

City of Carpinteria
City Council Regular Meeting Agenda
Monday, October 10, 2016
Council Chamber, 5775 Carpinteria Avenue
5:30 p.m. Regular Session

INFORMATION ABOUT CITY COUNCIL MEETINGS:

- The time at which an item on the agenda is scheduled to be heard is an estimate only. The City Council may consider and act on an agenda item in any order it deems appropriate. In addition, an item may be considered earlier or later than the Estimated Time, depending on the length of time which is devoted to other agenda items. All persons interested in an item listed on the agenda are advised to be present throughout the meeting to ensure that they are present when the item is called.
- The regular meeting will be broadcast live over Government Access Television Channel 21 and rebroadcast on Wednesday at 8:00 p.m. and Saturday at 5:00 p.m. Live webstreaming of regular meetings is also available at <http://carpinteria.ca.us> under Government.
- Materials related to an Agenda item submitted to the City Council after distribution of the agenda packet are available for public inspection in the City Clerk's Office at 5775 Carpinteria Avenue, Carpinteria, during normal business hours. Such documents are also available on the City of Carpinteria website at www.carpinteria.ca.us subject to staff's ability to post the documents before the meeting.
- Any written or printed material and/or exhibits presented at a City Council meeting or work session become the property of the City.
- Any information presented to the City Council by the public on any agenda item and during Public Comment using electronic media to be displayed on the overhead projector must be arranged with staff for review of materials in advance of the meeting and no later than close of business Wednesday prior to the Council meeting.
- As a courtesy to others and to avoid interference with the public address system, please refrain from using cell phones in the Council Chambers and please turn off all audible pagers and rings.
- If you wish to speak on a matter scheduled for consideration in a closed session, you will have an opportunity to address the City Council before the Council retires to its closed session deliberations.

**ESTIMATED
TIME:**

5:30 p.m. **CALL TO ORDER**

5:30 p.m. **ROLL CALL**

5:31 p.m. **PLEDGE OF ALLEGIANCE**

5:31 p.m. **INTRODUCTIONS, PROCLAMATIONS AND PRESENTATIONS**

5:31 p.m. **PUBLIC INFORMATION REPORTS AND ANNOUNCEMENTS**

5:32 p.m. **CITY MANAGER'S REPORT**

The City Manager will report to the City Council regarding various City and/or community events and/or matters of interest. There will be no City Council discussion except to ask questions or refer matters to staff; and no action will be taken unless listed on a subsequent agenda.

5:35 p.m. **PRESENTATIONS BY CITIZENS/PUBLIC COMMENT**

This is a time for public comments on matters not otherwise on the agenda but within the subject matter jurisdiction of the City Council. The Public Comment period is limited to 15 minutes and divided among those persons desiring to speak. No person shall speak longer than three minutes; however, the Mayor may establish shorter periods based on the time available and/or the number of persons waiting to speak. Persons wishing to speak on a specific item will be recognized at the time the agenda item is considered.

Please be aware that items on the consent calendar are considered to be routine and are normally enacted by one unanimous vote of the Council. If you wish to speak on a consent calendar item, or on a matter scheduled for consideration in a closed session at the end of the agenda, please do so during the Presentations by Citizens/Public Comment portion of the meeting.

The City and the City Council are not responsible for the content of statements made during the public comment period, or the factual accuracy of any such statements.

AGENDA MODIFICATIONS: The City Council may modify the regular agenda by tabling items, adding urgency items to the agenda or changing

the order in which items are considered. Changes to the Consent Calendar are considered at the time the Consent Calendar is considered.

5:50 p.m. **CONSENT CALENDAR:** Individual items may be removed and considered separately at the request of a Councilmember. Any item, which is removed from the Consent Calendar, will be added to the end of the agenda under Other Business.

1. Approve the minutes of the regular meeting held September 26, 2016.
2. Receive and file the Expenditures Report for the period beginning September 21, 2016 and ending October 4, 2016.

5:51 p.m. **ADMINISTRATIVE MATTER:** None

5:51 p.m. **PUBLIC HEARING:** None

5:51 p.m. **OTHER BUSINESS:**

- 5:51 p.m. 3. Request for the Issuance of a Letter of Public Convenience or Necessity (PCN), to California Department of Alcoholic Beverage Control (ABC), for a Type 42 Bar-Tavern License at 5080 Carpinteria Avenue, Sunburst Winery

Recommendation: Staff recommends that the Council make a determination as to whether approval of the requested license to operate a new bar/tavern within the City serves the public's convenience or necessity.

Staff presenter: Silvia Echeverria, Code Compliance Supervisor

- a. Staff Report
- b. Public Comment
- c. City Council Determination

- 6:05 p.m. 4. Authorization to Issue Purchase Orders for Site Furnishing and to Seek Bids to Complete the Community Garden Project

Recommendation: Authorize the City Manager to issue purchase orders for park furnishings and to seek public bids from qualified contractors to complete the improvements as shown on the Community Garden Plan set pursuant to Public Contract Code §20164.

Staff presenter: Matt Roberts, Parks and Recreation Director

- a. Staff Report
- b. Public Comment
- c. City Council Determination

6:20 p.m.

5. A Report on City Options for Responding to Proposition 64, known as the Adult Use of Marijuana Act, on the Ballot for Consideration by California Voters on the November 8, 2016 Election.

Recommendation: Determine which option is desired and direct staff accordingly.

Staff presenter: Dave Durflinger, City Manager

- a. Staff Report
- b. Public Comment
- c. City Council Determination

6:45 p.m.

6. Contract with Avila & Associates, Inc. for Professional Engineering Services for the Linden Avenue and Casitas Pass Road Interchanges Project

Recommendation: Authorize the City Manager to execute an agreement for professional engineering services with Avila and Associates, Inc. for additional engineering services necessary to prepare FEMA floodplain revision documents.

Staff presenter: Charlie Ebeling, Public Works Director

- a. Staff Report
- b. Public Comment
- c. City Council Determination

7:00 p.m.

