrial Commercial area of Eeloa Avenue, staff is recommending that your Council consider expanding the allowable locations, with a Conditional Use Permit, for concentrate Level 1, Non-Volatile manufacturing to the Community Commercial (CC) zone, provided that the facility is:

- Located in the rear of a commercial building; and
- Does not occupy more than 20% of the building.

Again, the extraction process occurs in a laboratory setting which must built in compliance with appropriate occupancy and types of construction required by the California Building Code (CBC) and the California Fire Code (CFC).

In regards to commercial kitchens the Planning Commission is recommending that Commercial Kitchens producing medicinal edibles be conditionally permitted in the Industrial Commercial (IC), Town Center (TC), Neighborhood Center (NC) and Community Commercial (CC) designation subject to a

Conditional Use Permit and the conditions and limitations set forth in this Section and as deemed appropriate by Planning Commission and/or the City Council.

Commercial kitchens would also be subject to the California Building Code (CBC) and the California Fire Code (CFC) and regulations administered by the Department of Public Health and the County Department of Environmental Health.

### **State Labeling Requirements**

The Medical Marijuana Regulations and Safety Act (MMRSA), Section 19347 of the Health and Safety Code, requires that prior to delivery or sale at a dispensary, medical cannabis products be labeled in a tamper-evident package. Labels and packages of medical cannabis products shall meet the following requirements:

- (1) Medical cannabis packages and labels shall not be made attractive to children.
- (2) All medical cannabis product labels shall include the following information, prominently displayed and in a clear and legible font:
  - (A) Manufacture date and source.
  - (B) The statement "SCHEDULE I CONTROLLED SUBSTANCE".
  - (C) The statement "KEEP OUT OF REACH OF CHILDREN AND ANIMALS" in bold print.
  - (D) The statement "FOR MEDICAL USE ONLY".
  - (E) The statement "THE INTOXICATING EFFECTS OF THIS PRODUCT MAY BE DELAYED BY UP TO TWO HOURS".
  - (F) The statement "THIS PRODUCT MAY IMPAIR THE ABILITY TO DRIVE OR OPERATE MACHINERY. PLEASE USE EXTREME CAUTION".
  - (G) For packages containing only dried flower, the net weight of the medical cannabis in the package.
  - (H) A warning if nuts or other allergens are used.
  - (I) List of pharmacology active ingredients, including, but not limited to, tetrahydrocannabinol (THC), cannabidiol (CBD), and other cannabinoid content, the THC and other cannabinoid amount in milligrams per serving, servings per package, and the THC and other cannabinoid amount in milligrams for the package total.
  - (J) Clear indication, in bold type, that the product contains medical cannabis.



(K) Identification of the source and date of cultivation and manufacture.

(L) Any other requirement set by the bureau (Bureau of Medical Marijuana Regulation).

(M) Information associated with the unique identifier issued by the Department of Food and Agriculture pursuant to Section 11362.777 of the Health and Safety Code.

### **Manufacturing Performance Standards**

The Planning Commission is recommending the following Performance Standards, Section 17.30.195(12) of the draft Ordinance, for cannabis manufacturing:

- Compliance with CAL/OSHA, OSHA regulations.
- Compliance with State and local building regulations, including the California Building Code (CBC) and the California Fire Code (CFC).
- A Security Plan that addresses how the following measures shall be implemented or complied with:
  - Security cameras shall be installed and maintained in good condition, and used in an on-going manner with at least 240 concurrent hours of digitally recorded documentation in a format approved by the Planning Commission. The cameras shall be in use 24 hours per day, 7 days per week. The areas to be covered by the security cameras shall include, but are not limited to, the public areas, processing areas, storage areas, employee areas, all doors and windows, and any other areas as determined to be necessary by the Planning Commission.
  - The facility shall be alarmed with an audible interior and exterior alarm system, unless waived for extenuating circumstances by the Planning Commission that is operated and monitored by a recognized security company, deemed acceptable by the Planning Commission. Any change in the security company shall be subject to the approval of the City Manager or his designee. All current contact information regarding the medical cannabis facility's security company shall be provided to the City Manager or designee.
  - Entrance to the extraction areas and any cannabis storage areas shall be locked at all times, and under the control of facility staff.
  - Medical cannabis shall be stored in buildings that are completely enclosed, and in a locked vault or safe, or other secured storage structure which is bolted to the floor or structure of the premises.
  - Windows and roof hatches of the premises shall be secured from the inside with effective means so as to prevent unauthorized entry, and shall be equipped with latches



or a similar mechanism that may be released quickly from the inside to allow exit in the event of emergency in compliance with all applicable building provisions in the Code.

- If using CO<sub>2</sub> in processing, a professional grade closed-loop CO<sub>2</sub> gas extraction system rated to a minimum of fifteen thousand (15,000) pounds per square (PSI) is required for every vessel in the system.
- Extraction processes shall use a commercially manufactured professional grade closed-loop extraction system designed to recover the solvents and built to codes of recognized and generally accepted sound engineering practices, such as (i) The American Society of Mechanical Engineers (ASME); (ii) American National Standards Institute (ANSI); (iii) Underwriters Laboratories (UL); or (iv) The American Society for Testing and Materials (ASTM).
- Volatile extraction operations shall occur in a spark-proof, explosion-proof room equipped with evacuation fans and lower explosive limit (LEL) detectors.
- Carbon filter fans or equivalent superior filters/scrubbers shall be required to minimize or eliminate odor discharges to neighboring properties.
- A Waste Management/Disposal Plan shall be submitted describing any produced wastes, including by-products, recycling, reusing, recovery, storage, diversion and handling and disposal.
- Manufacturers of edibles shall comply with the regulations in the California Health and Safety Code, which includes the California Retail Food Code administered by the California Department of Health Services - Food and Drug Branch, California Department of Food and Agriculture and the County Department of Environmental Health.
- Comply with any special conditions applicable to that permit or parcel which may be imposed as a condition of the required Conditional Use Permit.

**Employee Performance Standards for Manufacturing Activities:**

- All persons hiring employees to engage in commercial cannabis manufacturing shall comply with the following Employee Safety Practices:
- Manufacturing operations must implement safety protocols and provide all employees with adequate safety training relevant to their specific job functions, which may include:
  - Emergency action response planning as necessary; and
  - Employee accident reporting and investigation policies; and

- Fire prevention;
  - Hazard communication policies, including maintenance of material safety data sheets (MSDS); and
  - Materials handling policies; and
  - Job hazard analyses;
  - Personal protective equipment policies, including respiratory protection; and
  - Emergency eye-wash station in any room where cannabis extraction is being processed.
- Manufacturing operations must visibly post and maintain an emergency contact list which includes at a minimum:
    - Operation manager contacts; and
    - Emergency responder contacts; and
    - Poison control contacts.
- At all times, employees shall have access to safe drinking water and toilets and handwashing facilities that comply with applicable federal, state, and local laws and regulations. Plumbing facilities and water source must be capable of handling increased usage without adverse consequences to neighboring properties or the environment.
- All manufacturers shall, at the time of the application for a permit, include a Processing Plan/Plan of Operation with all of the following:
    - Summary of Processing Practices.
    - Description of location where processing will occur.
    - Estimated number of employees, if any.
    - Summary of Employee Safety Practices.

- Description of toilet and handwashing facilities.
- Description of plumbing and/or septic system and whether or not the system is capable of handling increased usage.
- Description of source of drinking water for employees.
- Description of waste management plan.
- Security Plan

### **Attachments**

Attachment 1: CannLabs information regarding the various manufacturing techniques.

Attachment 2: Draft Ordinance No. 342-2016 amended to reflect changes made at the meeting of May 10, 2016.

## **CannLab Information Regarding Cannabis Extraction**

*A complex and potentially dangerous art – best left to the experts.*

### **What are cannabis concentrates?**

Cannabis concentrates (cannabis oil, budder, wax or shatter) are the cannabinoids of the cannabis plant that have been extracted using one of the many known extraction methods described below. They are significantly more potent than regular hashish or cannabis flowers and their applications as medicine have proven to be diverse and effective; however, the extraction of cannabis concentrates is a complex and potentially dangerous process – the methodology required for proper extraction is so precise that individuals who produce cannabis extracts of especially high quality are considered “extract artists.”

### **How are cannabis concentrates extracted?**

The science of cannabis concentrate extraction functions on the solubility of the cannabinoids and other active ingredients of the cannabis plant. Cannabinoids are not water soluble, so to extract them properly the cannabinoids must be dissolved in a solvent.

### **What are solvents?**

Solvents are the chemicals used to remove the cannabinoids from the cannabis plant. Butane, hexane, isopropyl alcohol and ethanol are all solvents that are commonly used in cannabis concentrate extraction. When cannabis flowers are submerged in these solvents, the cannabinoids, terpenes and other active ingredients are dissolved into the liquid or gas solvent. The remaining solid plant matter is filtered out and the liquid solvent and cannabinoid mixture is purged to remove all solvents, leaving only cannabinoids and other active compounds of the cannabis plant.

### **Why is removal of solvents important?**

Incredible scientific precision is required to properly remove all trace solvents from a cannabis concentrate. Any residual solvents can be harmful to patients, which is why CannLabs offers residual solvent testing to dispensaries and manufacturers who are concerned with compliance and the safety of their cannabis concentrates. Different extraction methods are used to create cannabis concentrates, all with varying degrees of effectiveness. The yield of a preparation of cannabis concentrates, the potency of the concentrates, and their overall safety are all determined by the quality of an extract artist’s method.

### ***Non-Volatile Processes***

#### **Dry Sieve**

The most naturally and unobtrusive form of cannabis extraction, often considered the holy grail of concentrates by true connoisseur, due to its low yield and the meticulous process involved in removing the cannabinoid containing trichomes from the plant matter.

- There are many grades of dry sieve from “farmer sieve” containing plant contaminant, to what is often times referred to as “kief”, a mixture of glandular trichrome heads, stalks and plant material, up to “Fullmelt Dry Sieve” which generally contains just the trichome heads themselves.
- There are multiple ways to achieve dry sieved products, but more often than not a single silk screen or series of silk screens can be utilized in conjunction with agitation to separate trichomes from the plant material creating a smokeable, edible, or vaporizable cannabis concentrate.

## Water

Very much like the dry sieve process, water can be used in conjunction with screens as a vessel to carry mechanically separated trichomes through multiple micron level screens. A micron is a microscopic unit of measurement used to calculate the size of the trichome and thus the holes in the screens themselves.

- Water hash, also termed “Iceolater”, “Bubblehash”, “Solvent-less”, “Ice Wax” and other names is made using agitation, generally from ice and motion, either done by hand or utilizing a washing machine to gently break off the trichome heads from the plant material.
- Water extracted products must be broken down and dried thoroughly before being consumed or there is the possibility of mold and health risks due to improper storage.

## CO<sub>2</sub>

Arguably the least-toxic form of cannabis concentrate extraction, CO<sub>2</sub> (carbon dioxide) has become more popular as an extraction method because of its low environmental impact and nonexistent toxicity; however, CO<sub>2</sub> extraction systems are considerably more expensive than butane or hexane systems.

- CO<sub>2</sub> functions as a solvent when it is heated or cooled and pushed through the flower at high (supercritical) or low (subcritical) pressures. In fact, 95% of the cannabis extractions right now are done in the subcritical phase.
- Most people tend to prefer subcritical CO<sub>2</sub> extraction because it gives a lighter colored extract, fewer waxes and resins, and retains significantly more volatile oils compared to supercritical CO<sub>2</sub> extraction; however, without the proper equipment rated for the proper pressures, creating quality CO<sub>2</sub> extracted concentrates is incredibly difficult.

CannLabs has performed all types of testing for potency and residual solvents on CO<sub>2</sub> extracted cannabis concentrates with amazing results.



## Isopropyl Alcohol

Isopropyl alcohol is a commonly used solvent for creating cannabis concentrates using a 'quick wash' method. Where hexane is not water soluble, isopropyl alcohol is highly water soluble and will dissolve undesired plant materials (chlorophylls and waxes) along with the sought after cannabinoids.

- In order to eliminate plant waxes from the isopropyl concentrate solution, a quick wash method is used as opposed to soaking (which is with non-water soluble solvents like hexane).
- Although the isopropyl method receives great reviews from patients and tasters, it takes significantly longer to properly purge isopropyl alcohol extracted concentrates due to the solubility in water.

## *Volatile Processes*

### **Butane & Propane**

The most commonly used solvent in cannabis extraction is butane; however, a mixture of butane and propane has recently become very common as well. These solvents are nontoxic, non-polar and they dissolve oils very efficiently without creating other unwanted byproducts. Butane and propane dissolve all cannabinoids and terpenes (aromatics) with great effectiveness while preserving the integrity of the delicate cannabinoids.

- These solvents are cost effective, meaning large amounts of money are not spent on supplies for extraction, but instead on growing quality cannabis to be extracted.
- Thanks to their lower than room temperature boiling points, butane and propane are able to be 'purged' from a concentrate extraction. Note, hydrocarbon extraction is dangerous and should only be done in a proper lab setting.

Residual solvent testing with CannLabs can show you clearly if a particular sample of butane/propane-extracted cannabis concentrate was produced properly.

### **Hexane**

Like butane, hexane is a solvent that can be used for cannabis concentrate extraction. Some interesting information: hexane is completely insoluble in water, it boils at a higher temperature than butane, and is extremely flammable and potentially explosive. Although the general process for hexane extraction is similar to that of butane extraction, it requires significantly more care due to the fact that hexane is considerably more toxic. Residual solvent testing with CannLabs is the safest way to ensure hexane-extracted cannabis concentrates are safe for patient consumption.