7. Amendment to the Measure A Cooperative Agreement for the Carpinteria Children's Project at Main School Sidewalk Infill Project

Recommendation: Approve and authorize the Mayor to sign the Amendment to the Measure A Cooperative Agreement for the Carpinteria Children's Project at Main School Sidewalk Infill Project.

Staff presenter: Charlie Ebeling, Public Works Director

- a. Staff Report
- b. Public Comment

c. City Council Determination

7:10 p.m. **LEGISLATIVE UPDATE:** The City Council will discuss local, state and/or federal legislation under consideration and decide whether to direct staff to place a matter(s) on a future City Council agenda for consideration.

7:15 p.m. **COMMITTEE REPORTS, INQUIRIES AND OTHER MATTERS
PRESENTED BY COUNCILMEMBERS**

Informational reports from Councilmember representatives on the committees, commissions and organizations listed below. This is also an opportunity for Councilmembers to request information from staff or seek support from fellow Councilmembers for future agenda items.

1. Representatives to Regional Agencies and Committees

- a. Beach Erosion Authority for Clean Oceans and Nourishment (BEACON) (Shaw/Alt. Carty)
- b. California Joint Powers Insurance Authority (CJPIA) (Clark/Alt. Shaw)
- c. Channel Counties Division, League of California Cities (Nomura/Alt. Shaw)
- d. Santa Barbara County Association of Governments (SBCAG)(Clark/Alt. Nomura)
- e. Santa Barbara County Air Pollution Control District (APCD)(Clark/Alt. Nomura)
- f. Santa Barbara Joint Housing Task Group (Carty & Shaw)
- g. Central Coast Collaborative on Homelessness (C3H) (Clark)
- h. South Coast Task Force on Youth Safety Leadership and Executive Council (Carty & Clark)

2. Joint and Standing Committees

- a. City Council/Chamber of Commerce Board of Directors Committee (Carty & Nomura)
- b. City Council/Public Safety Committee (Clark & Shaw)
- c. City Council/School Board Committee (Stein & Carty)
- d. City Council/Utilities Committee (Stein & Nomura)
- e. City Council/First District Supervisor Committee (Stein & Carty)
- f. City Council Finance/Budget Committee (Stein & Clark)

3. Ad Hoc Committees

- a. Public Facility Site Acquisition/Development Committee (Carty & Nomura)
 - b. Transportation Committee (Stein & Shaw)
 - c. Joint City Council / Planning Committee General Plan and Coastal Plan Update Committee (Stein & Clark)
 - d. Housing Assistance Benefit Committee (Stein & Nomura)
4. City Representatives on other Committees
- a. Community Media Access Center (Gary Dobbins)
 - b. Santa Barbara Coastal Vector Control District (Ronald Hurd)
 - c. Santa Barbara Metropolitan Transit District (Chuck McQuary)

7:20 p.m.

ATTENDANCE OF COUNCILMEMBERS FOR FUTURE MEETINGS

7:20 p.m.

ADJOURNMENT

The next regular meeting to be held on **Monday, October 24, 2016** at **5:30 P.M.**, in the Council Chamber, City Hall, 5775 Carpinteria Avenue, Carpinteria, California.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's Office at 755-5405 or the California Relay Service at (866) 735-2929. Notification 2 business days prior to the meeting will enable the City to make reasonable arrangements for accessibility to this meeting.

This agenda was posted on Tuesday, October 4, 2016, in the City Clerk's Office, on the City Hall Public Notices Board, and on the Internet.

**City of Carpinteria
City Council Minutes
Regular Meeting
Council Chamber
Monday, September 26, 2016**

CALL TO ORDER

Mayor Carty called the meeting to order at 4:30 p.m.

ROLL CALL

Councilmember Al Clark, Councilmember Wade Nomura, Councilmember J. Bradley Stein, Vice Mayor Fred Shaw, and Mayor Gregg A. Carty were present. City Manager Dave Durflinger (present for Item 1a only), City Clerk Fidela Garcia were also present.

PUBLIC COMMENT ON CLOSED SESSION: None.

CLOSED SESSION

Mayor Carty announced that the City Council would temporarily adjourn to a Closed Session for the purpose of the following items:

- 1a. Public Employee Performance Evaluation – Government Code Section 54957

Title: City Manager Dave Durflinger

- 1b. Conference with Labor Negotiator(s) – Government Code Section 54957.6

Agency Designated Representatives: Arlene Balmadrid, Human Resources Director.

Unrepresented Employee - City Manager Dave Durflinger

TEMPORARY ADJOURNMENT TO CLOSED SESSION

The City Council recessed to Closed Session at 4:31 p.m.

CALL BACK TO ORDER

Mayor Carty called the meeting back to order at 5:30 p.m.

ROLL CALL

Councilmembers present:

Councilmember Al Clark
Councilmember Wade Nomura
Councilmember J. Bradley Stein
Vice Mayor Fred Shaw
Mayor Gregg A. Carty

Staff members present:

Dave Durflinger, City Manager
Peter Brown on behalf of Brownstein Hyatt Farber Schreck, LLP, acting as City Attorney of the City of Carpinteria
Dylan Johnson on behalf of Brownstein Hyatt Farber Schreck, LLP, acting as City Attorney of the City of Carpinteria
Fidela Garcia, City Clerk
Arlene Balmadrid, Human Resources Director
Steve Goggia, Community Development Director
Shanna Farley-Judkins, Associate Planner

CLOSED SESSION REPORT

1a. Public Employee Performance Evaluation – Government Code Section 54957

Title: City Manager Dave Durflinger

1b. Conference with Labor Negotiator(s) – Government Code Section 54957.6

Agency Designated Representatives: Arlene Balmadrid, Human Resources Director.

Unrepresented Employee - City Manager Dave Durflinger

Peter Brown on behalf of Brownstein Hyatt Farber Schreck, LLP, acting as City Attorney of the City of Carpinteria announced that the City Council met in Closed Session and there was no reportable action.

PLEDGE OF ALLEGIANCE

All present were led in the salute to the flag by Mayor Carty.