**ORDINANCE NO. 342-2016**



**An ordinance establishing Section 17.30.195 of Title 17 of the Rio Dell Municipal Code relating to the Commercial Cultivation, Processing, Manufacturing and Distribution of Cannabis for Medical Use.**

**The City Council of the City of Rio Dell ordains as follows:**

**WHEREAS**, California Government Code Section 65850, et seq. authorizes counties and cities to regulate land use, including agriculture, and to adopt and amend zoning ordinances for such purposes, and sets forth procedures governing the adoption and amendment of such ordinances; and

**WHEREAS**, on October 9, 2015 Governor Brown approved a package of three bills enacted by the legislature on September 11, 2015, SB 643, AB 243, and AB 266, providing for comprehensive, concurrent regulation and licensing by state and local governments of medical cannabis as an agricultural product, including its cultivation, processing, testing, manufacture, distribution, transportation, dispensing, and delivery; and

**WHEREAS**, pursuant to Section 11362.777, subsection (c)(3), "A city, county, or city and county's locally issued conditional permit requirements must be at least as stringent as the Department of Food and Agriculture's state licensing requirements"; and

**WHEREAS**, the state statutes establishing a regulated, legitimate basis for commercial medical cannabis economic activities under the authorization of state law provide an opportunity to bring unregulated activities into compliance with existing law and ameliorate adverse environmental impacts, while bringing it out of the shadows of an underground, black-market economy into a legitimate agricultural and commercial contributor to the local and state economy; and

**WHEREAS**, the City of Rio Dell has previously adopted a land use ordinance governing indoor and outdoor cultivation of medical cannabis for personal use; and

**WHEREAS**, the Planning Commission held five public hearings on the proposed Ordinance governing the Commercial Cultivation, Processing, Testing, Manufacturing and Distribution of Cannabis for Medical Use to receive a reports on the draft ordinance, as well as evidence and public testimony; and

**WHEREAS**, the Planning Commission reviewed and considered the report, evidence, and other testimony presented to the Commission, and recommended revisions to the draft land use Ordinance Governing the Commercial Cultivation of Commercial Cultivation, Processing, Manufacturing and Distribution for Medical Use; and

**WHEREAS** the City has reviewed and processed the proposed amendment in conformance with Sections 65350 – 65362 of the California Government Code; and

**WHEREAS** the City has reviewed and processed the proposed amendment in conformance with Section 17.35.010 of the City of Rio Dell Municipal Code; and

**WHEREAS** the City finds that based on evidence on file and presented in the staff report that the proposed amendment is consistent and compatible with the General Plan and any implementation programs that may be affected; and

**WHEREAS** the proposed amendment has been processed in accordance with the applicable provisions of the California Government Code and the California Environmental Quality Act (CEQA); and

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Rio Dell does hereby ordain as follows:

**SECTION 1. Section 17.30.195 of Title 17 of the Rio Dell Municipal Code is hereby added as follows:**

**(1) Authority and Title**

This Section shall be known as the Medical Cannabis Commercial Land Use Ordinance (“MMCLUO”), which provides for the regulation of Commercial Cultivation, Processing, Manufacturing and Distribution of cannabis for medical use, as defined in this Code, located within the City of Rio Dell

**(2) Purpose and Intent**

The purpose of this Section is to establish land use regulations concerning the commercial cultivation, processing, manufacturing and distribution of cannabis for medical use within the City of Rio Dell in order to limit and control such cultivation in coordination with the State of California in the implementation of the Medical Cannabis Regulation and Safety Act (MMRSA)(SB 643, AB 266, and AB 243 as adopted September 11, 2015, and approved by the Governor on October 9, 2015), so as to ensure the health and safety of employees, independent contractors, visitors to the area, neighboring property owners, and end users of medical cannabis; to protect the environment from harm to streams, fish, and wildlife; to



ensure the security of the medical cannabis; and to safeguard against the diversion of medical cannabis for non-medical purposes. It is intended to address the City of Rio Dell's prerogative to permit, and control commercial cultivation, processing, manufacturing and distribution of cannabis for medical cannabis as set forth in the MMRSA, including, but not limited to the provisions of Business and Professions Code Sections 19315, 19316, 19320, 19322, 19332, and 19360 and Health and Safety Code Section 11362.777, in conjunction with state licensing requirements, in order to protect the public health, safety, and welfare of the residents of the City of Rio Dell, and to reduce or eliminate any adverse environmental effects of existing commercial cannabis cultivation operations in the City of Rio Dell, and to prevent adverse environmental effects of any new commercial cannabis activities which may be permitted in the future in accordance with this Section and state law. This Section is not intended to supersede the provisions of Section 17.30.190 of the Rio Dell Municipal Code concerning cultivation of medical cannabis for personal use.

### **(3) Applicability and Interpretation**

- (a) These regulations shall apply to the location and permitting of commercial cultivation, processing, manufacturing, and distribution of cannabis for medical use in zoning districts within which such use is authorized, as specified in this Section.
- (b) The commercial cultivation, processing, manufacturing, and distribution of cannabis for medical use within the jurisdiction of the City of Rio Dell shall be controlled by the provisions of this Section, regardless of whether those activities existed or occurred prior to the adoption of this Section.
- (c) Nothing in this Section is intended, nor shall it be construed, to exempt the commercial cultivation, processing, manufacturing, and distribution of cannabis for medical use, from compliance with all other applicable zoning, and land use regulations, as well as compliance with any applicable state laws.
- (d) Nothing in this Section is intended, nor shall it be construed, to exempt the commercial cultivation, processing, manufacturing, and distribution of cannabis for medical use, as defined herein, from any and all applicable local and state construction, electrical, plumbing, land use, water rights, waste water discharge, streambed alteration, or any other environmental, building or land use standards or permitting requirements.
- (e) Nothing in this Section is intended, nor shall it be construed, to preclude a landlord or property owner from limiting or prohibiting commercial cultivation, processing, manufacturing, or distribution of cannabis for medical use on private property.
- (f) The definitions in this Section are intended to apply solely to the regulations in this section.

(g) Notwithstanding the fact that Health and Safety Code Section 11362.777 declares that medical cannabis is an agricultural product for purposes of that Section and the MMRSA, Business and Professions Code Section 19300, et. seq., the commercial cultivation of cannabis for medical use is a highly regulated specialty crop and cultivation and processing of that specialty crop shall not be allowed as a principal permitted use unless a Conditional Use Permit is first obtained from the City of Rio Dell, and the person engaged in such activity has obtained all state licenses and permits which may be required by the applicable state licensing authorities whenever such licenses become available.

#### **(4) Release of Liability and Hold Harmless**

As a condition of approval for any Conditional Use Permit approved for the commercial cultivation, processing, manufacturing, testing, or distribution of cannabis for medical use, as defined herein, the owner or permittee shall indemnify and hold harmless the City of Rio Dell and its agents, officers, elected officials, and employees for any claims, damages, or injuries brought by affected property owners or other third parties due to the commercial cultivation, processing, manufacture, or distribution of cannabis for medical use and for any claims brought by any person for problems, injuries, damages, or liabilities of any kind that may arise out of the commercial cultivation, processing, manufacture, or distribution of cannabis for medical use.

#### **(5) Penalties and Enforcement**

All of the remedies provided for in this Section shall be cumulative and not exclusive of remedies available for violations under any other Section of the Rio Dell Municipal Code and the MMRSA.

Any violation of this Section, including, but not limited to failure to obtain and maintain in good standing the required Conditional Use Permit specified in this Section, shall be, and the same hereby is declared to be, a public nuisance and unlawful and shall be subject to injunction, abatement or any other administrative, civil, or criminal remedy available to the City under the applicable state and City laws, including those set forth in the Rio Dell Municipal Code.

#### **(6) Definitions**

“Area of Traditional Tribal Cultural Affiliation” means geographic areas of historic occupancy and traditional cultural use by local indigenous peoples (California Native American Tribes), as shown on the latest mapping prepared by the County of Humboldt Planning & Building Department, created from geographic information supplied by the Tribes of Humboldt County.

“Cannabis” means all parts of the plant *Cannabis sativa* Linnaeus, *Cannabis indica*, or *Cannabis ruderalis*, or any other strain or varietal of the genus *Cannabis* that may exist or hereafter be discovered or developed that has psychoactive or medicinal properties, whether growing or



not, including the seeds thereof. "Cannabis" also means cannabis as defined by Section 11018 of the Health and Safety Code as enacted by Chapter 1407 of the Statutes of 1972. For the purpose of this section, "cannabis" does not mean "industrial hemp" as defined by Section 81000 of the Food and Agriculture Code or Section 11018.5 of the Health and Safety Code.

"Commercial Cannabis Cultivation" means any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis for medical use, including nurseries, that is intended to be transported, processed, manufactured, distributed, dispensed, delivered, or sold in accordance with the Medical Cannabis Regulation and Safety Act (MMRSA) for use by medical cannabis patients in California pursuant to the Compassionate Use Act of 1996 (Proposition 215), found at Section 11362.5 of the Health and Safety Code.

"Cultivation Area" the area encompassed by the perimeter surrounding the area within which cannabis plants are cultivated. Where plants are cultivated in separated pots, beds or plots, the cumulative total surface area of all such pots, beds or plots, and the surface area underneath the maximum anticipated extent of vegetative growth of cannabis plants to be grown in separate pots, beds or plots, used in combination for a single permitted cultivation operation.

"Cultivation site" means the location or a facility where medical cannabis is planted, grown, harvested, dried, cured, graded, or trimmed, or that does all or any combination of those activities, except where drying, curing, grading or trimming is otherwise prohibited.

"Dispensary" means a facility where medical cannabis, medical cannabis products, or devices (excluding pipes and water pipes) for the use of medical cannabis products are offered, either individually or in any combination, for retail sale.

"Distribution Facility" means the location or a facility where a person licensed with a Type 11 license pursuant to the MMRSA conducts the business of procuring medical cannabis from licensed cultivators or manufacturers for sale to licensed dispensaries, and the inspection, quality assurance, batch testing by a Type 8 licensee, storage, labeling, packaging and other processes prior to transport to licensed dispensaries.

"Indoor" means indoor cultivation using exclusively artificial lighting.

"Licensee" means a person issued a state license under the MMRSA to engage in commercial cannabis activity.

"Manufacturing Facility" means a process whereby the raw agricultural product is transformed into a concentrate, an edible product, or a topical product, and the production, preparation, propagation, or compounding of medical cannabis or medical cannabis products, directly or indirectly, by extraction methods, independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis.



“Mixed-Light” means cultivation using a combination of natural and supplemental artificial lighting at a maximum threshold as set forth in performance standards in Section 55.4.11 (t), et seq. of this ordinance, or as to be determined by the Department of Food and Agriculture, whichever is less.

“Nursery” means a licensee that produces only clones, immature plants, seeds, and other agricultural products for retail or wholesale sale, used specifically for the planting, propagation, and cultivation of medical cannabis.

“Outdoor” means outdoor cultivation using no artificial lighting.

“Person” means an individual, firm, partnership, joint venture, association, corporation, limited liability company, estate, trust, business trust, receiver, syndicate, or any other group or combination acting as a unit and includes the plural as well as the singular number.

“Premises” means a legal parcel compliant with the Subdivision Map Act, or a leasehold interest in agricultural land for agricultural purposes of outdoor or mixed-light cultivation or processing of medical cannabis, or space in an industrial or commercial building for purposes of indoor cultivation, processing, manufacture, or distribution of medical cannabis.

“Processing Facility” means the location or facility where medical cannabis is dried, cured, graded, trimmed, and/or packaged by or under the control of one or more licensed cultivators, at a location separate from the cultivation site where the medical cannabis is grown and harvested.

“State license,” means a state license issued pursuant to the MMRSA.

“Testing Laboratory” means a facility, entity, or site in the state that offers or performs tests of medical cannabis or medical cannabis products and that is both of the following:

- (1) Accredited by an accrediting body that is independent from all other persons involved in the medical cannabis industry on the state; and
- (2) Registered with the Department of Public Health.

“Tribal Cultural Resources” means sites, features, places, cultural landscapes, sacred places, and objects with cultural value to a California Native American tribe, including unique archaeological resources and historical resources as described under sections 21074, 21083.2(g), and 21084.1 of the Public Resources Code, respectively. Tribal Cultural Resource shall also include sites or resources identified by the tribe through an action of the Tribal Council or equivalent body.

## **(7) General Provisions**

This section applies to all facilities and activities involved in the Commercial Cultivation, Processing, Manufacturing, Testing or Distribution of cannabis for medical use, as defined in this Section.

- (a) All commercial cultivation, processing, manufacturing, testing, or distribution of cannabis for medical use shall operate in compliance with this Section, as well as all applicable state and local laws and conditions as deemed appropriate by [the](#) Planning Commission and/or the City Council.
- (b) Outdoor and Mixed-Light commercial cultivation of cannabis for medical use shall be conducted entirely within a fully enclosed, secure and lockable greenhouse and shall be conditionally permitted in the Rural (R) and Natural Resources (NR) designations, pursuant to the "Outdoor" and "Mixed-Light" parcel size and cultivation area provisions described in Table 8.1 and subject to the conditions and limitations set forth in this Section and as deemed appropriate by [the](#) Planning Commission and/or the City Council.
- (c) Indoor commercial cultivation of cannabis for medical use shall be conditionally permitted in the Industrial Commercial (IC), Rural (R) and Natural Resources (NR) designations pursuant to the "Indoor" parcel size and cultivation area provisions described in Table 8.1 and subject to the conditions and limitations set forth in this Section and as deemed appropriate by [the](#) Planning Commission and/or the City Council.
- (d) Processing Facilities accessory and appurtenant to on site cultivation for commercial cannabis for medical use shall be a conditionally permitted use in the Industrial Commercial (IC), Rural (R) and Natural Resources (NR) designations zoning districts, subject to a Conditional Use Permit and the conditions and limitations set forth in this Section and as deemed appropriate by [the](#) Planning Commission and/or the City Council.
- (e) Stand alone, independent Processing Facilities for commercial cannabis for medical use shall be a conditionally permitted use in the Industrial Commercial (IC) designation zoning district, subject to a Conditional Use Permit and the conditions and limitations set forth in this Section and as deemed appropriate by [the](#) Planning Commission and/or the City Council.
- (f) Extraction manufacturing of commercial cannabis concentrates for medical use shall be a conditionally permitted use in the Industrial Commercial (IC) designation, subject to a Conditional Use Permit and the conditions and limitations set forth in this Section and as deemed appropriate by [the](#) Planning Commission and/or the City Council.



- (g) Manufacturing of edibles (commercial kitchens) for medical use shall be a conditionally permitted use in the Industrial Commercial (IC), Town Center (TC), Neighborhood Center (NC) and Community Commercial (CC) designation subject to a Conditional Use Permit and the conditions and limitations set forth in this Section and as deemed appropriate by [the](#) Planning Commission and/or the City Council.
- (h) Wholesale Distribution Facilities for commercial cannabis for medical use shall be a conditionally permitted use in the Industrial Commercial (IC) designation, subject to a Conditional Use Permit and the conditions and limitations set forth in this Section and as deemed appropriate by [the](#) Planning Commission and/or the City Council.
- (i) Nurseries, as defined herein, producing commercial cannabis nursery products for retail sale, bulk wholesale sale or to supply retail nursery outlets shall be a conditionally permitted use in the Industrial Commercial (IC), Rural (R) and Natural Resources (NR) designations, subject to a Conditional Use Permit and the conditions and limitations set forth in this Section and as deemed appropriate by [the](#) Planning Commission and/or the City Council.
- (i) Testing laboratories as herein defined shall be conditionally permitted in the Industrial Commercial (IC), Town Center (TC), Neighborhood Center (NC) and Community Commercial (CC) designation subject to a Conditional Use Permit and the conditions and limitations set forth in this Section and as deemed appropriate by [the](#) Planning Commission and/or the City Council.
- (j) Dispensaries as herein defined shall be conditionally permitted in the Town Center (TC) designation subject to a Conditional Use Permit and the conditions and limitations set forth in this Section and as deemed appropriate by [the](#) Planning Commission and/or the City Council.
- (k) Other than as enumerated in this Section, the commercial cultivation, processing, manufacturing, testing or distribution of cannabis for medical use in any other zoning district in the City of Rio Dell is prohibited.
- (l) The fact that an applicant possesses other types of state or county or city permits, licenses or other entitlements does not exempt the applicant from the requirement of obtaining a Conditional Use Permit from the City of Rio Dell to engage in the commercial cultivation, processing, manufacturing, testing or distribution of cannabis for medical use within the jurisdiction of the City.
- (m) No more than four commercial cannabis activity permits of any type enumerated in Sections 17.30.195(8)(b) through 17.30.195(8)(g) of this ordinance may be issued to a single person, as defined herein. For purposes of this limitation, any natural person who owns or

controls any interest, directly or indirectly, in a firm, partnership, joint venture, association, cooperative, collective, corporation, limited liability company, estate, trust, business trust, receiver, syndicate, or any other group or combination acting as a unit, shall be collectively considered a single person with those entities.

**(8) Cultivation Locations, Parcel Sizes and Allowable Canopies**

The location of commercial cultivation of cannabis for medical use within the City shall be determined by the zoning designation and the size of the parcel on which the activity is to be conducted in accordance with the following table:

**Table 8.1  
Cultivation Locations, Parcel Sizes and Allowable Canopies**

**Outdoor (Greenhouse) & Mixed-Light Cultivation  
Rural (R) and Natural Resources (NR) Designations**

State License Type	Parcel Size	Allowable Canopy
Type 1 & 1B, "Specialty Outdoor& Specialty Mixed Light"	< 1 acre	1,000 sq. ft.
	1-2.49 acres	2,000 sq. ft.
	2.5-4.99 acres	5,000 sq. ft.
Type 2 & 2B, "Small Outdoor& Small Mixed Light"	5.0- 19.99 acres	10,000 sq. ft.
Type 3 & 3B, "Outdoor& Mixed Light"	≥ 20 acres	22,000 sq. ft.

**Indoor Cultivation  
Industrial Commercial (IC) Designations**

State License Type	Parcel Size	Allowable Canopy
Type 1A, "Specialty Indoor"	< 1 acre	5,000 sq. ft.
Type 2A, "Small Indoor"	1.0- 1.99 acres	10,000 sq. ft.
Type 3A, "Indoor"	≥ 2 acres	22,000 sq. ft.

**Indoor Cultivation  
Rural (R) and Natural Resources (NR) Designations**

State License Type	Parcel Size	Allowable Canopy
Type 1A, "Specialty Indoor"	< 1 acre	1,000 sq. ft.
	1-1.99 acres	2,000 sq. ft.
	2.0-4.99 acres	5,000 sq. ft.
Type 2A, "Small Indoor"	5.0- 9.99 acres	10,000 sq. ft.
Type 3A, "Indoor"	≥ 10 acres	22,000 sq. ft.



## Nurseries

Industrial Commercial (IC), Rural (R) and Natural Resources (NR) designations

State License Type	Parcel Size	Allowable Canopy
Type 4, "Nursery"	N/A	43,560 sq. ft. State Limit

- (a) Processing of cannabis that is cultivated pursuant to these regulations may occur at the cultivation site subject to the Processing Performance Standards and Employee Safety Practices enumerated in Section 17.30.195(10) thru 17.30.195(13) are met.
- (b) Multiple applicants may obtain a Conditional Use Permit for outdoor cultivation, mixed-light cultivation, or both, on one legal parcel so long as the cumulative cultivation area is within one contiguous cultivation footprint that does not exceed the total cultivation area size limits set forth in Table 8.1, Cultivation Locations, Parcel Sizes and Allowable Canopies.
- (c) A combination of cultivation types may be allowed in the same zone (e.g. outdoor and, mixed light cultivation, or indoor cultivation and processing) that are for a total area equal to or less than the cultivated area size limit for the size of the underlying parcel.

### **(9) Application Requirements for All MMCLUO Conditional Use Permits:**

- (a) A completed standard application form for a Conditional Use Permit with the required deposit.
- (b) If the applicant is not the record title owner of parcel, written consent of the owner for the application with original signature and notary acknowledgement.
- (c) A **Site Plan** shall be submitted showing the entire parcel, including easements, streams and other surface water features, and the location and area for cultivation on the parcel with dimensions of the area for cultivation and setbacks from property lines. The site plan shall also include all areas of ground disturbance or surface water disturbance associated with cultivation activities, including: access roads, water diversions, culverts, ponds, dams, graded flats, and other related features. If the area for cultivation is within ¼ mile (1,320 ft.) of a school, the site plan shall include dimensions showing that the distance from the location of such features to the nearest point of the cultivation area is at least ~~600~~ **1000** feet.
- (d) A **Plan of Operations** shall be submitted that includes, describes and addresses the following:
  - (i) A complete project description including the proposed use(s), hours and days of



operation, number of employees, and the duration (temporary, seasonal or permanent) of the operation.

(ii) The number of daily and/or weekly incoming and outgoing deliveries

(iii) A Security Plan that addresses the cultivation, storage, processing, manufacturing and testing of any medical cannabis, including but not limited to video monitoring and commercial alarm systems.

(iv) A Waste Management/Disposal Plan shall be submitted describing any produced wastes, including by-products, recycling, reusing, recovery, storage, diversion and handling and disposal.

(v) A description of the storage or use of any solvents, fertilizers, pesticides, fungicides, rodenticide, or herbicides.

(vi) A description of any discharge or emissions the operation will generate.

(vii) A description of any noise level increase as a result of the operation.

(viii) A description of the operation's use of public facilities such as roads, water or sewer systems.

(ix) A description of any proposed water source, storage, conservation and use; drainage, runoff and erosion control; watershed and habitat protection.

(e) **Tribal Consultation:** For any ground disturbing activities, acknowledge that the City will consult with the local Wiyot Tribe, including their Tribal Historic Preservation Officer (THPO) or other tribal representatives, before the approval of any Conditional Use Permit. During this process, the tribe may request that operations associated with the Conditional Use Permit be designed to avoid, minimize or mitigate impacts to Tribal Cultural Resources, as defined herein. Examples include, but are not limited to: conducting a site visit with the THPO or their designee to the existing or proposed cultivation site, requiring that a professional cultural resources survey be performed, or requiring that a tribal cultural monitor be retained during project-related ground disturbance within areas of sensitivity or concern.

(f) **Community Relations:** Each medical cannabis facility shall provide the City Manager or designee with the name, phone number, facsimile number, and email address of an on-site community relations or staff person or other representative to whom the City can provide notice if there are operating problems associated with the medical cannabis facility or refer members of the public who may have any concerns or complaints regarding the operation of the medical cannabis facility. Each medical cannabis facility shall also provide the above

information to its business neighbors located within ~~100~~ 300 feet of the medical cannabis facility.

- (g) Consent to a to a minimum of at least one quarterly on-site compliance inspection, to be conducted by appropriate City officials during regular business hours (Monday – Friday, 9:00 am – 5:00 pm, excluding holidays). The applicant shall be required to pay the Inspection Fee in effect at that time.
- (h) Compliance with the provisions of the Medical Cannabis Regulation and Safety Act.

**(10) Performance Standards for all MMCLUO Cultivation Operations:**

- (a) No surface water withdrawals shall be allowed as part of any cultivation operations.
- (b) No Timberland Conversion Permits or Exemptions as approved by the California Department of Forestry and Fire Protection (CAL-FIRE) shall be used to facilitate the cultivation of medical cannabis.
- (c) The area of cannabis cultivation shall be located as shown on the application site plan, set back at least 50 feet from any property line, and ~~600~~ 1000 feet from any School. Cannabis cultivation is declared to be development, subject to compliance with Section 17.30.110, Environmentally Sensitive Habitat Area's (ESHA's). For purposes of this section, where enhanced, reduced, or modified watercourse or wetland setbacks have been agreed to by the operator and the RWQCB under enrollment pursuant to NCRWQB Order No. 2015-0023 and/or preparation of a Water Resources Protection Plan, these may control and supersede any setback applied pursuant to Section 17.30.110.
- (d) Maintain enrollment in Tier 1, 2 or 3, certification with the North Coast Regional Water Quality Control Board Order No. 2015-0023, if applicable, or any substantially equivalent rule that may be subsequently adopted by the City of Rio Dell or other responsible agency.
- (e) For cultivation areas for which no enrollment pursuant to NCRWQB Order No. 2015-0023, is required by that Order, compliance with the standard conditions applicable to all Tier 1 dischargers.
- (f) The storage or use of any fertilizer, pesticide, fungicide, rodenticide, or herbicide shall be in compliance with the manufacture's recommendations and regulations administered by the State Department of Pesticide Regulation. Hazardous materials and wastes from agricultural businesses are regulated by the Humboldt County Environmental Health Division, which administers the Hazardous Materials program as one of the Certified Unified Program Agencies (CUPA). This includes the application, inspection, enforcement, and



reporting under the program requirements and standards set by the California Environmental Protection Agency (CalEPA).

- (g) Trucked water shall not be allowed as the primary water source. Water is to be sourced locally (on-site), except for emergencies. For purposes of this provision, "emergency" is defined as: "a sudden, unexpected occurrence demanding immediate action."
- (h) Carbon filter fans or equivalent superior filters/scrubbers shall be required to minimize or eliminate odor discharges to neighboring properties from cultivation and processing facilities.
- (i) A Waste Management/Disposal Plan shall be submitted describing any produced wastes, including by-products, recycling, reusing, recovery, storage, diversion and handling and disposal.
- (j) Those cultivators using artificial lighting for mixed-light cultivation shall shield greenhouses so that little to no light escapes. Light shall not escape at a level that is visible from neighboring properties between sunset and sunrise. Should the City receive complaints that the lighting is out of alignment or not complying with these standards, within ten (10) working days of receiving written notification that a complaint has been filed, the applicant shall submit written verification that the lights' shielding and alignment has been repaired, inspected and corrected as necessary.
- (k) Generators are only allowed as an emergency back-up power source. The noise produced by a generator used for cannabis cultivation shall not be audible from neighboring residences. The decibel level for generators at the property line shall be no more than 60 decibels.
- (l) Fuel shall be stored and handled in compliance with applicable state and local laws and regulations, and in such a way that no spillage occurs.
- (m) Comply with any special conditions applicable to that permit or parcel which may be imposed as a condition of the required Conditional Use Permit.

**(11) Employee Performance Standards for Cultivation and Processing Activities:**

- (a) Pursuant to the MMRSA, Health and Safety Code section 19322(a)(9), an applicant seeking a cultivation license shall "provide a statement declaring the applicant is an 'agricultural employer,' as defined in the Alatorre-Zenovich-Dunlap-Berman Agricultural Labor Relations Act of 1975 (Part 3.5 commencing with Section 1140) of Division 2 of the Labor Code), to the extent not prohibited by law."

- (b) Cultivators shall comply with all applicable federal, state, and local laws and regulations governing California Agricultural Employers, which may include: federal and state wage and hour laws, CAL/OSHA, OSHA and the California Agricultural Labor Relations Act.
- (c) Cultivators engaged in processing shall comply with the following Processing Practices:
- i. Processing operations must be maintained in a clean and sanitary condition including all work surfaces and equipment; and
  - ii. Processing operations must implement protocols which prevent processing contamination and mold and mildew growth on cannabis; and
  - iii. Employees handling cannabis in processing operations must have access to facemasks and gloves in good operable condition as applicable to their job function; and
  - iv. Employees must wash hands sufficiently when handling cannabis or use gloves.
- (d) All persons hiring employees to engage in commercial cannabis cultivation and processing shall comply with the following Employee Safety Practices:
- i. Cultivation operations and processing operations must implement safety protocols and provide all employees with adequate safety training relevant to their specific job functions, which may include:
    - Emergency action response planning as necessary; and
    - Employee accident reporting and investigation policies; and
    - Fire prevention;
    - Hazard communication policies, including maintenance of material safety data sheets (MSDS); and
    - Materials handling policies; and
    - Job hazard analyses; and
    - Personal protective equipment policies, including respiratory protection.
  - ii. Cultivation operations and processing operations must visibly post and maintain an emergency contact list which includes at a minimum:

- Operation manager contacts; and
  - Emergency responder contacts; and
  - Poison control contacts.
- iii. At all times, employees shall have access to safe drinking water and toilets and handwashing facilities that comply with applicable federal, state, and local laws and regulations. Plumbing facilities and water source must be capable of handling increased usage without adverse consequences to neighboring properties or the environment.
- iv. On site-housing provided to employees shall comply with all applicable federal, state, and local laws and regulations.
- (e) All cultivators shall, at the time of the application for a cultivation permit, include a Processing Plan with all of the following:
- i. Summary of Processing Practices.
  - ii. Description of location where processing will occur.
  - iii. Estimated number of employees, if any.
  - iv. Summary of Employee Safety Practices.
  - v. Description of toilet and handwashing facilities.
  - vi. vi. Description of plumbing and/or septic system and whether or not the system is capable of handling increased usage.
  - vii. Description of source of drinking water for employees.
  - viii. Description of increased road use resulting from processing and a plan to minimize that impact.
  - ix. Description of on-site housing, if any.



**(12) Performance Standards for Manufacturing Activities:**

- (a) Compliance with CAL/OSHA, OSHA regulations.
- (b) Compliance with State and local building regulations, including the California Building Code (CBC) and the California Fire Code (CFC).
- (c) A Security Plan that addresses how the following measures shall be implemented or complied with:
  - (i) Security cameras shall be installed and maintained in good condition, and used in an on-going manner with at least 240 concurrent hours of digitally recorded documentation in a format approved by the Planning Commission. The cameras shall be in use 24 hours per day, 7 days per week. The areas to be covered by the security cameras shall include, but are not limited to, the public areas, processing areas, storage areas, employee areas, all doors and windows, and any other areas as determined to be necessary by the Planning Commission.
  - (ii) The facility shall be alarmed with an audible interior and exterior alarm system, unless waived for extenuating circumstances by the Planning Commission that is operated and monitored by a recognized security company, deemed acceptable by the Planning Commission. Any change in the security company shall be subject to the approval of the City Manager or his designee. All current contact information regarding the medical cannabis facility's security company shall be provided to the City Manager or designee.
  - (iii) Entrance to the extraction areas and any cannabis storage areas shall be locked at all times, and under the control of facility staff.
  - (iv) Medical cannabis shall be stored in buildings that are completely enclosed, and in a locked vault or safe, or other secured storage structure which is bolted to the floor or structure of the premises.
  - (v) Windows and roof hatches of the premises shall be secured from the inside with effective means so as to prevent unauthorized entry, and shall be equipped with latches or a similar mechanism that may be released quickly from the inside to allow exit in the event of emergency in compliance with all applicable building provisions in the Code.
- (d) If using CO<sub>2</sub> in processing, a professional grade closed-loop CO<sub>2</sub> gas extraction system rated to a minimum of fifteen thousand (15,000) pounds per square (PSI) is required for every vessel in the system.

- (e) Extraction processes shall use a commercially manufactured professional grade closed-loop extraction system designed to recover the solvents and built to codes of recognized and generally accepted sound engineering practices, such as (i) The American Society of Mechanical Engineers (ASME); (ii) American National Standards Institute (ANSI); (iii) Underwriters Laboratories (UL); or (iv) The American Society for Testing and Materials (ASTM).
- (f) Volatile extraction operations shall occur in a spark-proof, explosion-proof room equipped with evacuation fans and lower explosive limit (LEL) detectors.
- (g) Carbon filter fans or equivalent superior filters/scrubbers shall be required to minimize or eliminate odor discharges to neighboring properties.
- (h) A Waste Management/Disposal Plan shall be submitted describing any produced wastes, including by-products, recycling, reusing, recovery, storage, diversion and handling and disposal.
- (i) Manufacturers of edibles shall comply with the regulations in the California Health and Safety Code, which includes the California Retail Food Code administered by the California Department of Health Services - Food and Drug Branch, California Department of Food and Agriculture and the County Department of Environmental Health.
- (j) Comply with any special conditions applicable to that permit or parcel which may be imposed as a condition of the required Conditional Use Permit.

**(13) Performance Standards for Testing Laboratories**

- (a) The facility shall be alarmed with an audible interior and exterior alarm system, unless waived for extenuating circumstances by the Planning Commission that is operated and monitored by a recognized security company, deemed acceptable by the Planning Commission. Any change in the security company shall be subject to the approval of the City Manager or his designee. All current contact information regarding the medical cannabis facility's security company shall be provided to the City Manager or designee.
- (b) Entrance to the lab area and any cannabis storage areas shall be locked at all times, and under the control of facility staff.
- (c) Medical cannabis shall be stored in a secured and locked room, vault or safe, or other secured storage structure which is bolted to the floor or structure of the premises.