INTRODUCTIONS, PROCLAMATIONS AND PRESENTATIONS:

2. Presentation on the Open Streets Event Proposal by Kent Epperson, Director of SBCAG Traffic Solutions.

Robin Elander, representing Health and Wellness Initiative Open Streets, presented a video entitled "The Rise of Open Streets" promoting temporary street closures events for biking, walking, skating, and other physical activities. She expressed her interest in building an Open Streets Event in Carpinteria on April 1, 2017, on Linden Avenue to below Carpinteria Beach, and the neighborhood of Eighth and Ninth Streets to the pedestrian and bicycle bridge. She also shared her experience in promoting three events in Santa Barbara.

Councilmember Stein inquired regarding the times for the event. Ms. Elander responded that the street closures would be on a Saturday from 9:00 a.m. to 5:00 p.m. She spoke regarding her public outreach efforts to promote this event. Councilmember Stein inquired whether she had received input from the business community that would be affected by the street closures. Ms. Elander responded that her group has been working with the Chamber of Commerce, they personally visited the local businesses, and they held two community meetings attended by approximately 50 people each representing local businesses and community organizations.

Vice Mayor Shaw commented that he had spoken with Ms. Elander regarding the proposed street closure at Eighth and Ninth, which is mainly residential with many condominiums. He noted that the proposal is to close only one side of the street in order to accommodate parking and ingress and egress for the residents. Ms. Elander responded that the idea would be to have a partial street closure.

Mayor Carty commented that he met with Ms. Elander, Kent Epperson, representatives from the Santa Barbara Bicycle Coalition, and many Carpinteria volunteers the past weekend. He stated that he liked the idea of having these activities to get people out in the street and perhaps bringing back the canoe race; however, he expressed concern regarding the street closure on Eighth Street at Holly and Elm. He suggested closing from Elm to Linden Avenue and ending at the Main Resource Center. Ms. Elander expressed her appreciation for the City Council's feedback.

Dave Durflinger, City Manager, noted that this event would require a Special Events Permit, which would be reviewed by the various City Departments followed by formal consideration for review and approval by the City Council

PUBLIC INFORMATION REPORTS AND ANNOUNCEMENTS:

Vice Mayor Shaw reminded everyone that mental health services are available the second and fourth Thursday every month at the Veterans' Hall from 8:30 a.m. to 4:30 p.m.

CITY MANAGER'S REPORT

- Congratulations to Matt Roberts, Parks and Recreation Director, and staff, participants, and volunteers, for the City's 19th Annual Triathlon. City Manager

Dave Durflinger noted that his favorite quote from one of the bicyclist was, "I am here to complete, not compete." He noted that everyone had a very good time.

Peter Brown on behalf of Brownstein Hyatt Farber Schreck, LLP, acting as City Attorney of the City of Carpinteria, introduced Wendy Wilson, who recently joined his firm. He noted that Ms. Wilson recently graduated from Georgetown University Law Center with interest in Natural Resources Law and Public Law.

Ms. Wilson stated that she was very excited for the opportunity to work with the City of Carpinteria.

PRESENTATIONS BY CITIZENS/PUBLIC COMMENT

Celinda Valeur, resident on Venice Lane, read from her prepared statement that on July 27 a man was chased by Police who ran from Motel 6 to the Castro's property into her backyard and then back to Santa Monica Road. She noted that she was with her three-year old child on her side yard. She stated that the man was apprehended a few minutes later by the Police. She also stated that she and her husband spoke with several of the neighbors, and her neighbors, the Castros, indicated that parolees were being dropped off in front of and around Seven-Eleven either by Sheriffs or government officials and pointed them to Motel 6. She stated that she saw a Sheriff's patrol car parked on Santa Monica Road and she spoke with the officer inside to relay her findings. She also stated that she was told that these activities were not done by the Sheriff's Department, but rather that the State Parole from Oxnard is dropping off these people. She indicated that the Sheriff's Department said they know it, and they do not like it. She stated that the Officer continued to say that Santa Barbara County works with Oxnard State Parole and that Santa Barbara Probation who is paying for the Motel 6. She also stated that the Officer gave her the phone number to Santa Barbara County to make a formal complaint so that at least sexual offenders would not get dropped off at Motel 6 due to the proximity of children. She mentioned that she recently spoke with a former Night Manager of Motel 6, Mr. Landeros, who worked there for four years and who said that the Santa Barbara Sheriffs come to Motel 6 every night with a list of names of parolees and requesting to see the manifest of guests in order to make a comparison. She expressed her concern with filling up a hotel with parolees in a small tourist town because this was hurting tourism and the small character of the town. She stated that when real tourists stay there they do not last more than one hour. She also stated that this was also hurting the neighbors and their children who are getting terrorized, burglarized, and robbed on a regular basis, and they could hear the police sirens and helicopters.

Mayor Carty asked Lt. Perkins to provide a report. Lt. Perkins stated that he had an opportunity to look into Ms. Valeur's complaint and he had been working on following-up with several different entities. He stated that the Sheriff's Department had heard of the rumor from a few different sources regarding the alleged parolees being dropped off at Motel 6 by State Parole from Oxnard and that the first time he heard this rumor it was

the Oxnard Police. He stated that he spoke with the Director in State Parole in Oxnard and representatives from Santa Barbara Probation Department, and nobody from either entity had any knowledge of a protocol in place where parolees are dropped off anywhere in the City of Carpinteria. He spoke with regard to Ms. Valeur's contact with the Deputy that she spoke to and noted that he was still trying to ascertain the details from that conversation. He stated that he did not know that in his initial conversation with the Deputy there may have been some miscommunication about what he understood of Ms. Valeur's complaint and some of that is backed up by the number provided on the business card to Ms. Valeur, which is the records number as opposed to their main number. He stated that he was fairly confident that State Parole and Santa Barbara Probation are not in the practice of dropping off parolees at Seven-Eleven or housing them at hotels or motels in the Carpinteria area. He also stated that it was not inconceivable that an independent officer from an agency relocated somebody at some point in time and this spurred that first complaint when an Oxnard Police Officer dropped someone off from their car in the Seven-Eleven parking lot although he has not spoken with anyone who has physically witnessed that. He stated that if anyone sees anything along these lines or sees anything that is suspicious, the best way to get a quick resolution is to contact 911 and have a local law enforcement officer establish exactly what is occurring. He reiterated that he was following-up with the Deputy regarding Ms. Valeur's concerns.