- (d) Windows and roof hatches of the premises shall be secured from the inside with effective means so as to prevent unauthorized entry, and shall be equipped with latches or a similar mechanism that may be released quickly from the inside to allow exit in the event of emergency in compliance with all applicable building provisions in the California Building Code.
- (e) All laboratory testing facilities shall comply with Sections 19341 through 19345 of the California Business and Professions Code.
- (f) Comply with any special conditions applicable to that permit or parcel which may be imposed as a condition of the required Conditional Use Permit.

**(14) Performance Standards for Dispensaries**

- (a) The facility shall be alarmed with an audible interior and exterior alarm system, unless waived for extenuating circumstances by the Planning Commission that is operated and monitored by a recognized security company, deemed acceptable by the Planning Commission. Any change in the security company shall be subject to the approval of the City Manager or his designee. All current contact information regarding the medical cannabis facility's security company shall be provided to the City Manager or designee.
- (b) Entrance to the any cannabis storage areas shall be locked at all times, and under the control of facility staff.
- (c) Medical cannabis shall be stored in a secured and locked room, vault or safe, or other secured storage structure which is bolted to the floor or structure of the premises.
- (d) Windows and roof hatches of the premises shall be secured from the inside with effective means so as to prevent unauthorized entry, and shall be equipped with latches or a similar mechanism that may be released quickly from the inside to allow exit in the event of emergency in compliance with all applicable building provisions in the Code.
- (e) No dispensing location for the collective shall be open between the hours of 8:00 p.m. and 9:00 a.m. on any given day.
- (f) Only qualified patients, as defined in Section 11362.7 of the Health and Safety Code are allowed in dispensaries.
- (g) Medical cannabis may not be inhaled, smoked, eaten, ingested, vaped, or otherwise used or consumed at the premises and/or location.
- (h) The sales of pipes, including water pipes and other paraphernalia are prohibited.

- (i) In addition to the labeling requirements of Section 19347 of the Business and Professions Code, all medical cannabis shall be packaged in an opaque childproof container which shall be accompanied by a leaflet or insert that clearly states the following:
- (i) The complete legal name of the qualified patient who will be using the medical cannabis;
  - (ii) The name, address and on-site landline telephone number of the dispensary;
  - (iii) The amount of medical cannabis in the container;
  - (iv) The name of the attending physician recommending the use of medical cannabis for the qualified patient;
  - (v) The date the medical cannabis was provided;
  - (vi) A list of the chemicals and or substances that were used during the processing of the medical cannabis;
  - (vii) All necessary health and safety warnings, including, but not limited to direction that the medical cannabis be stored in a clean and dry place and out of the reach of children; and
  - (viii) A statement that the City of Rio Dell neither warrants nor guarantees the quality or safety of the medical cannabis contained therein.
- (j) All edible medical cannabis products sold within the City of Rio Dell shall be placed in opaque packaging, without photos or images of food on the label. Packaging that makes the edible product attractive to children or imitates candy is not allowed. Edible medical cannabis products shall not imitate commercially produced goods marketed to children. The edible product must be accompanied by a leaflet or insert that clearly states the source/provider of the food production in addition to all of the information required by Subsection 17.30.095(14)(i).
- (k) A sign shall be posted in a conspicuous location inside the premises advising the following: "Both the sale of cannabis and the diversion of cannabis for nonmedical purposes are violations of state law. The use of cannabis may impair a person's ability to operate a motor vehicle or heavy machinery. Loitering at the location of a medical cannabis collective for an illegal purpose is prohibited by California Penal Code Section 647(h). This collective is registered in accordance with the laws of the State of California and the City of Rio Dell."



**(15) Term of Conditional Use Permit; Inspections.**

- (a) Any Conditional Use Permit issued pursuant to this section shall expire after one (1) year after date of issuance, and on the anniversary date of such issuance each year thereafter, unless the required compliance inspections have been conducted and the permitted site has been found to comply with all conditions of approval.
- (b) If the inspector or other City official determines that the site does not comply with the conditions of approval, the inspector shall serve the permit holder with a written statement identifying the items not in compliance, and the action that the permit holder may take to cure the non-compliance, or file an appeal within ten (10) days of the date that the written statement is delivered to the permit holder. Personal delivery or mailing the written statement to the mailing address listed on the application by regular mail, plus three (3) days after date of mailing, shall constitute delivery. The permit holder may request a reinspection to determine whether or not the permit holder has cured all issues of non-compliance. Failure to request reinspection or to cure any items of noncompliance shall terminate the Conditional Use Permit and License, immediately upon the expiration of any appeal period, or final determination of the appeal if an appeal has been timely filed.
- (c) The City shall notify any state license authority, as defined by the MMRSA, whenever the Conditional Use Permit and License has been revoked or terminated.

**(16) Appeal of Annual Inspection Determination**

Within ten (10) business days after delivery of the statement of non-compliance, the determination by the inspector that the site is or is not in compliance may be appealed by any interested party to the Planning Commission. The appeal shall be made, in writing, on a form provided by the City. The fee for filing the appeal is based on the adopted fee schedule in effect at the time of the appeal.

- (a) The appeal shall be heard by the Planning Commission within thirty (30) days following the filing of the appeal. The Planning Commission shall render a written ruling on the appeal within three (3) business days following the hearing.
- (b) The decision of the Planning Commission may be appealed to the City Council in accordance with Section 17.35.050 of the Rio Dell Municipal Code. If a timely appeal to the City Council is not filed, the ruling by the Planning Commission shall be final.



**Section 2. Severability**

If any provision of the ordinance is invalidated by any court of competent jurisdiction, the remaining provisions shall not be affected and shall continue in full force and effect.

**Section 3. Limitation of Actions**

Any action to challenge the validity or legality of any provision of this ordinance on any grounds shall be brought by court action commenced within ninety (90) days of the date of adoption of this ordinance.

**Section 4. Effective Date**

This ordinance becomes effective thirty (30) days after the date of its approval and adoption.

**I HEREBY CERTIFY** that the forgoing Ordinance was duly introduced at a regular meeting of the City Council of the City of Rio Dell on May 10, 2016 and furthermore the forgoing Ordinance was passed, approved and adopted at a regular meeting of the City Council of the City of Rio Dell, held on the \_\_\_\_\_, 2016 by the following vote:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

\_\_\_\_\_  
 Frank Wilson, Mayor

**ATTEST:**

I, Karen Dunham, City Clerk for the City of Rio Dell, State of California, hereby certify the above and foregoing to be a full, true and correct copy of Ordinance No. 342-2016 which was passed, approved and adopted at a regular meeting of the City Council of the City of Rio Dell, held on the \_\_\_\_\_, 2016.

\_\_\_\_\_  
 Karen Dunham, City Clerk, City of Rio Dell


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675 Wildwood Avenue  
Rio Dell, CA 95562  
(707) 764-3532  
(707) 764-5480 (fax)  
E-mail: k



**CITY OF RIO DELL  
STAFF REPORT  
CITY COUNCIL AGENDA  
May 17, 2016**

TO: Mayor and Members of the City Council

THROUGH: Kyle Knopp, City Manager 

FROM: Brooke Woodcox, Finance Director 

DATE: May 17, 2016

SUBJECT: Discussion and possible action approving Resolution 1288-2016 adopting the City of Rio Dell FY 2016-2017 Operating and Capital Budget

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**RECOMMENDATION**

1. Receive staff's presentation on the proposed 2016-2017 Operating and Capital Budget
2. Open the public hearing and deliberate changes and recommendations
3. Discussion and possible action approving Resolution 1288-2016 adopting the City of Rio Dell FY 2016-2017 Operating and Capital Budget

**BACKGROUND AND DISCUSSION**

At a regularly scheduled Council meeting on May 3, 2016, Council reviewed the 2016/17 proposed Operating and Capital Budget as presented by staff and opened budgetary discussions. This is the second presentation of the draft budget, which includes additional recommendations by the City Manager. These items are separately.

**BUDGETARY IMPACT**

Approval of Resolution 1288-2016 will adopt the staffing plan funded in the budget, appropriate projected revenues totaling **\$4,520,048** and expenditures in the amount of

**\$4,696,870**, and transfers totaling an appropriation to and from reserves in the amount of **\$ -176,822** .

The General Fund interfund transfer of \$10,055 is made up of two transfers: 1) Building Fund \$5,869 and SLESF Fund \$4,186.

**ATTACHMENTS:**

- Itemized list of changes from budget presented on May 3, 2016
- Summary Budget Analysis by Fund
- Updated Capital Projects list
- Resolution 1288-2016 Adopting the FY 2016/17 Operating and Capital Budget
- FY 2016/17 Operating and Capital Projects Budget by Department



The changes to the budget presented on May 3, 2016 and the budgeted presented May 17, 2016 are as follows:

**INCREASE IN OPERATIONAL EXPENDITURES TOTAL \$18,000**

\$8,000 to various departmental budgets for replacement of computers and computer equipment.

Allocation by Department

City Manager Dept.	\$2,000
Finance Dept.	\$2,000
Police Dept.	\$2,000
General Government	\$ 400
Planning Dept.	\$ 900
Building Dept.	\$ 700

\$10,000 was moved from Capital Projects to the City Manager's budget. This increased the overall operations budget by \$10,000 and decreased the Capital Projects list by \$10,000 (net \$0.00).

**CAPITAL PROJECTS ITEMS REMOVED**

\$ 10,000	Economic Development moved to City Manager's budget
<u>\$ 35,000</u>	Water generator item removed. Item will be purchased and used for Well project and part of matching funds for project
<b>\$ -45,000</b>	

**CAPITAL PROJECTS ITEMS ADDED**

\$ 45,000	Belleview/Ogle	Grant match carry over FY 2015/16
\$ 6,132	Parking Lot	Carry over FY 2015/16
\$ 40,000	Police Vehicles	50% USDA Grant match for two police vehicles
\$ 38,000	Streets Subsidy	Subsidy for streets maintenance and repairs
\$ 6,500	Council Chamber	Upgrade Chamber electronic equipment
\$ 45,000	Vactor Trailer	Ditch Witch vactor trailer – split between water, sewer, and streets
\$ 20,000	Spot repairs	Water system repairs
\$ 8,000	Filter Coating	Water filter recoating project
\$ 35,000	Old Ranch Road	Repairs to water line
\$ 40,000	Dixie & 2 <sup>nd</sup> /3 <sup>rd</sup> St.	Repairs to sewer lines
<u>\$160,000</u>	ADA upgrades	CDBG program income for ADA entrance & bathrooms
<b>\$443,632</b>		



FY 2016-2017  
PROPOSED CAPITAL PROJECTS



GENERAL FUND	DESCRIPTION	
Bellevue/Ogle (carry-over 15/16) .....	45,000	Grant match for Bellevue/Ogle street repairs
Parking Lot (Carry over 15/16) .....	6,132	Carried over from 2015/16 capital projects
Police Vehicles .....	40,000	City's matching funds for 2 Police Vehicles (USDA)
Streets Subsidy .....	38,000	Subsidy for Streets Maint.and Repairs
Council Chambers .....	6,500	Upgrade Council Chamber electronic equipment
TOTAL GENERAL FUND	<u>135,632</u>	

WATER	DESCRIPTION	
Wells project Prop 84 funding .....	591,794	Grant funding through PROP 84
Wells project USDA ECWAG .....	373,200	Grant funding through USDA ECWAG
TOTAL GRANT REIMBURSEMENT PROJECTS	<u>964,994</u>	
Wells project City match .....	133,529	City match for the Metro. Well Project
Ditch Witch Vector Trailer .....	15,000	1/3 cost each between Water/Sewer/Streets
Spot repairs .....	20,000	Set aside funds for top priority water system repairs
Filter Recoating (Contractor) .....	8,000	Recoating project
Old Ranch Road Repairs .....	35,000	Reimbursable from Old Ranch Road residents
TOTAL WATER FUND CAPITAL PROJECTS	<u>211,529</u>	
TOTAL WATER CAPITAL PROJECTS	<u>1,176,523</u>	

SEWER	DESCRIPTION	
Inflow and Infiltration (carry over) .....	15,000	Carry over from 2015/16
Lift Station Pumps (2) .....	30,000	Pumps are nearing the end of their useful lives
Ditch Witch Vector Trailer .....	15,000	1/3 cost each between Water/Sewer/Streets
Sewerline Repairs		
Dixie and Second Streets .....	20,000	Top priority sewer line maintenance
Dixie and Third Streets .....	20,000	Top priority sewer line maintenance
TOTAL SEWER CAPITAL PROJECTS	<u>100,000</u>	

STREETS	DESCRIPTION	
Ditch Witch Vector Trailer .....	15,000	1/3 cost each between Water/Sewer/Streets
TOTAL STREETS CAPITAL PROJECTS	<u>15,000</u>	

CDBG FUND	DESCRIPTION	
CDBG ADA Ramp/Front/Bathrooms .....	160,000	CDBG program income upgrades
TOTAL CDBG CAPITAL PROJECTS	<u>160,000</u>	

PROPOSED CAPITAL PROJECTS FY 2016-2017	<u>1,587,155</u>	
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**City of Rio Dell**  
**SUMMARY BUDGET ANALYSIS BY FUND**  
**Fiscal Year 2016-2017**

Fund	Fund Name	Est. Beg. Fund Balance 7/1/16	Est. Revenue	Transfers In	Transfers Out	Proposed Expenditures	Change in Fund Balance	Est. End. Fund Balance 6/30/17
ADM	Admin Fund	6,598	2,800	-	-	1,250	1,550	8,148
BUI	Building Fund	18,698	32,901	(5,869)	-	57,468	(18,698)	-
CDBG	CDBG Fund	-	-	-	-	-	-	-
CDBG	CDBG RRLF Fund	204,605	12,000	-	-	166,642	(154,642)	49,963
GF	General Fund	1,012,190	879,765	-	10,055	941,627	(71,917)	940,273
MZ	Measure Z	-	-	-	-	-	-	-
REC	Recycling Fund	12,455	5,000	-	-	5,000	-	12,455
RES	Parks Fund	12,111	-	-	-	-	-	12,111
RES	Realignment Grant Fund	14,115	5,500	-	-	10,000	(4,500)	9,615
RES	SLESF Fund	(15,028)	100,000	(4,186)	-	89,158	15,028	-
RES	Vehicle Abatement Fund	2,605	-	-	-	-	-	2,605
RES	Water - Prop 84 NCIRWMP	-	591,794	-	-	591,794	-	-
RES	Water - USDA ECWAG	-	373,200	-	-	373,200	-	-
SEW	Sewer Assmt District Fund	4,416	32,000	-	-	32,000	-	4,416
SEW	Sewer Capital Fund	166,621	99,388	-	-	100,000	(612)	166,009
SEW	Sewer Debt Service Fund	402,934	310,000	-	-	310,000	-	402,934
SEW	Sewer Restricted Reserve	302,822	-	-	-	-	-	302,822
SEW	Sewer Operations Fund	319,676	785,432	-	-	742,780	42,652	362,328
SO	Solid Waste Fund	44,726	9,000	-	-	10,973	(1,973)	42,753
SP	Spay & Neuter Fund	2,868	-	-	-	2,868	(2,868)	-
ST	Gas Tax Fund (HUTA)	205,356	74,339	-	-	150,414	(76,075)	129,281
ST	IDA Fund	26,551	111,600	-	-	112,300	(700)	25,851
ST	RSIP Funds	-	22,000	-	-	22,000	-	-
WAT	Water Capital Fund	117,763	194,051	-	-	211,529	(17,479)	100,285
WAT	Water Metro Wells Fund	5,296	11,697	-	-	-	11,697	16,993
WAT	Water Dinsmore Zone	7,278	17,466	-	-	-	17,466	24,744
WAT	Water Restricted Reserve	136,000	-	-	-	-	-	136,000
WAT	Water Debt Service Fund	68,000	152,371	-	-	136,000	16,371	84,371
WAT	Water Operations Fund	80,000	697,745	-	-	629,868	67,877	147,877
	<b>TOTAL</b>	<b>3,158,656</b>	<b>4,520,048</b>	<b>(10,055)</b>	<b>10,055</b>	<b>4,696,870</b>	<b>(176,822)</b>	<b>2,981,834</b>



**RESOLUTION NO. 1288-2016  
A RESOLUTION OF THE CITY COUNCIL  
OF THE CITY OF RIO DELL  
ADOPTING THE OPERATING & CAPITAL BUDGET  
FOR THE FISCAL-YEAR 2016-2017**

**WHEREAS**, the City is required to adopt an annual operations budget pursuant to City of Rio Dell Resolution 966-2007; and

**WHEREAS**, the proposed budget for the Fiscal-year beginning July 1, 2016 and ending June 30, 2017, as presented by the Finance Department has been reviewed and revised by the City Manager, and the City Council; and

**NOW THEREFORE BE IT RESOLVED**, that the City of Rio Dell City Council does hereby adopt the City of Rio Dell 2016-2017 Operating & Capital Budget, including projected revenues totaling **\$4,520,048**, expenditures in the amount of **\$4,696,870**, and an appropriation to and from reserves in the amount of **\$ -176,822** as follows:

City of Rio Dell SUMMARY BUDGET ANALYSIS BY FUND Fiscal Year 2016-2017								
Fund	Fund Name	Est Beg Fund Balance 7/1/16	Est Revenue	Transfers In	Transfers Out	Proposed Expenditures	Change in Fund Balance	Est End Fund Balance 6/30/17
ADM	Admin Fund	6,598	2,800	-	-	1,250	1,550	8,148
BUJ	Building Fund	18,698	32,901	(5,869)	-	57,468	(18,698)	-
CDBG	CDBG Fund	-	-	-	-	-	-	-
CDBG	CDBG RRLF Fund	204,605	12,000	-	-	166,642	(154,642)	49,963
GF	General Fund	1,012,190	879,765	-	10,055	941,627	(71,917)	940,273
MZ	Measure Z	-	-	-	-	-	-	-
REC	Recycling Fund	12,455	5,000	-	-	5,000	-	12,455
RES	Parks Fund	12,111	-	-	-	-	-	12,111
RES	Reassignment Grant Fund	14,115	5,500	-	-	10,000	(4,500)	9,615
RES	SLESF Fund	(15,028)	100,000	(4,186)	-	89,158	15,028	-
RES	Vehicle Abatement Fund	2,605	-	-	-	-	-	2,605
RES	Water - Prop 84 NCIRWMP	-	591,794	-	-	591,794	-	-
RES	Water - USDA ECWAG	-	373,200	-	-	373,200	-	-
SEW	Sewer Assml District Fund	4,416	32,000	-	-	32,000	-	4,416
SEW	Sewer Capital Fund	166,621	99,388	-	-	100,000	(612)	166,009
SEW	Sewer Debt Service Fund	402,934	310,000	-	-	310,000	-	402,934
SEW	Sewer Restricted Reserve	302,822	-	-	-	-	-	302,822
SEW	Sewer Operations Fund	319,676	785,432	-	-	742,780	42,652	362,328
SO	Solid Waste Fund	44,726	9,000	-	-	10,973	(1,973)	42,753
SP	Spay & Neuter Fund	2,868	-	-	-	2,868	(2,868)	-
ST	Gas Tax Fund (HUTA)	205,356	74,339	-	-	150,414	(76,075)	129,281
ST	TDA Fund	26,551	111,600	-	-	112,300	(700)	25,851
ST	RSTP Funds	-	22,000	-	-	22,000	-	-
WAT	Water Capital Fund	117,763	194,051	-	-	211,529	(17,479)	100,285
WAT	Water Metro Walls Fund	5,296	11,697	-	-	-	11,697	16,993
WAT	Water Dismore Zone	7,278	17,466	-	-	-	17,466	24,744
WAT	Water Restricted Reserve	136,000	-	-	-	-	-	136,000
WAT	Water Debt Service Fund	68,000	152,371	-	-	136,000	16,371	84,371
WAT	Water Operations Fund	80,000	697,745	-	-	629,868	67,877	147,877
<b>TOTAL</b>		<b>3,158,656</b>	<b>4,520,048</b>	<b>[10,055]</b>	<b>10,055</b>	<b>4,696,870</b>	<b>(176,822)</b>	<b>2,981,834</b>



**BE IT FURTHER RESOLVED**, that the staffing is adopted and funded in the 2016-2017 Operations Budget as follows:

JOB TITLE	FULL TIME EMPLOYEES BY FISCAL YEAR				
	2012	2013	2014	2015	2016
	2013	2014	2015	2016	2017
ACCOUNTANT I/II	1	1	--	1	1
ADMINISTRATIVE ASSISTANT	--	--	--	--	--
CHIEF OF POLICE	1	1	1	1	1
CITY CLERK	1	1	1	1	1
CITY MANAGER /PUBLIC WORKS DIRECTOR	1	1	1	1	1
COMMUNITY DEVELOPMENT DIRECTOR	1	1	0.8	0.8	0.8
FINANCE DIRECTOR	1	1	1	1	1
FISCAL ASSISTANT I/II	1	1	1	1	1
POLICE CORPORAL	--	--	--	--	--
POLICE OFFICER	3	3	3	3	3
POLICE RECORDS TECHNICIAN	--	--	--	--	--
POLICE SERGEANT	1	1	1	1	1
PUBLIC WORKS LEADMAN	--	--	--	--	--
PW ADMINISTRATIVE TECHNICIAN	--	--	--	--	--
SENIOR FISCAL ASSISTANT	1	1	1	1	1
UTILITY WORKER I/II	3	3	3	3	2
WATER/WASTE WATER PLANT OPERATOR	1	1	1	1	1
WASTEWATER SUPERINTENDENT	1	1	1	1	1
WATER & ROADWAYS SUPERINTENDENT	1	1	1	1	1
PUBLIC WORKS DIRECTOR	--	--	--	--	--
<b>ALLOCATED POSITIONS</b>	17.75	17.75	16.80	17.80	16.80

**BE IT FURTHER RESOLVED**, as follows:

**Section 1.**

It is the intention of the City Council in approving and adopting an annual budget to provide financial guidance for routine operations of City business and for the purpose of providing information to the general public.

**Section 2.**

The adopted annual City budget will be implemented and maintained in accordance with City Budget Policy as outlined in Resolution 966-2007.

**Section 3.**

Adoption of the annual budget does not expressly approve expenditures of funds in excess of purchasing authority as outlined by City Resolution, Ordinance,



State, or Federal law.

**Section 4.**

Adoption of the 2016-2017 Budget shows a deficit minimum fund balance in the Building Fund.

**Section 5.**

Adoption of the 2016-2017 Operating and Capital Budget includes inter-fund transfers totaling \$10,055: The General Fund transfer of \$10,055 is made up of two amounts: 1) Building Fund \$5,869 and SLESF Fund \$4,186.

**PASSED AND ADOPTED** by the City of Rio Dell on this 17<sup>th</sup> day of May 2016, by the following roll call vote:

Ayes:  
Noes:  
Abstain:  
Absent:

---

Frank Wilson, Mayor

ATTEST:

---

Karen Dunham, City Clerk

2016-2017 CITY MANAGER

	6/30/14 Actual	6/30/14 Budget	6/30/15 Actual	6/30/15 Budget	2/24/16 Y-T-D Actual	6/30/16 Budget	// Proposed	// Requests
EXPENDITURES								
5000 Full Time Salaries	137,720	110,019	139,444	171,281	92,590	151,272	154,945	
5032 Retirement - City Manager	6,564	11,300	2,457	-	-	-		
5035 Benefit - ICMA City 457	11,611	3,517	16,331	22,891	12,357	17,430	17,311	
5040 Benefit - Health Insurance	15,760	14,077	15,433	34,427	13,557	21,641	14,679	
5042 Benefit - Life Insurance	304	324	320	371	154	304	303	
5044 Benefit - Dental/Vision Insur	2,426	2,507	1,753	2,417	1,418	3,214	1,949	
5045 Worker Compensation Insurance	2,920	2,002	2,094	1,732	1,555	1,598	2,026	
5050 FICA/MEDI	11,558	8,416	12,417	13,104	7,464	11,634	11,852	
5055 Unemployment Insurance	642	1,100	1,016	1,517	645	694	686	
5080 Hiring Costs	27,148	45,251	-	5,000	-	-		
5081 Compensated Absences Payable	6,333	-	(9,125)	-	-	-		
5101 Office Supplies	1,675	1,496	1,283	1,500	548	1,500	1,500	
5102 Operating Supplies	306	700	382	350	219	350	350	
5103 Postage	235	250	294	250	117	250	250	
5104 Printing - Forms	3,931	2,000	4,011	3,000	1,561	4,000	4,000	
5106 Promotional	-	51	85	-	-	-	-	
5112 Legal	5,849	20,000	6,271	15,000	4,960	15,000	15,000	
5115 Contract/Professional Services	17,827	61,420	4,804	29,240	639	23,000	33,300	
5121 Telephone - Pager	1,707	900	1,739	2,000	1,115	1,760	1,760	
5122 Training - Conference	1,501	4,500	1,686	2,000	585	3,000	3,000	
5123 Automobile - Transportation	2,169	6,000	4,645	4,200	3,155	4,200	4,645	
5125 Publications - Books	28	100	76	50	-	50	50	
5126 Dues & Memberships	236	2,500	622	1,100	1,075	1,100	1,100	
5128 Employee Relations	-	151	-	100	-	100	100	
5130 Rents - Leases	920	4,500	1,858	3,000	983	2,100	2,100	
5131 Records Maintenance	103	-	76	100	43	110	110	
5135 Maintenance - Repair	537	251	1,083	450	715	700	700	
5138 Office Equipment	783	251	419	500	-	500	3,500	
5139 Equipment	-	500	-	500	-	500	500	
5140 Bond Insurance	-	10	-	-	-	-	-	
5141 General Liability Insurance	1,812	4,167	8,054	4,312	5,264	8,538	8,538	
5143 Property Insurance	420	936	1,577	957	996	1,672	1,672	
5144 Emp Practice Liab Insurance	102	330	121	318	994	762	1,400	
5148 Office Equipment	-	201	-	-	-	-	-	
5150 Electricity	676	651	1,375	586	858	1,430	1,473	
5151 Natural Gas	59	300	111	63	54	137	141	
5152 Water	-	-	59	38	70	50	225	
5153 Sewer	-	-	99	73	40	100	103	
5160 Elections	-	-	1,003	-	-	-	-	
5161 Sales Tax Admin Fees	-	-	7,290	-	-	-	-	
5162 Medical	2	-	-	-	-	-	-	
5166 LAFCO Fees	1,245	-	1,429	-	1,695	1,500	1,500	

2016-2017 CITY MANAGER

	6/30/14 Actual	6/30/14 Budget	6/30/15 Actual	6/30/15 Budget	2/24/16 Y-T-D Actual	6/30/16 Budget	// Proposed	// Requests
5171 Computer Software	-	500	1	500	1	500	500	
5173 Computer Maintenance - Support	1,248	1,100	2,161	1,769	1,485	2,379	2,739	
5174 Web Design Services	24	500	521	30	47	300	400	
5215 Public Works - Small Tools	-	100	-	-	-	-	-	
5514 Engineering	272	-	-	1,000	885	1,000	1,000	
5520 Improvements	191	-	-	-	-	220	220	
6100 Fixed Asset - Computer Hardware	-	1,497	-	-	-	-	-	
<b>TOTAL EXPENDITURES</b>	<b>266,844</b>	<b>314,375</b>	<b>235,275</b>	<b>325,726</b>	<b>157,844</b>	<b>284,595</b>	<b>295,629</b>	

ALLOCATION BY FUND		
General Fund	20%	59,126
Streets Funds	10%	29,563
Wastewater Fund	35%	103,470
Water Fund	35%	103,470
	100%	295,629

ALLOCATION BY POSITION	
City Manager	98%
City Clerk	60%

2016-2017 FINANCE DEPARTMENT

	6/30/14 Actual	6/30/14 Budget	6/30/15 Actual	6/30/15 Budget	2/24/16 Y-T-D Actual	6/30/16 Budget	// Proposed	// Requests
<b>EXPENDITURES</b>								
5000 Full Time Salaries	148,874	172,212	180,043	179,006	112,147	185,654	198,081	
5030 Overtime Salaries	1,015	2,000	5	-	132	-	-	
5035 Benefit - ICMA City 457	15,133	20,693	19,162	19,313	12,104	19,698	20,944	
5040 Benefit - Health Insurance	21,802	26,568	38,970	39,106	23,448	37,732	33,217	
5042 Benefit - Life Insurance	435	630	540	651	221	461	480	
5044 Benefit - Dental/Vision Insur	3,453	3,845	5,043	4,758	3,104	4,922	5,121	
5045 Worker Compensation Insurance	3,496	1,674	2,496	1,793	1,931	2,042	2,600	
5050 FICA	12,532	14,735	15,127	13,551	9,713	14,348	15,153	
5055 Unemployment Insurance	2,103	1,926	1,669	1,536	1,609	1,649	1,736	
5080 Hiring Costs	903	3,000	-	-	-	-	-	
5081 Compensated Absences Payable	1,648	-	3,254	-	-	-	-	
5101 Office Supplies	3,046	3,500	3,805	3,610	2,451	3,610	3,610	
5102 Operating Supplies	787	1,500	333	800	218	800	800	
5103 Postage	4,054	5,526	2,868	6,974	3,053	4,050	4,050	
5104 Printing - Forms	3,825	2,000	3,232	3,301	1,328	3,301	3,301	
5105 Advertising	2,937	-	-	-	-	-	-	
5106 Promotional	-	-	80	-	34	-	-	
5110 Accounting	36,970	36,790	34,936	28,800	20,937	30,000	26,500	
5112 Legal	252	1,000	784	400	-	400	400	
5115 Contract/Professional Services	833	500	-	400	24	750	750	
5116 Bank Fees	2,117	2,000	1,893	2,092	992	2,200	2,200	
5121 Telephone - Pager	1,330	1,530	1,614	2,238	1,114	2,200	2,200	
5122 Training - Conference	2,402	4,500	2,786	4,501	1,785	4,501	4,501	
5123 Automobile - Transportation	3,950	1,300	915	1,301	-	1,301	1,301	
5125 Publications - Books	34	200	48	94	-	94	94	
5126 Dues & Memberships	126	151	122	125	220	125	125	
5128 Employee Relations	-	100	-	-	-	-	-	
5130 Rents - Leases	2,549	3,000	1,740	3,101	922	2,500	2,500	
5131 Records Maintenance	630	-	659	525	475	600	1,000	
5135 Maintenance - Repair	1,395	1,800	1,088	1,951	899	1,951	1,951	
5138 Office Equipment	2,582	3,000	41	3,200	4,314	8,200	5,200	
5139 Equipment	-	100	-	-	-	-	-	
5141 General Liability Insurance	4,794	10,938	7,999	11,408	5,228	8,480	8,480	
5143 Property Insurance	1,112	2,460	1,566	2,531	989	1,660	1,660	
5144 Emp Practice Liab Insurance	270	907	120	841	987	756	1,600	
5150 Electricity	1,788	1,500	1,366	1,572	852	1,421	1,464	
5151 Natural Gas	155	151	110	170	54	137	141	
5152 Water	-	-	133	87	157	110	365	
5153 Sewer	-	-	223	165	91	216	222	
5162 Medical	100	-	-	-	-	-	-	
5163 Property Tax Admin Fees	2,777	3,000	2,744	3,000	1,305	3,000	3,000	
5171 Computer Software	68	500	1	170	76	200	200	