Councilmember Nomura referred to the comment regarding the man running through backyards and inquired whether that was consistent with the man being a parolee. Lt. Perkins responded that there was no indication that this was a parolee that was dropped off and that he would need to research the case specifically.

Councilmember Clark stated that there was an allegation about Santa Barbara County Probation providing vouchers for the hotel room and that law enforcement would go to the hotel to compare the manifest. He inquired whether Lt. Perkins had information regarding this. Lt. Perkins responded that this was the first he had heard of anybody comparing manifests; however, he would follow-up.

Vice Mayor Shaw inquired whether the Sheriff's Department he noticed whether in that area there has been an uptick in burglaries, car break-ins, etc. Lt. Perkins responded that the Sheriff's Department had seen an uptick in some thefts from automobiles, but he would not specifically say that it is in the Carpinteria/Summerland area as a whole. He noted that burglaries could be cyclical and during summertime months and the holiday season. He stated that he would need to research their records.

Mayor Carty stated that he had been contacted several times in the last week regarding the Motel 6 area and there was much concern in the community. Lt. Perkins encouraged everyone to not let an urban legend become larger.

Councilmember Stein asked that Lt. Perkins report back to the City Council after he has completed his investigation. He also addressed concerns regarding the homeless

coming in on the bus and driving in, and seeing them on the on-ramps and off-ramps and in front of businesses. He stated that this activity was increasing and Carpinteria was getting the reputation of an easy town to come into. He also stated that people should not give these people money because there are agencies that are well equipped to handle this situation. He asked for a follow-up on this as well.

Mike Wondoloswski stated that in last week's Coastal View Police Beat it was mentioned in a quote from a Sheriff's report that a motel parking lot on Via Real is a known location for narcotics activity. He also stated that given the frequency of Sheriff's actions at both motels at this location for illegal drugs and meth manufacturing, if parolees were being dropped off this would be a really bad place to drop them off. He encouraged the City Council to ask the Sheriff's Department for clear statistics on the rate of crime and Sheriff's responses to these motels. He asked at what point do one or both of these motels become recognized as a public nuisance and trigger some action by the City.

Joyce Donaldson, representing the Carpinteria Valley Chamber of Commerce, referred to the request regarding Open Streets and noted that the representatives spoke with her to discuss the concept. She stated that she attended the event in Santa Barbara and she wanted to bring this event to Carpinteria. She noted that the Chamber has seen an influx of health and wellness businesses join the Chamber and become more active in the community. She stated that one of the Chamber's goals is to be able to let people know how many people are in the health and wellness industry and they do not need to go outside of the City. She noted that she was already putting together a Health and Wellness Expo for next spring when the Open Streets concept came to light and she believes this is a natural blend. She stated that she was excited and that she hoped they could work this out in order to bring the Open Streets event. She noted that earlier in the day she was at Rite-Aid and the Store Manager indicated he would welcome this type of event because they could give free blood pressure screening and cholesterol checkups. Additionally, the Arts Center is in support and meetings have been held at this facility. Secondly, she thanked the City, Mimi, and Councilmember Nomura for the Chamber's "Don't Panic, Prepare" Program, which was nicely attended and highly recognized for National Preparedness Month. She invited everyone to the Chamber's Mixer on September 28 at the Sunset Shores. She stated that the Chamber was also looking forward to the Avocado Festival and the Chamber had over 100 volunteers who have received ABC training in preparation for this year's beer booths. She also invited the City and community leaders to Santa Barbara Community College's welcome reception on October 13 to be hosted by Superintendent Dr. Beebe.

Mike Winneguth, resident on Eighth Street, noted that he received a flyer for the Open Streets event and he inquired whether 1.25 miles were required to conduct the event. He stated that he has supported this type of event since he moved to Carpinteria over four years ago and he suggested that this could be done monthly during First Friday when the barriers are already up. He also suggested that this event could be held in the commercial areas of town rather than residential areas to allow for ingress and egress.

He also suggested ending the route at Sixth Street and going over one block each way off of Linden Avenue where there would not be as much restriction traffic. He also inquired whether the Santa Barbara Open Streets would continue. Mayor Carty noted that the event was conceptual at this stage and he was sure that the organizers appreciated his input.

AGENDA MODIFICATIONS:

Mayor Carty noted there were a few corrections made for Items 8 and 10.

CONSENT CALENDAR

Motion by Councilmember Stein, seconded by Vice Mayor Shaw, to approve the Consent Calendar and Resolution Nos. 5688, 5685, and 5687 as read in title only.

Upon voice vote, motion carried unanimously.

3. Approve the minutes of the regular meeting held September 12, 2016.
4. Receive and file the Expenditures Report for the period beginning September 7, 2016 and ending September 20, 2016.
5. Receive and file the Report of Contracts Executed by the City Manager on behalf of the City for the Period of August 1, 2016 through September 16, 2016.
6. Adopt Resolution No. 5688, Receiving and Filing the Annual Statement of Investment Policy.
7. Adopt Resolution No. 5685, A Resolution of the City Council of the City of Carpinteria, Declaring Certain Equipment and Vehicles as Surplus Assets.
8. Adopt of Resolution No. 5687, A Resolution of the City Council of the City of Carpinteria Approving an Amendment to the City's Conflict of Interest Code.

ADMINISTRATIVE MATTER: None

PUBLIC HEARING:

9. Extension of the Temporary Moratorium on the Issuance of Business Licenses and Transient Occupancy Certificates for New Short-term Rentals in the City of Carpinteria

Recommendation: Adopt Ordinance No. 711, extending the temporary moratorium on the issuance of Business Licenses and Transient Occupancy Certificates for new short-term rentals in the City of Carpinteria for an additional year.