2016-2017 FINANCE DEPARTMENT

	6/30/14 Actual	6/30/14 Budget	6/30/15 Actual	6/30/15 Budget	2/24/16 Y-T-D Actual	6/30/16 Budget	// Proposed	// Requests
EXPENDITURES								
5172 Computer Training	75	3,000	-	-	-	-	-	
5173 Computer Maintenance - Support	14,998	8,999	14,497	15,023	7,959	14,500	15,220	
5174 Web Design Services	73	196	110	146	46	150	250	
5520 Improvements	505	-	-	-	-	-	-	
TOTAL EXPENDITURES	307,928	347,431	352,122	358,240	220,919	363,719	370,437	

ALLOCATION BY FUND		
General Fund	20%	74,087
Streets Funds	10%	37,044
Wastewater Fund	35%	129,653
Water Fund	35%	129,653
	100%	370,437

ALLOCATION BY POSITION	
Finance Director	100%
Accountant I	100%
Senior Fiscal Assistant	100%
Fiscal Clerk II	100%

2016-2017 SOLID WASTE

	6/30/14 Actual	6/30/14 Budget	6/30/15 Actual	6/30/15 Budget	2/24/16 Y-T-D Actual	6/30/16 Budget	// Proposed	// Requests
<b>EXPENDITURES</b>								
5000 Full Time Salaries	1,954	2,000	2,055	2,055	423	2,055	2,180	
5030 Overtime Salaries	125	-	-	-	-	-	-	
5032 Retirement - City Manager	198	-	-	-	-	-	-	
5035 Benefit - ICMA City 457	83	-	288	288	59	247	249	
5040 Benefit - Health Insurance	-	-	-	535	-	114	138	
5042 Benefit - Life Insurance	-	-	-	6	-	4	4	
5044 Benefit- Dental/Vision Ins	-	-	-	33	-	43	19	
5045 Workers Compensation Insurance	144	-	25	20	4	23	32	
5050 Fica	186	-	188	157	39	157	171	
5055 Unemployment Insurance	9	-	-	21	-	127	8	
5101 Office Supplies	14	200	18	17	7	17	17	
5102 Operating Supplies	572	1,000	9	50	6	50	50	
5103 Postage	13	500	34	-	-	23	23	
5104 Printing - Forms	14	200	55	-	4	-	-	
5105 Advertising	222	300	-	50	-	-	-	
5106 Promotional	-	250	2	-	-	-	-	
5112 Legal	746	-	1,763	-	972	-	-	
5115 Contract Professional Services	140	3,671	12,000	5,000	1	7,000	7,000	
5121 Telephone - Pager	29	-	6	-	4	-	8	
5122 Training - Conference	-	-	-	-	-	-	-	
5123 Automobile - Transportation	-	100	1	-	-	-	-	
5125 Publications - Books	2	-	1	-	-	-	-	
5126 Dues & Memberships	-	-	-	-	-	-	-	
5130 Rents & Leases	146	-	60	110	25	-	-	
5131 Records Maintenance	9	-	-	-	-	-	-	
5135 Maintenance - Repair	84	-	236	56	14	-	-	
5138 Office Equipment	1	-	-	-	-	-	-	
5141 General Liability Insurance	298	521	221	-	144	234	234	
5143 Property Insurance	69	117	43	-	27	46	46	
5144 Emp Practice Liab Insurance	17	41	3	-	27	21	55	
5150 Electricity	111	-	38	-	24	39	40	
5151 Electricity	10	150	3	-	1	4	4	
5154 Garbage	1,413	1,400	1,095	1,102	147	650	650	
5171 Computer Software	-	-	-	-	-	-	-	
5173 Computer Maintenance - Support	30	-	19	-	13	-	25	
5174 Web Design Services	4	50	3	-	1	-	20	
5520 Improvements	31	-	-	-	-	-	-	
<b>TOTAL EXPENDITURES</b>	<b>6,674</b>	<b>10,500</b>	<b>18,166</b>	<b>9,500</b>	<b>1,942</b>	<b>10,854</b>	<b>10,973</b>	

ALLOCATION BY FUND



2016-2017 ADMIN FUND (VEHICLE)	<u>6/30/14</u> Actual	<u>6/30/14</u> Budget	<u>6/30/15</u> Actual	<u>6/30/15</u> Budget	<u>2/24/16</u> Y-T-D Actual	<u>6/30/16</u> Budget	<u>  /  /</u> <b>Proposed</b>	<u>  /  /</u> Requests
EXPENDITURES								
5135 Maintenance - Repair	<u>37</u>	<u>-</u>	<u>125</u>	<u>-</u>	<u>16</u>	<u>500</u>	<u>500</u>	
5212 Gas & Oil	<u>259</u>	<u>5,000</u>	<u>374</u>	<u>-</u>	<u>236</u>	<u>700</u>	<u>500</u>	
5213 Vehicle Repair	<u>-</u>	<u>-</u>	<u>66</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>250</u>	
TOTAL EXPENDITURES	<u>296</u>	<u>5,000</u>	<u>565</u>	<u>-</u>	<u>252</u>	<u>1,200</u>	<u>1,250</u>	

<b>ALLOCATION BY FUND</b>		
Admin Fund	<u>100%</u>	<u>1,250</u>



2016-2017 GENERAL GOVERNMENT

	6/30/14 Actual	6/30/14 Budget	6/30/15 Actual	6/30/15 Budget	2/24/16 Y-T-D Actual	6/30/16 Budget	// Proposed	// Requests
<b>EXPENDITURES</b>								
5000 Full Time Salaries	-	-	-	-	17,068	32,642	<b>20,547</b>	
5035 Benefit - ICMA City 457	-	-	-	-	2,132	3,737	<b>2,355</b>	
5040 Benefit - Health Insurance	-	-	-	-	1,189	1,876	<b>975</b>	
5042 Benefit - Life Insurance	-	-	10	-	64	144	<b>86</b>	
5045 Worker Compensation Insurance	-	-	-	-	714	359	<b>272</b>	
5050 FICA	-	-	-	-	1,578	2,516	<b>1,573</b>	
5055 Unemployment Insurance	-	-	-	-	174	217	<b>130</b>	
5101 Office Supplies	-	-	6	-	62	-	<b>106</b>	
5102 Special Department Supplies	-	-	-	-	52	-	<b>89</b>	
5103 Postage	-	-	-	-	-	-	<b>-</b>	
5104 Printing - Forms	-	-	-	-	23	-	<b>39</b>	
5115 Contract/Professional Services	-	-	-	-	6	-	<b>10</b>	
5121 Telephone - Pager	-	-	-	-	292	-	<b>434</b>	
5125 Publications - Books	-	-	6	-	-	-	<b>-</b>	
5130 Rents - Leases	-	-	-	-	120	-	<b>205</b>	
5135 Maintenance - Repair	-	-	-	-	125	-	<b>200</b>	
5138 Office Equipment	-	-	-	-	-	-	<b>400</b>	
5141 General Liability Insurance	-	-	-	-	1,244	-	<b>1,600</b>	
5143 Property Insurance	-	-	-	-	235	-	<b>401</b>	
5144 Emp Practice Liab Insurance	-	-	-	-	92	-	<b>157</b>	
5150 Electricity	-	-	-	-	203	-	<b>347</b>	
5151 Natural Gas	-	-	-	-	13	-	<b>22</b>	
5171 Computer Software	-	-	-	-	-	-	<b>-</b>	
5173 Computer Maintenance - Support	-	-	-	-	61	3,500	<b>179</b>	
5174 Web Design Services	-	-	-	-	11	-	<b>40</b>	
<b>TOTAL EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>22</b>	<b>-</b>	<b>25,458</b>	<b>44,991</b>	<b>30,189</b>	

ALLOCATION BY FUND		
General Fund	78%	<b>23,547.18</b>
CDBG	22%	<b>6,641.51</b>
	100%	<b>30,189</b>

ALLOCATION BY POSITION	
Community Development Director	30%

2016-2017 POLICE DEPARTMENT

	6/30/14 Actual	6/30/14 Budget	6/30/15 Actual	6/30/15 Budget	2/24/16 Y-T-D Actual	6/30/16 Budget	// Proposed	// Requests
<b>EXPENDITURES</b>								
5000 Full Time Salaries	302,774	278,897	304,756	289,554	202,102	279,238	279,020	
5030 Overtime Salaries	11,087	8,000	11,196	8,112	13,599	22,541	20,391	
5035 Benefit - ICMA City 457	54,173	60,599	54,433	59,918	33,549	57,685	58,336	
5040 Benefit - Health Insurance	68,717	59,352	74,297	71,079	44,078	67,798	68,953	
5042 Benefit - Life Insurance	1,013	990	1,237	1,075	483	1,075	1,056	
5044 Benefit - Dental/Vision Insur	8,797	8,680	11,116	10,097	8,091	11,204	10,786	
5045 Worker Compensation Insurance	20,203	11,389	27,938	28,318	19,647	28,911	35,528	
5050 FICA	27,059	21,565	26,642	22,151	18,847	23,285	22,905	
5055 Unemployment Insurance	2,356	2,199	2,671	2,896	3,043	2,258	2,170	
5060 Clothing Allowance	3,759	3,751	3,553	3,742	2,438	3,750	3,750	
5080 Hiring Costs	566	3,000	-	750	2,950	2,000	3,000	
5101 Office Supplies	880	1,200	496	1,000	1,200	1,000	1,200	
5102 Operating Supplies	2,740	3,200	1,309	2,500	1,121	2,500	2,200	
5103 Postage	790	1,000	584	665	299	600	600	
5104 Printing - Forms	303	800	860	463	167	1,000	1,000	
5105 Advertising	40	50	-	50	386	50	300	
5106 Promotional	-	50	115	50	15	50	50	
5112 Legal	1,506	1,500	1,386	1,000	4,710	1,000	1,000	
5115 Contract/Professional Services	3,680	3,000	1,546	3,000	5,184	3,000	3,650	
5117 Animal Control	8,882	5,000	6,533	6,500	7,070	6,500	12,000	
5119 Safety Supplies & Equipment	-	-	1,266	1,239	272	1,239	1,239	
5121 Telephone - Pager	7,798	7,000	7,774	7,000	4,913	7,610	7,610	
5122 Training - Conference	(2,931)	2,000	1,184	-	3,644	4,400	4,400	
5123 Automobile - Transportation	193	1,000	749	500	416	500	500	
5125 Publications - Books	2,226	500	73	500	136	500	500	
5126 Dues & Memberships	1,638	2,000	1,659	1,800	390	1,800	1,800	
5128 Employee Relations	-	2,550	-	250	-	250	250	
5130 Rents - Leases	2,521	2,000	2,160	2,500	1,523	2,500	2,500	
5131 Records Maintenance	242	-	370	350	270	500	400	
5135 Maintenance - Repair	1,963	2,000	4,231	5,523	858	5,523	5,523	
5138 Office Equipment	28	2,200	2,575	2,100	142	2,100	4,200	
5139 Equipment	4,052	5,450	16,003	13,658	300	7,025	7,025	
5141 General Liability Insurance	6,009	13,543	12,137	14,301	7,932	12,865	12,865	
5143 Property Insurance	1,394	3,045	2,376	3,172	1,501	2,519	2,519	
5144 Employee Practice Liab Insurance	339	1,114	182	1,106	1,497	1,147	2,050	
5150 Electricity	2,482	-	2,317	2,000	1,439	2,412	2,484	
5151 Natural Gas	194	-	167	200	82	207	213	
5152 Water	-	-	226	147	267	180	545	
5153 Sewer	-	-	377	274	153	370	381	
5154 Garbage	166	-	-	200	-	-	-	
5162 Medical	1,425	6,000	3,096	3,000	2,224	3,000	3,200	
5171 Computer Software	378	1,500	389	500	2	500	500	

2016-2017 POLICE DEPARTMENT

	6/30/14 Actual	6/30/14 Budget	6/30/15 Actual	6/30/15 Budget	2/24/16 Y-T-D Actual	6/30/16 Budget	// Proposed	// Requests
5173 Computer Maintenance - Support	5,069	3,200	7,411	7,950	4,091	6,500	7,580	
5174 Web Design Services	89	100	167	100	70	200	500	
5192 Code Enforcement	20	3,000	445	1,000	-	1,000	1,000	
5193 Nuisance Abatement-Vehicle	80	2,500	150	1,250	250	1,250	1,250	
5212 Gas & Oil	15,712	15,000	13,452	13,000	7,900	13,400	13,700	
5213 Vehicle Repair	3,443	4,000	9,189	2,500	2,528	4,000	4,000	
5215 Public Works - Small Tools	30	-	-	-	-	-	-	
5305 Booking Fees Due	(3,439)	1,500	-	-	-	-	-	
5308 Dispatch Service Due	18,504	18,503	18,504	18,500	16,600	24,900	24,900	
5520 Improvements	634	-	-	-	-	-	-	
6100 Fixed Asset - Computer Hardware	2,711	1,300	-	-	-	-	-	
<b>TOTAL EXPENDITURES</b>	<b>592,295</b>	<b>575,227</b>	<b>639,297</b>	<b>617,540</b>	<b>428,379</b>	<b>623,842</b>	<b>641,529</b>	

ALLOCATION BY FUND		
General Fund	86%	552,371
SLESF Fund	14%	89,158
Measure Z	0%	-
	<u>100%</u>	<u>641,529</u>

ALLOCATION BY POSITION	
Police Chief, Sergeant, and 3 Officers	100%

2016-2017 PLANNING

	6/30/14 Actual	6/30/14 Budget	6/30/15 Actual	6/30/15 Budget	2/24/16 Y-T-D Actual	6/30/16 Budget	// Proposed	// Requests
<b>EXPENDITURES</b>								
5000 Full Time Salaries	89,092	91,780	62,258	64,592	22,576	35,210	39,823	
5035 Benefit - ICMA City 457	11,088	12,919	7,527	7,751	2,724	4,023	4,547	
5040 Benefit - Health Insurance	8,754	7,649	11,094	14,482	3,837	6,312	3,773	
5042 Benefit - Life Insurance	333	297	299	266	70	139	154	
5044 Benefit - Dental/Vision Insur	406	379	540	935	235	325	325	
5045 Worker Compensation Insurance	2,078	1,670	1,889	1,890	743	380	527	
5050 FICA	7,740	7,021	5,405	4,941	1,980	2,715	3,046	
5055 Unemployment Insurance	543	918	447	646	263	239	260	
5101 Office Supplies	336	400	619	350	119	350	297	
5102 Operating Supplies	147	300	76	150	36	150	150	
5103 Postage	428	600	258	300	231	300	300	
5104 Printing - Forms	2,896	250	1,382	1,250	1,035	1,670	1,631	
5106 Promotional	-	-	27	-	7	-	-	
5112 Legal	363	3,000	418	1,000	-	1,000	1,000	
5115 Contract/Professional Services	52	1,000	-	300	4	300	300	
5121 Telephone - Pager	962	826	662	975	219	975	533	
5122 Training - Conference	851	1,500	60	750	-	750	750	
5123 Automobile - Transportation	606	1,750	9	1,250	-	1,250	1,250	
5125 Publications - Books	110	250	35	100	-	100	100	
5126 Dues & Memberships	178	300	228	350	85	350	350	
5128 Employee Relations	-	50	-	25	-	25	25	
5130 Rents - Leases	771	700	622	800	298	800	595	
5131 Records Maintenance	93	-	66	100	43	100	100	
5135 Maintenance - Repair	881	500	267	400	181	400	300	
5138 Office Equipment	7	100	-	500	-	500	1,400	
5141 General Liability Insurance	1,491	3,646	1,931	3,548	872	2,047	2,347	
5143 Property Insurance	346	820	378	787	165	401	251	
5144 Employee Practice Liab Insurance	84	289	29	261	209	183	348	
5150 Electricity	556	560	330	600	142	343	353	
5151 Natural Gas	48	90	27	100	9	33	34	
5152 Water	-	-	25	16	29	30	66	
5153 Sewer	-	-	41	30	17	50	52	
5164 Regulatory Fees	50	4,000	-	2,000	-	2,000	2,000	
5166 Regulatory Fees	-	1,700	-	1,700	-	-	-	
5171 Computer Software	474	900	-	200	-	200	200	
5173 Computer Maintenance - Support	762	250	955	875	601	1,050	1,125	
5174 Web Design Services	20	250	27	400	8	400	400	
5512 Planning	-	-	13	-	-	-	-	
5520 Improvements	157	-	-	-	-	-	-	
<b>TOTAL EXPENDITURES</b>	<b>132,703</b>	<b>146,664</b>	<b>97,944</b>	<b>114,620</b>	<b>36,738</b>	<b>65,100</b>	<b>68,711</b>	



2016-2017 PLANNING

EXPENDITURES

<u>6/30/14</u> Actual	<u>6/30/14</u> Budget	<u>6/30/15</u> Actual	<u>6/30/15</u> Budget	<u>2/24/16</u> Y-T-D Actual	<u>6/30/16</u> Budget	<u>  /  /</u> Proposed	<u>  /  /</u> Requests
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<b>ALLOCATION BY FUND</b>		
General Fund	<u>100%</u>	<u>68,711</u>

<b>ALLOCATION BY POSITION</b>	
Community Development Director	40%
City Clerk	20%

2016-2017 BUILDING DEPARTMENT

	6/30/14 Actual	6/30/14 Budget	6/30/15 Actual	6/30/15 Budget	2/24/16 Y-T-D Actual	6/30/16 Budget	// Proposed	// Requests
<b>EXPENDITURES</b>								
5000 Full Time Salaries	16,712	14,654	38,403	39,319	14,769	22,153	32,967	
5035 Benefit - ICMA City 457	1,929	3,664	4,556	4,718	1,748	2,528	3,762	
5040 Benefit - Health Insurance	6,402	4,399	9,729	11,201	3,265	5,591	3,448	
5042 Benefit - Life Insurance	48	45	169	150	41	82	125	
5044 Benefit - Dental/Vision Insur	406	379	540	728	235	325	325	
5045 Worker Compensation Insurance	474	267	970	928	413	237	436	
5050 FICA	1,292	1,121	3,229	3,008	1,258	1,708	2,522	
5055 Unemployment Insurance	109	147	273	393	177	152	217	
5101 Office Supplies	56	80	544	150	101	400	347	
5102 Operating Supplies	243	50	74	633	15	200	200	
5103 Postage	32	50	45	40	13	40	40	
5104 Printing - Forms	273	200	124	100	75	140	140	
5106 Promotional	-	-	26	-	-	-	-	
5112 Legal	1,363	1,000	37	700	-	500	500	
5115 Contract/Professional Services	24,139	24,000	5,703	5,000	452	2,000	2,000	
5121 Telephone - Pager	74	256	261	600	178	280	280	
5122 Training - Conference	1,708	-	2,990	3,000	296	3,000	3,000	
5123 Automobile - Transportation	810	-	1,223	1,000	31	1,000	1,000	
5125 Publications - Books	2	1,000	706	500	-	500	500	
5126 Dues & Memberships	525	500	283	250	-	250	250	
5128 Employee Relations	-	-	-	25	-	25	25	
5130 Rents - Leases	171	300	695	150	261	700	630	
5131 Records Maintenance	102	-	128	60	85	115	115	
5135 Maintenance - Repair	1,595	50	308	400	131	500	400	
5138 Office Equipment	1	-	-	500	-	500	1,200	
5141 General Liability Insurance	298	1,302	1,876	710	371	1,989	989	
5143 Property Insurance	69	293	367	-	70	389	239	
5144 Employee Practice Liab Insurance	17	124	28	-	168	178	285	
5150 Electricity	111	300	320	125	61	341	351	
5151 Natural Gas	10	50	26	50	4	25	26	
5152 Water	-	-	49	33	58	40	107	
5153 Sewer	-	-	82	61	33	80	82	
5164 Regulatory Fees	185	50	168	250	70	250	250	
5167 Seismic Fees	152	200	176	200	110	200	200	
5171 Computer Software	-	25	-	100	-	100	100	
5173 Computer Maintenance - Support	28	99	118	200	30	180	210	
5174 Web Design Services	4	-	26	200	3	200	200	
5215 Public Works - Small Tools	7	-	-	-	-	-	-	
5520 Improvements	31	-	-	-	-	-	-	
<b>TOTAL EXPENDITURES</b>	<b>59,378</b>	<b>54,605</b>	<b>74,252</b>	<b>75,482</b>	<b>24,522</b>	<b>46,898</b>	<b>57,468</b>	

2016-2017 BUILDING DEPARTMENT

<u>6/30/14</u> Actual	<u>6/30/14</u> Budget	<u>6/30/15</u> Actual	<u>6/30/15</u> Budget	<u>2/24/16</u> Y-T-D Actual	<u>6/30/16</u> Budget	<u>  /  /</u> Proposed	<u>  /  /</u> Requests
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<b>ALLOCATION BY FUND</b>		
General Fund	43%	<b>24,567</b>
Building Fund	57%	<b>32,901</b>
	<u>100%</u>	<u><b>57,468</b></u>

<b>ALLOCATION BY POSITION</b>	
Community Development Director	30%
City Clerk	20%

2016-2017 CITY COUNCIL

	6/30/14 Actual	6/30/14 Budget	6/30/15 Actual	6/30/15 Budget	2/24/16 Y-T-D Actual	6/30/16 Budget	// Proposed	// Requests
<b>EXPENDITURES</b>								
5101 Office Supplies	-	-	12	-	21	-	40	
5102 Operating Supplies	-	51	20	-	-	-	-	
5103 Postage	-	-	120	-	3	111	111	
5104 Printing - Forms	-	51	584	-	216	837	837	
5106 Promotional	4,128	5,000	119	850	844	1,050	1,050	
5112 Legal	-	1,000	1,769	502	1,827	502	502	
5115 Contract/Professional Services	788	7,059	-	-	-	-	-	
5122 Training - Conference	663	-	1,786	2,000	905	3,000	3,000	
5123 Automobile - Transportation	1,409	-	1,661	1,502	1,089	2,000	2,000	
5125 Publications-Books	-	-	98	-	-	-	-	
5126 Dues & Memberships	2,578	2,751	2,344	2,751	-	2,751	2,751	
5129 Meeting	-	2,100	-	-	-	-	-	
5135 Maintenance - Repair	947	-	-	502	-	-	-	
5138 Office Equipment	2,890	2,892	-	-	-	-	-	
5141 General Liability Insurance	-	1,302	-	710	-	-	-	
5143 Property Insurance	-	294	-	157	-	-	-	
5173 Computer Maintenance - Support	-	-	-	-	-	-	600	
5174 Web Design Services	-	-	60	-	-	98	98	
5450 Miscellaneous Expense	6,250	6,250	-	-	-	-	-	
5540 Mayor Woodall	-	251	-	-	-	-	-	
5541 Gordon Johnson	525	251	-	-	-	-	-	
5560 Council Member Marks	-	251	-	-	-	-	-	
5563 Council Member Thompson	-	1,096	-	-	-	-	-	
5564 Council Member Wilson	-	1,096	-	-	-	-	-	
5900 RDFD and Library Water/Sewer	-	-	4,252	3,388	3,443	4,000	3,290	
<b>TOTAL EXPENDITURES</b>	<b>20,178</b>	<b>31,695</b>	<b>12,825</b>	<b>12,362</b>	<b>8,348</b>	<b>14,349</b>	<b>14,279</b>	

<b>ALLOCATION BY FUND</b>		
General Fund	38%	5,488
Streets Funds	8%	1,099
Wastewater Fund	27%	3,846
Water Fund	27%	3,846
	<u>100%</u>	<u>14,279</u>



2016-2017 STREETS

	6/30/14 Actual	6/30/14 Budget	6/30/15 Actual	6/30/15 Budget	2/24/16 Y-T-D Actual	6/30/16 Budget	// Proposed	// Requests
<b>EXPENDITURES</b>								
5000 Full Time Salaries	77,831	59,377	78,923	82,525	36,123	60,393	37,443	
5030 Overtime Salaries	494	900	722	3,004	671	3,126	2,078	
5035 Benefit - ICMA City 457	7,311	5,826	7,628	8,123	3,511	6,448	4,044	
5040 Benefit - Health Insurance	6,413	5,331	15,785	15,705	7,258	12,999	8,860	
5042 Benefit - Life Insurance	84	86	256	235	64	187	114	
5044 Benefit - Dental/Vision Insur	807	725	2,300	2,108	1,371	2,259	1,455	
5045 Worker Compensation Insurance	4,980	4,434	13,563	14,942	6,249	11,097	7,963	
5050 FICA	6,494	4,991	6,752	6,313	3,164	4,921	3,023	
5055 Unemployment Insurance	1,040	815	902	825	481	705	413	
5060 Clothing Allowance	207	235	549	825	292	685	428	
5080 Hiring Costs	-	55	-	-	-	-	-	
5101 Office Supplies	90	264	345	90	235	300	300	
5102 Operating Supplies	793	880	724	930	899	1,050	1,200	
5103 Postage	42	45	24	26	1	20	20	
5104 Printing - Forms	28	45	124	28	32	160	160	
5105 Advertising	138	45	-	188	35	-	188	
5106 Promotional	-	-	29	-	-	-	-	
5107 Memorial Park Expense	1,269	2,200	-	-	-	-	-	
5108 Streets	8,605	13,200	5,456	14,025	10,482	18,000	18,000	
5109 Chemicals	304	-	65	-	20	-	-	
5112 Legal	1,121	221	36	1,373	225	1,200	1,200	
5115 Contract/Professional Services	52,745	2,640	47,260	47,276	28,221	47,479	48,365	
5119 Safety Supplies & Equipment	135	2,200	59	173	245	175	805	
5121 Telephone - Pager	898	1,056	2,362	1,068	1,189	2,350	2,350	
5122 Training - Conference	-	1,320	196	-	85	250	250	
5123 Auto/Transportation - Public Works	111	88	15	151	2	150	150	
5125 Publications - Books	7	88	18	10	-	10	10	
5126 Dues & Memberships	113	176	58	155	49	100	100	
5127 License	8	-	-	10	-	10	10	
5128 Employee Relations	-	17	-	-	-	-	-	
5130 Rents - Leases	416	1,320	691	493	536	710	780	
5131 Records Maintenance	36	-	30	46	15	40	40	
5135 Maintenance - Repair	1,519	3,080	1,944	1,934	-	6,300	6,300	
5136 Parks Maintenance-Repair	-	2,200	10	-	-	-	-	
5138 Office Equipment - P.W.	28	88	336	39	24	130	130	
5139 Equipment	1,285	3,140	137	1,476	284	1,200	1,200	
5141 General Liability Insurance	870	2,000	3,034	2,347	1,983	3,255	3,255	
5143 Property Insurance	202	449	594	739	375	637	637	
5144 Employee Practice Liability Insurance	44	158	45	173	374	290	685	
5148 Office Equipment	24	-	-	33	-	-	-	
5150 Electricity	23,952	22,000	24,555	25,000	13,981	25,889	26,666	
5151 Natural Gas	32	440	42	38	20	122	126	

2016-2017 STREETS

	6/30/14 Actual	6/30/14 Budget	6/30/15 Actual	6/30/15 Budget	2/24/16 Y-T-D Actual	6/30/16 Budget	// Proposed	// Requests
<b>EXPENDITURES</b>								
5152 Water	-	-	3,341	3,881	1,446	4,100	4,223	
5154 Garbage	47	53	-	64	17	-	-	
5162 Medical	25	133	66	30	29	30	30	
5164 Regulatory Fees	66	880	7	90	466	90	90	
5165 Property Tax Assessment	-	32	-	-	-	-	-	
5171 Computer Software	55	133	-	75	48	75	75	
5173 Computer Maintenance - Support	93	221	151	79	100	165	415	
5174 Web Design Services	13	9	42	18	18	40	75	
5175 Community Promotions	-	9	-	-	-	-	-	
5212 Gas & Oil	1,820	2,200	4,542	1,508	2,335	4,350	4,350	
5213 Vehicle Repair	1,410	1,760	1,211	1,861	1,670	1,800	1,800	
5215 Public Works - Small Tools	750	1,760	531	781	1,603	780	780	
5217 License	7	-	-	10	-	10	10	
5227 Public Works - Equip. Repair	683	880	715	718	1,403	700	1,510	
5229 Public Works - Equip. Rental	-	221	154	-	-	-	-	
5410 Interest Expense	-	-	-	-	-	-	-	
5450 Miscellaneous Expense	-	-	-	-	32	-	-	
5514 Engineering	1,154	30,800	3,411	23,000	945	5,004	5,004	
5520 Improvements	104	874	-	-	-	-	-	
<b>TOTAL EXPENDITURES</b>	<b>206,703</b>	<b>182,100</b>	<b>229,740</b>	<b>264,541</b>	<b>128,608</b>	<b>229,791</b>	<b>197,110</b>	

ALLOCATION BY FUND		
Gas Tax (HUTA) Fund	38%	74,339
TDA Fund	39%	75,998
RSTP Fund	11%	22,000
		<b>172,337</b>
RESERVES (Gas Tax)	13%	24,773
	100%	<b>197,110</b>

ALLOCATION BY POSITION	
Water and Roads Superintendent	15%
Utility Worker I (2)	35%
Wastewater Operator I	20%