Steve Goggia, Community Development Director, acknowledged Shanna Farley-Judkins, Associate Planner, for her work with the Community Development Department, especially with the subject of short-term rentals. He noted that Ms. Farley-Judkins had accepted a position with the County of Los Angeles and tonight would be her last presentation. He stated that everyone hated to see her leave, and he thanked her for work with the City of Carpinteria.

Mayor Carty and the City Councilmembers congratulated Ms. Farley-Judkins on her new position.

Dylan Johnson on behalf of Brownstein Hyatt Farber Schreck, LLP, acting as City Attorney of the City of Carpinteria stated that they had two Councilmembers who have conflicts of interest as to short-term rental issues, Councilmember Stein and Councilmember Nomura, which leaves them three Councilmembers to take a vote, whereas a moratorium, under State law, requires a 4/5ths vote of the entire legislative body meaning they need at least four participants to vote on the matter. He noted that the State Legislature provided an exception to the conflict of interest rules called the "legally required participation" exception, which provides that the conflict of interest laws do not prevent a public official from participating in a governmental decision when the official's participation is required for the action to be taken. (Govt Code 87101). Under this exception, only the minimum number of Councilmembers required to take action may participate, which in this case would be four Councilmembers. The legally required exception requires disclosures about the nature of the potential conflicts of interest and the use of a random means of selection to determine which will be the fourth Councilmember to participate. He stated that Councilmember Stein has a potential conflict of interest as to the decision to adopt this extension of the moratorium due to a community property interest in income and gifts received by his wife; and Councilmember Nomura has a potential conflict of interest due to his community property interest in income received by his wife. Now that the proposed short-term regulations have been adopted on first reading and are pending at the Coastal Commission, it is reasonably foreseeable that a vote to extend the moratorium could make it more difficult to obtain or retain a short-term rental license because the proposed regulations place a cap and other standards on the number of licenses available in the City and impose new eligibility standards. The moratorium will prevent unit owners from obtaining licenses and renting their units on a short-term basis until the new regulations come into effect.

Councilmember Stein's wife is the general manager of Sunset Shores Condominiums, which includes a number of short-term rental units. His wife has also occasionally received gifts from owners of individual units within Sunset Shores for providing management services. Restrictions and limitations on the issuance of short-term rental licenses could theoretically have a negative effect on the property management company and on persons who provided gifts to the Council member's wife in the past.

Councilmember Nomura's wife is a real estate agent with Coldwell Banker Residential

Brokerage. It has been argued that certain units in the City would be reduced in value if they are unable to obtain or retain a short-term rental license. Since real estate agents derive income from commissions on sale that are based on the value of the unit sold, it is conceivable that adoption of the extension of the moratorium could have a negative effect on a real estate agent. A decrease in values may also affect the Councilmember's wife's employer, Coldwell Banker.

City Manager Dave Durflinger and City Clerk Fidela Garcia conducted the random means of selection. City Clerk Fidela Garcia stated that Community Development Director Steve Goggia would read the two names written on two pieces of paper for the record, she would fold the papers, and place them in a jar, and City Manager Dave Durflinger would select one of the pieces of paper to determine which Councilmember would stay for the matter.

Community Development Director Steve Goggia read the names of Councilmember Stein and Councilmember Nomura for the record. City Clerk Fidela Garcia folded the pieces of paper and placed them in a jar. City Manager Dave Durflinger drew one name from the jar. City Clerk Fidela Garcia unfolded the paper and read Councilmember Stein's name.

Councilmember Nomura exited the Council Chamber at 6:14 p.m.

Shanna Farley-Judkins, Associate Planner, presented the staff report and PowerPoint presentation.

Vice Mayor Shaw noted that the ordinance would extend the moratorium for one year after October 24. He inquired if the City hears back from the Coastal Commission and the City is able to finish writing the ordinance whether the moratorium would expire as soon as it goes into effect. Ms. Farley-Judkins responded that this was correct, adoption of the new regulations would go away, and the new moratorium would go into effect.

Mayor Carty inquired what would transpire if the process takes longer. Ms. Farley-Judkins responded that it was her understanding that if it takes longer the City would conclude its moratorium and seek other regulatory ways of handling short-term rentals.

Mayor Carty opened the Public Hearing at 6:20 p.m. There were no Public Comments. Mayor Carty closed the Public Hearing at 6:20 p.m.

Motion by Councilmember Clark, seconded by Vice Mayor Shaw, to approve and adopt Ordinance No. 711, as read by title only, extending the temporary moratorium on the issuance of Business Licenses and Transient Occupancy Certificates for new short-term rentals in the City of Carpinteria for an additional year.

City Clerk Fidela Garcia read Ordinance No. 711 in title only, extension of an urgency ordinance of the City Council of the City of Carpinteria, California, establishing a

moratorium on the issuance of business licenses and/or transient occupancy tax certificates or any other entitlement for the operation of short-term rentals within residential zones.

Roll call on motion:

AYES: Councilmember Stein, Vice Mayor Shaw, Councilmember Clark, Mayor Carty

NOES: None

ABSTAIN: None

ABSENT: Councilmember Nomura

Motion carried 4-0.

Councilmember Nomura returned to the Council Chamber at 6:23 p.m. and took his seat at the dais.

OTHER BUSINESS:

10. A letter requesting that the Governor Brown veto Assembly Bill 1271 (Daly) a proposed law that would, in part, establish a precedent for the state legislature to interfere in the governance of a joint powers authority (JPA).

Recommendation: Approve for the Mayor's signature a letter requesting Governor Brown veto AB 1217.

Dave Durflinger, City Manager, presented the staff report and recommended no action on this item since the Governor had already vetoed the Assembly Bill.

There were no Public Comments.

Vice Mayor Shaw inquired whether this could make it more difficult for entities involved in JPIA's and whether there would be more lawsuits as a result of the action taken. Peter Brown on behalf of Brownstein Hyatt Farber Schreck, LLP, acting as City Attorney of the City of Carpinteria responded that he was not aware of much of the back story behind this legislation; however, he was aware that the concern at the local government level is very sincere regarding this matter and the State has been known to interfere with certain measures.

LEGISLATIVE UPDATE:

Dave Durflinger, City Manager, noted that the City Council previously asked staff regarding the transportation-related matter. He noted that the State convened a special session to consider the issues with transportation funding. He also noted that he spoke with Dave Mullinax, Regional Representative from the League of California Cities who indicated there was nothing pending before the Governor for his signature that has the

potential to affect local governments in any meaningful way on a funding level. He stated that the next session might have opportunities that would be important for local government. He also stated that Mr. Mullinax offered to come to one of the City Council meetings in perhaps January to discuss the League's position on pending legislation.

Vice Mayor Shaw referred to the Wieckowski land use zoning bill that appears to place controls on local agencies on parking restrictions. Mr. Durflinger noted that there is another law pending the Governor's signature regarding accessory dwelling unit that is slightly different from a granny flat which would be required to be included in City's zoning regulations. He stated that this is another piece of related legislation that would require cities to provide parking exceptions for homes with accessory dwelling units that are within certain proximity to public transit. He also stated that staff could look into this particular law and bring back information to the City Council for direction. Councilmember Clark and Vice Mayor Shaw expressed interest. Mr. Durflinger noted that this was currently proposed legislation and it would likely have action taken prior to the next City Council meeting. He stated that he would research and send an email to the City Council regarding the status, and if it has not been acted upon, individual Councilmembers could submit an email to the Governor's office expressing their concerns.

COMMITTEE REPORTS, INQUIRIES AND OTHER MATTERS PRESENTED BY COUNCILMEMBERS

Councilmember Nomura noted that a request was received from Donate Life for a resolution from the City in support of their efforts, which would be presented during the holiday season. He also noted that he and Vice Mayor Shaw would be attending the League of California Cities Annual Conference October 5 through 7 in Long Beach.

ATTENDANCE OF COUNCILMEMBERS FOR FUTURE MEETINGS

All Councilmembers are expected to be in attendance at the October 10, 2016 City Council meeting, although Councilmember Stein might be out of town due to his nephew's wedding.

ADJOURNMENT

The meeting was adjourned at 6:35 p.m. by Mayor Carty.

Gregg A. Carty, Mayor

ATTEST:

Fidela Garcia, CMC, City Clerk



City of Carpinteria

COUNCIL AGENDA STAFF REPORT October 10, 2016

ITEM FOR COUNCIL CONSIDERATION

Expenditures for the period beginning September 21, 2016 and ending October 4, 2016.

STAFF RECOMMENDATION

Action Item ____ ; Non-Action Item X

That the City Council accept this report concerning the current list of warrants pursuant to Carpinteria Municipal Code 2.08.150(F).

DISCUSSION

As part of each regular City Council agenda, a list of all checks (attached) dispersed since the last reporting period is presented to the City Council pursuant to C.M.C. 2.08.150(F). The report is provided for City Council and public information and serves as Staff's verification that the expenditures have been reviewed and are within budgeted appropriations.

FINANCIAL CONSIDERATIONS

The warrant register included as an attachment is designed to communicate fiscal activity since the prior reporting period. No action is requested as part of this report.

ATTACHMENTS

Attachment A: Warrant Register for the period beginning September 21, 2016 and ending October 4, 2016.

Staff contact: Monique Epley, Finance Supervisor
(805) 684-5405 ext. 406

moniquee@ci.carpinteria.ca.us

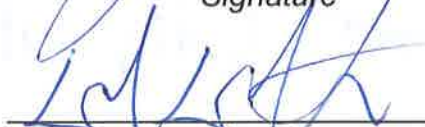

Signature

Reviewed by: John Thornberry, Admin. Services Director



Signature

Reviewed by: Dave Durflinger, City Manager



Signature

11:29 AM

10/04/16

CITY OF CARPINTERIA
Warrant Register
September 21 through October 4, 2016

Date	Num	Name	Source Name	Memo	Account	Paid Amount
09/21/16	88951	ACCESS CONTROL SECURITY, INC.	ACCESS CONTROL...	0024472	1000101 · Operating Cash 10	
09/07/16	0024472		ACCESS CONTROL...	VETS HALL SECURITY	4848352 · VETS HALL RENTALS	(191.63)
TOTAL						(191.63)
09/21/16	88952	ALAMO SELF STORAGE	ALAMO SELF STOR...	OFFSITE STORAGE FEES	1000101 · Operating Cash 10	
09/17/16			ALAMO SELF STOR...	OFFSITE STORAGE FEES	1013221 · Miscellaneous Contracts ...	(360.00)
TOTAL						(360.00)
09/21/16	88953	ANIMAL MEDICAL CLINIC	ANIMAL MEDICAL ...	184290	1000101 · Operating Cash 10	
09/12/16	184290		ANIMAL MEDICAL C...	ANIMAL SHELTERING	1047213 · Animal Sheltering	(1,942.50)
TOTAL						(1,942.50)
09/21/16	88954	AT & T MOBILITY	AT & T MOBILITY	287270260355X09152016	1000101 · Operating Cash 10	
09/07/16	2872702603...		AT & T MOBILITY	POOL SUPT	4866308 · Supplies & Materials 66	(19.02)
			AT & T MOBILITY	ASP/AC	4868308 · Supplies & Materials 68	(19.02)
			AT & T MOBILITY	PARK MTC	2862308 · Supplies & Materials 62	(19.02)
			AT & T MOBILITY	BEACH	2862308 · Supplies & Materials 62	(19.02)
			AT & T MOBILITY	PW	1013308 · Supplies & Materials 13	(112.01)
			AT & T MOBILITY	PW	3332308 · Supplies & Materials 32	(19.02)
			AT & T MOBILITY	PW	2531308 · Supplies & Materials 31	(19.02)
TOTAL						(226.13)
09/21/16	88955	C3 INTELLIGENCE, INC	C3 INTELLIGENCE, ...	9813	1000101 · Operating Cash 10	
08/01/16	9813		C3 INTELLIGENCE, ...	RECRUITMENT	1016320 · Pre-placement Health Sc...	(41.00)
TOTAL						(41.00)
09/21/16	88956	CARPINTERIA LOCK & KEY	CARPINTERIA LOC...		1000101 · Operating Cash 10	
08/19/16	1473		CARPINTERIA LOC...	CITY HALL	1013224 · Interior Maintenance	(378.00)
09/06/16	1513		CARPINTERIA LOC...	STREET LIGHTING	2923225 · Public Right of Way Ligh...	(122.08)
			CARPINTERIA LOC...	ROW	3332308 · Supplies & Materials 32	(106.27)
TOTAL						(606.35)
09/21/16	88957	CARPINTERIA STATE BEACH	CARPINTERIA STA...	2016 TRIATHLON	1000101 · Operating Cash 10	
09/21/16	2016 TRIAT...		CARPINTERIA STA...	2016 TRIATHLON	4863300 · Triathlon Expense	(3,750.00)
TOTAL						(3,750.00)