2016-2017 SEWER

	6/30/14 Actual	6/30/14 Budget	6/30/15 Actual	6/30/15 Budget	2/24/16 Y-T-D Actual	6/30/16 Budget	// Proposed	// Requests
<b>EXPENDITURES</b>								
5000 Full Time Salaries	92,825	115,024	93,261	82,405	63,491	86,013	96,780	
5030 Overtime Salaries	2,103	3,675	2,729	1,099	1,514	1,443	2,085	
5035 Benefit - ICMA City 457	9,590	12,634	9,982	9,522	6,576	9,695	10,775	
5040 Benefit - Health Insurance	30,897	21,770	24,416	25,556	14,120	22,693	24,309	
5042 Benefit - Life Insurance	403	350	313	278	128	278	307	
5044 Benefit - Dental/Vision Insur	3,896	2,961	3,322	3,383	2,292	3,545	3,962	
5045 Worker Compensation Insurance	7,255	5,636	13,916	14,981	10,340	15,279	19,919	
5050 FICA	7,414	8,799	7,628	6,560	5,305	6,757	7,563	
5055 Unemployment Insurance	850	1,150	817	857	866	760	848	
5060 Clothing Allowance	1,170	956	647	770	669	730	930	
5081 Compensated Absences Payable	43	-	(1,937)	-	-	-	-	
5101 Office Supplies	696	800	736	500	467	500	500	
5102 Operating Supplies	2,409	1,750	2,549	2,000	1,590	2,000	2,000	
5103 Postage	3,130	100	2,548	1,700	1,685	2,400	2,400	
5104 Printing - Forms	504	200	584	125	103	465	465	
5105 Advertising	663	200	-	700	35	200	200	
5106 Promotional	-	-	91	-	9	-	-	
5107 Memorial Park Expense	-	-	(135)	-	-	-	-	
5108 Streets	4	1,170	24	1,000	-	1,000	1,000	
5109 Chemicals	30,504	22,719	23,769	29,000	13,428	30,000	30,000	
5112 Legal	2,495	500	1,348	500	-	500	500	
5115 Contract/Professional Services	2,983	10,000	3,360	5,000	6,664	2,000	3,500	
5119 Safety Supplies & Equipment	691	1,000	58	1,000	166	1,000	1,400	
5120 Cell Phones	4,152	4,500	1,577	3,500	1,224	-	-	
5121 Telephone - Pager	-	-	978	-	633	2,440	2,440	
5122 Training - Conference	90	1,350	1,639	1,350	45	1,350	1,350	
5123 Auto/Transportation - Public Works	582	250	1,090	500	-	500	500	
5125 Publications - Books	162	50	53	200	-	200	200	
5126 Dues & Memberships	965	800	301	1,000	279	1,000	1,000	
5127 License	207	-	710	100	-	260	1,000	
5128 Employee Relations	-	50	-	50	-	50	50	
5130 Rents - Leases	1,558	1,300	1,886	1,300	892	1,968	1,968	
5131 Records Maintenance	149	-	31	150	15	40	40	
5135 Maintenance - Repair	15,528	15,000	15,443	15,000	4,196	20,000	20,000	
5136 Parks Maintenance-Repair	-	-	(431)	-	-	-	-	
5138 Office Equipment - P.W.	1,355	1,200	564	1,200	598	800	800	
5139 Equipment	5,189	3,000	6,407	4,500	2,460	4,500	4,500	
5141 General Liability Insurance	3,945	8,167	8,827	9,389	5,768	9,329	9,329	
5143 Property Insurance	915	1,836	1,728	2,083	1,092	1,827	1,827	
5144 Employee Practice Liab Insurance	223	647	132	692	1,089	832	1,680	

2016-2017 SEWER

	6/30/14 Actual	6/30/14 Budget	6/30/15 Actual	6/30/15 Budget	2/24/16 Y-T-D Actual	6/30/16 Budget	// Proposed	// Requests
<b>EXPENDITURES</b>								
5148 Office Equipment	114	-	-	-	-	-	-	-
5150 Electricity	118,656	55,000	125,877	108,327	68,144	133,431	133,431	-
5151 Natural Gas	19,918	7,500	17,078	20,000	11,244	22,566	23,243	-
5152 Water	-	-	21,893	33,600	44,963	28,500	29,355	-
5153 Sewer	-	-	169	-	-	50	-	-
5154 Garbage	105	2,500	-	1,000	17	-	-	-
5162 Medical	276	250	40	250	29	250	250	-
5164 Regulatory Fees	12,004	12,000	7,863	15,000	7,773	15,000	15,000	-
5165 Property Tax Assessment	-	35	6,115	-	2,242	-	2,242	-
5171 Computer Software	266	1,000	99	500	2,027	500	500	-
5173 Computer Maintenance - Support	869	50	740	500	386	920	1,290	-
5174 Web Design Services	52	-	122	65	51	75	175	-
5212 Gas & Oil	9,491	8,200	3,195	2,500	2,449	3,002	3,002	-
5213 Vehicle Repair	2,700	3,000	2,117	3,000	2,125	2,500	2,500	-
5215 Public Works - Small Tools	5,112	2,646	987	2,646	972	2,300	2,300	-
5217 License	36	-	-	-	-	-	-	-
5225 Public Works - Lab Testing	12,908	12,985	12,325	12,500	5,724	12,500	12,500	-
5227 Public Works - Equip. Repair	2,747	2,750	6,976	2,750	3,934	2,750	2,750	-
5229 Public Works - Equip. Rental	-	1,000	(23)	1,000	-	1,000	1,000	-
5410 Interest Expense	-	-	-	-	-	-	-	-
5430 Fines/Penalties	25	3,000	-	2,000	-	2,000	1,000	-
5450 Miscellaneous Expense	-	-	-	-	32	-	-	-
5514 Engineering	1,005	1,000	-	1,000	126	1,000	1,000	-
5520 Improvements	416	1,000	-	1,000	-	1,000	1,000	-
<b>TOTAL EXPENDITURES</b>	<b>422,245</b>	<b>363,460</b>	<b>436,534</b>	<b>435,588</b>	<b>299,977</b>	<b>461,698</b>	<b>488,666</b>	

<b>ALLOCATION BY FUND</b>		
Sewer Fund	100%	488,666

<b>ALLOCATION BY POSITION</b>	
Wastewater Superintendent	100%
Water and Roads Superintendent	20%
Utility Worker I (2)	10%
Wastewater Operator I	50%



2016-2017 WATER

	6/30/14 Actual	6/30/14 Budget	6/30/15 Actual	6/30/15 Budget	2/24/16 Y-T-D Actual	6/30/16 Budget	// Proposed	// Requests
<b>EXPENDITURES</b>								
5000 Full Time Salaries	75,901	89,202	37,622	49,586	39,117	65,039	63,618	
5030 Overtime Salaries	2,879	2,850	2,853	1,612	1,425	3,368	3,531	
5035 Benefit - ICMA City 457	7,771	9,798	4,763	6,192	3,905	6,945	6,871	
5040 Benefit - Health Insurance	20,404	16,883	10,020	10,376	6,984	14,000	15,054	
5042 Benefit - Life Insurance	266	271	188	171	78	202	194	
5044 Benefit - Dental/Vision Insur	2,568	2,296	1,434	1,375	1,237	2,432	2,472	
5045 Worker Compensation Insurance	5,972	4,371	6,572	9,797	6,719	11,951	13,529	
5050 FICA	6,529	6,824	3,460	3,793	3,435	5,300	5,137	
5055 Unemployment Insurance	585	892	564	496	524	760	702	
5060 Clothing Allowance	894	741	690	461	463	550	728	
5080 Hiring Costs	-	190	-	-	-	-	-	
5081 Compensated Absences Payable	29	-	(1,672)	-	-	-	-	
5101 Office Supplies	388	500	793	-	706	300	300	
5102 Operating Supplies	3,450	1,500	1,069	4,000	1,575	4,000	9,000	
5103 Postage	1,801	500	2,827	1,800	1,245	1,800	1,800	
5104 Printing - Forms	469	500	2,687	200	241	3,600	3,600	
5105 Adverlsing	438	110	-	450	46	450	450	
5106 Promotional	-	-	78	-	-	-	-	
5107 Memorial Park Expense	-	-	(135)	-	-	-	-	
5108 Streets	1,189	1,200	1,539	1,300	-	2,000	2,000	
5109 Chemicals	11,488	25,000	15,116	23,000	14,254	23,000	23,000	
5112 Legal	3,730	4,000	12,689	20,000	6,483	10,000	10,000	
5115 Contract/Professional Services	-	8,000	10,433	65,000	409	40,000	40,000	
5119 Safety Supplies & Equipment	429	1,000	63	505	221	505	905	
5120 Cell Phones	3,144	2,600	831	3,184	619	-	-	
5121 Telephone - Pager	-	-	1,902	-	790	3,184	3,184	
5122 Training - Conference	125	2,000	1,664	2,000	-	2,000	2,000	
5123 Auto/Transportation - Public Works	352	250	862	250	-	250	250	
5125 Publications - Books	23	100	51	100	-	100	100	
5126 Dues & Memberships	467	1,800	856	1,800	853	1,800	1,800	
5127 License	205	-	700	-	220	350	350	
5128 Employee Relations	-	60	-	60	-	60	60	
5130 Rents - Leases	1,076	1,000	1,810	1,000	890	2,000	2,000	
5131 Records Maintenance	117	-	45	-	20	50	50	
5135 Maintenance - Repair	44,708	43,000	17,069	40,000	35,131	53,000	53,000	
5136 Parks Maintenance-Repair	-	-	(431)	-	-	-	-	
5138 Office Equipment - P.W.	273	1,200	1,775	1,500	606	1,500	1,500	
5139 Equipment	4,086	3,000	2,500	4,000	7,091	4,000	4,000	
5141 General Liability Insurance	3,211	6,334	8,606	7,642	5,624	9,112	9,112	
5143 Property Insurance	745	1,424	1,685	1,695	1,064	1,784	1,784	
5144 Employee Practice Liab Insurance	181	502	129	563	1,062	813	1,531	
5148 Office Equipment	75	-	-	-	-	-	-	

2016-2017 WATER

	6/30/14 Actual	6/30/14 Budget	6/30/15 Actual	6/30/15 Budget	2/24/16 Y-T-D Actual	6/30/16 Budget	// Proposed	// Requests
<b>EXPENDITURES</b>								
5150 Electricity	23,446	60,000	19,733	54,000	11,720	20,147	<b>20,751</b>	
5151 Natural Gas	104	2,000	118	150	58	140	<b>144</b>	
5152 Water	-	-	277	-	83	380	<b>391</b>	
5153 Sewer	-	-	22,297	43,500	17,451	26,500	<b>27,295</b>	
5154 Garbage	69	100	-	100	22	100	<b>100</b>	
5162 Medical	235	400	82	300	38	300	<b>300</b>	
5164 Regulatory Fees	16,234	13,000	7,551	8,000	-	16,500	<b>16,500</b>	
5165 Property Tax Assessment	-	30	-	-	-	-	-	
5171 Computer Software	176	750	1	450	95	450	<b>450</b>	
5173 Computer Maintenance - Support	958	1,000	449	1,000	380	500	<b>750</b>	
5174 Web Design Services	42	20	119	55	50	80	<b>180</b>	
5175 Community Promotions	-	10	-	-	-	-	-	
5212 Gas & Oil	5,722	6,000	5,841	5,000	3,100	6,000	<b>6,000</b>	
5213 Vehicle Repair	2,337	5,500	1,694	2,200	2,226	2,200	<b>2,200</b>	
5215 Public Works - Small Tools	3,186	3,000	615	2,500	1,175	2,500	<b>2,500</b>	
5217 License	24	-	-	30	-	30	<b>30</b>	
5225 Public Works - Lab Testing	2,127	5,000	3,449	3,500	3,642	10,000	<b>10,000</b>	
5227 Public Works - Equip. Repair	2,750	2,500	727	2,800	632	2,800	<b>2,800</b>	
5229 Public Works - Equip. Rental	-	1,500	375	-	-	250	<b>250</b>	
5410 Interest Expense	-	-	-	-	-	-	-	
5430 Fines/Penalties	25	-	-	-	-	-	-	
5450 Miscellaneous Expense	-	-	-	-	43	-	-	
5514 Engineering	1,168	2,000	-	1,500	404	1,500	<b>1,500</b>	
5520 Improvements	339	1,000	-	-	-	-	-	
6000 Fixed Asset - Equipment	-	-	7,078	-	-	-	-	
<b>TOTAL EXPENDITURES</b>	<b>264,910</b>	<b>343,708</b>	<b>224,113</b>	<b>388,993</b>	<b>184,156</b>	<b>366,582</b>	<b>375,753</b>	

ALLOCATION BY FUND		
Water Fund	100%	<b>375,753</b>

ALLOCATION BY POSITION	
Water and Roads Superintendent	60%
Utility Worker I (2)	35%
Wastewater Operator I	20%

2016-2017 BUILDINGS & GROUNDS

	6/30/14 Actual	6/30/14 Budget	6/30/15 Actual	6/30/15 Budget	2/24/16 Y-T-D Actual	6/30/16 Budget	// Proposed	// Requests
<b>EXPENDITURES</b>								
5000 Full Time Salaries	-	-	31,367	36,798	17,172	32,518	18,747	
5030 Overtime Salaries	-	-	502	1,612	137	1,683	1,040	
5035 Benefit - ICMA City 457	-	-	2,899	2,687	1,558	3,472	2,025	
5040 Benefit - Health Insurance	-	-	9,206	6,649	7,822	7,000	4,436	
5042 Benefit - Life Insurance	-	-	130	83	66	102	57	
5044 Benefit - Dental/Vision Insur	-	-	1,369	909	1,458	1,217	728	
5045 Worker Compensation Insurance	-	-	5,635	4,693	2,907	5,976	3,987	
5050 FICA	-	-	2,551	2,057	1,467	2,651	1,514	
5055 Unemployment Insurance	-	-	321	268	257	381	207	
5060 Clothing Allowance	-	-	90	286	79	336	214	
5101 Office Supplies	-	-	127	-	81	-	108	
5102 Operating Supplies	-	-	281	151	118	365	365	
5103 Postage	-	-	20	-	-	16	16	
5104 Printing - Forms	-	-	60	-	30	68	68	
5106 Promotional	-	-	21	-	-	32	32	
5107 Memorial Park Expense	-	-	503	1,300	-	1,101	1,101	
5109 Chemicals	-	-	175	-	16	-	-	
5112 Legal	-	-	29	-	-	-	-	
5115 Contract/Professional Services	-	-	-	-	7	-	-	
5119 Safety Supplies & Equipment	-	-	48	151	79	153	153	
5120 Cell Phones	-	-	889	-	248	1,100	1,100	
5121 Telephone - Pager	-	-	67	-	43	122	122	
5122 Training - Conference	-	-	5	-	-	-	-	
5123 Automobile - Transportation	-	-	12	-	-	-	-	
5125 Publications - Books	-	-	15	-	-	11	11	
5126 Dues & Memberships	-	-	4	-	-	6	6	
5130 Rents - Leases	-	-	386	-	214	423	423	
5131 Records Maintenance	-	-	4	-	-	6	6	
5135 Maintenance - Repair	-	-	2,366	-	476	1,557	1,557	
5136 Parks Maintenance - Repair	-	-	1,416	4,251	-	2,024	2,024	
5139 Equipment	-	-	250	800	-	799	799	
5141 General Liability Insurance	-	-	2,483	-	1,622	2,632	2,632	
5143 Property Insurance	-	-	486	-	307	514	514	
5144 Employee Practice Liability Insurance	-	-	37	-	306	234	455	
5150 Electricity	-	-	979	-	628	937	965	
5151 Natural Gas	-	-	34	-	17	42	43	
5152 Water	-	-	1,634	1,728	-	501	1,070	
5171 Computer Software	-	-	-	-	-	-	-	
5173 Computer Maintenance - Support	-	-	138	-	92	153	183	
5174 Web Design Services	-	-	34	-	14	21	295	
5212 Gas & Oil	-	-	468	1,500	10	500	500	
5215 Public Works - Small Tools	-	-	756	1,000	298	184	184	

2016-2017 BUILDINGS & GROUNDS

	6/30/14 Actual	6/30/14 Budget	6/30/15 Actual	6/30/15 Budget	2/24/16 Y-T-D Actual	6/30/16 Budget	// Proposed	// Requests
EXPENDITURES								
5227 Public Works - Equip. Repair	-	-	552	851	258	799	799	
5229 Public Works - Equip. Rental	-	-	234	751	-	500	500	
TOTAL EXPENDITURES	-	-	68,583	68,525	37,787	70,136	48,986	

21,150

ALLOCATION BY FUND		
General Fund	20%	9,797
Streets Funds	10%	4,899
Wastewater Fund	35%	17,145
Water Fund	35%	17,145
	100%	48,986

ALLOCATION BY POSITION	
Water and Roads Superintendent	5%
Utility Worker I (2)	20%
Wastewater Operator I	10%