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CITY OF CARPINTERIA
Warrant Register
 September 21 through October 4, 2016

Date	Num	Name	Source Name	Memo	Account	Paid Amount
09/21/16	88958	CARPINTERIA VALLEY LUMBER CO	CARPINTERIA VAL...	ACCOUNT 164	1000101 - Operating Cash 10	
09/01/16	AUGUST 20...		CARPINTERIA VALL...	VETS HALL	4865309 - Misc Operating Expense...	(7.59)
			CARPINTERIA VALL...	PW SUPPLIES	2531308 - Supplies & Materials 31	(21.75)
			CARPINTERIA VALL...	POOL	4866308 - Supplies & Materials 66	(26.78)
			CARPINTERIA VALL...	COMMUNITY GARDEN GRANT	2000261 - Deferred Revenue 20	(49.55)
			CARPINTERIA VALL...	CITY HALL	1013224 - Interior Maintenance	(29.99)
			CARPINTERIA VALL...	COMMUNITY GARDEN GRANT	2000261 - Deferred Revenue 20	(245.92)
			CARPINTERIA VALL...	POOL	4866308 - Supplies & Materials 66	(30.31)
			CARPINTERIA VALL...	PW SHOP	3332308 - Supplies & Materials 32	(39.17)
			CARPINTERIA VALL...	VEHICLE MAINTENANCE	1013307 - Vehicle Oper & Maintena...	(18.20)
			CARPINTERIA VALL...	POOL	4866308 - Supplies & Materials 66	(21.24)
			CARPINTERIA VALL...	ROW	3332308 - Supplies & Materials 32	(3.13)
			CARPINTERIA VALL...	PW SHOP	2531308 - Supplies & Materials 31	(36.20)
			CARPINTERIA VALL...	BOUYS	2862308 - Supplies & Materials 62	(24.44)
			CARPINTERIA VALL...	ROW	3332308 - Supplies & Materials 32	(1.00)
			CARPINTERIA VALL...	CITY HALL	1013224 - Interior Maintenance	(30.30)
			CARPINTERIA VALL...	BEACH	2862308 - Supplies & Materials 62	(21.20)
			CARPINTERIA VALL...	PARKS	2361221 - Miscellaneous Contracts	(39.22)
			CARPINTERIA VALL...	GRAY SAFETY ACCOUNT	3332197 - Indiv Equip Reimbursem...	(35.90)
			CARPINTERIA VALL...	PW SHOP	2531308 - Supplies & Materials 31	(23.76)
			CARPINTERIA VALL...	PW SHOP	3332308 - Supplies & Materials 32	(23.76)
			CARPINTERIA VALL...	PW SHOP	2531308 - Supplies & Materials 31	(16.40)
			CARPINTERIA VALL...	PARKS	2361221 - Miscellaneous Contracts	(22.93)
			CARPINTERIA VALL...	FINANCE CHARGE	4866308 - Supplies & Materials 66	(14.42)
TOTAL						(783.16)
09/21/16	88959	CARPINTERIA VETERINARY HOSPITAL INC	CARPINTERIA VET...		1000101 - Operating Cash 10	
08/05/16	261419		CARPINTERIA VET...	DOG LICENSE	1047213 - Animal Sheltering	(40.00)
08/12/16	261848		CARPINTERIA VET...	DOG LICENSE	1047213 - Animal Sheltering	(30.00)
08/26/16	262688		CARPINTERIA VET...	DOG LICENSE	1047213 - Animal Sheltering	(50.00)
TOTAL						(120.00)
09/21/16	88960	CCI CENTRAL, INC.	CCI CENTRAL, INC.	25157	1000101 - Operating Cash 10	
09/13/16	25157		CCI CENTRAL, INC.	POSTAGE MACHINE	1013302 - Postage 13	(192.30)
TOTAL						(192.30)
09/21/16	88961	CENTER GLASS COMPANY *	CENTER GLASS C...	16195	1000101 - Operating Cash 10	
08/22/16	16195		CENTER GLASS CO...	CITY HALL DOORS	3100231 - DIF Gen'l Facilities	(36,612.00)
TOTAL						(36,612.00)
09/21/16	88962	CLAY COMMERCIAL SECURITY	CLAY COMMERCIA...		1000101 - Operating Cash 10	
08/26/16	1195		CLAY COMMERCIA...	CITY HALL	3100231 - DIF Gen'l Facilities	(639.37)
08/26/16	1194		CLAY COMMERCIA...	CITY HALL	3100231 - DIF Gen'l Facilities	(8,296.24)

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CITY OF CARPINTERIA
Warrant Register
 September 21 through October 4, 2016

Date	Num	Name	Source Name	Memo	Account	Paid Amount
TOTAL						(8,935.61)
09/21/16	88963	CLEAN HARBORS ENVIRONMENTAL SERVI...	CLEAN HARBORS ...	1001517492	1000101 · Operating Cash 10	
08/08/16	1001517492		CLEAN HARBORS E...	ABOP PICKUP	3937224 · ABOP Collection	(2,117.10)
TOTAL						(2,117.10)
09/21/16	88964	COAST OFFICE TECHNOLOGY	COAST OFFICE TE...	2016110	1000101 · Operating Cash 10	
09/18/16	2016110		COAST OFFICE TE...	COMPUTER PRODUCT	1070417 · Computer Hardware	(576.54)
TOTAL						(576.54)
09/21/16	88965	COASTAL VIEW NEWS	COASTAL VIEW NE...		1000101 · Operating Cash 10	
08/25/16	48631		COASTAL VIEW NE...	LEGAL NOTICES	1011303 · Printing & Advertising 11	(168.00)
08/25/16	48641		COASTAL VIEW NE...	LEGAL NOTICES	1011303 · Printing & Advertising 11	(182.00)
09/01/16	48695		COASTAL VIEW NE...	LEGAL NOTICES	1011303 · Printing & Advertising 11	(132.00)
09/01/16	48694		COASTAL VIEW NE...	LEGAL NOTICES	1011303 · Printing & Advertising 11	(132.00)
09/06/16	48722		COASTAL VIEW NE...	RECRUITMENT AD	1016303 · Recruitment Advertising	(156.00)
09/16/16	48762		COASTAL VIEW NE...	RECRUITMENT AD	1016303 · Recruitment Advertising	(91.00)
09/16/16	48747		COASTAL VIEW NE...	CREEK WEEK	1037201 · Supplies & Materials 37	(578.00)
09/16/16	48761		COASTAL VIEW NE...	LEGAL NOTICES	1011303 · Printing & Advertising 11	(159.00)
TOTAL						(1,598.00)
09/21/16	88966	COMMUNITY ACTION COMMISSION	COMMUNITY ACTIO...	FY 16-17 SCTF	1000101 · Operating Cash 10	
08/29/16	FY16-17 SC...		COMMUNITY ACTIO...	FY 16-17 SCTF ON GANGS	1046224 · South Coast Task Force ...	(10,063.00)
TOTAL						(10,063.00)
09/21/16	88967	CONSOLIDATED ELECTRICAL DISTRIBUTO...	CONSOLIDATED EL...		1000101 · Operating Cash 10	
07/06/16	9009-733105		CONSOLIDATED EL...	COMMUNITY GARDEN GRANT	2000261 · Deferred Revenue 20	(2,119.24)
08/25/16	516705		CONSOLIDATED EL...	COMMUNITY GARDEN GRANT	2000261 · Deferred Revenue 20	(31.78)
TOTAL						(2,151.02)
09/21/16	88968	DUDEK	DUDEK	20164917	1000101 · Operating Cash 10	
09/12/16	20164917		DUDEK	PROJ 1522	1000251 · Development Deposits	(1,463.50)
TOTAL						(1,463.50)
09/21/16	88969	EDD-SDI	EDD-SDI	776-5147-9	1000101 · Operating Cash 10	
09/01/16	PROJ 4869		EDD-SDI	PROJ 4869 REFUND OVERPAYMENT	1000223 · SDI Withheld	(83.82)

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CITY OF CARPINTERIA
Warrant Register
 September 21 through October 4, 2016

Date	Num	Name	Source Name	Memo	Account	Paid Amount
TOTAL						(83.82)
09/21/16	88970	EN FUEGO ENTERPRISES, INC. *	EN FUEGO ENTER...	PROJ 5606 REFUND	1000101 · Operating Cash 10	
08/30/16	PROJ 5606 ...		EN FUEGO ENTER...	PROJ 5606 REFUND	1000251 · Development Deposits	(74.23)
TOTAL						(74.23)
09/21/16	88971	GARIBAY, KIKI	GARIBAY, KIKI	VETS HALL REFUND	1000101 · Operating Cash 10	
09/15/16	VETS HALL ...		GARIBAY, KIKI	VETS HALL REFUND	1000231 · Veterans Building Depos...	(283.50)
TOTAL						(283.50)
09/21/16	88972	GENWORTH LIFE & ANNUITY INSURANCE ...	GENWORTH LIFE &...	POLICY #5851777	1000101 · Operating Cash 10	
09/01/16	5851777		GENWORTH LIFE &...	LIFE INSURANCE POLICY PREMIUM FOR - DAVI...	1012191 · Life Insurance Premiums...	(954.50)
TOTAL						(954.50)
09/21/16	88973	GRAINGER	GRAINGER	9193885515	1000101 · Operating Cash 10	
08/12/16	9193885515		GRAINGER	PW SUPPLIES	2531308 · Supplies & Materials 31	(137.07)
TOTAL						(137.07)
09/21/16	88974	GUZMAN, JOSEPHINE	GUZMAN, JOSEPHI...	09-12-16 CC MEETING	1000101 · Operating Cash 10	
09/18/16	09-12-16 CC...		GUZMAN, JOSEPHI...	09-12-16 CC MEETING	1011221 · Contract Services 11	(175.00)
TOTAL						(175.00)
09/21/16	88975	HILLYARD	HILLYARD	602168888	1000101 · Operating Cash 10	
07/27/16	602168888		HILLYARD	POOL RESTROOMS	4866308 · Supplies & Materials 66	(106.09)
TOTAL						(106.09)
09/21/16	88976	HOME DEPOT CREDIT SERVICES	HOME DEPOT CRE...	ACCT #1587	1000101 · Operating Cash 10	
09/05/16	AUG 2016 B...		HOME DEPOT CRE...	PW SUPPLIES	2531308 · Supplies & Materials 31	(700.92)
TOTAL						(700.92)
09/21/16	88977	HYDRO-FIT, INC	HYDRO-FIT, INC	INVOICE 16-1305	1000101 · Operating Cash 10	
08/24/16	16-1305		HYDRO-FIT, INC	POOL SUPPLIES	4866308 · Supplies & Materials 66	(604.74)
TOTAL						(604.74)

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CITY OF CARPINTERIA
Warrant Register
 September 21 through October 4, 2016

Date	Num	Name	Source Name	Memo	Account	Paid Amount
09/21/16	88978	ID WORKS, LLC	ID WORKS, LLC	INVOICE #E20688	1000101 · Operating Cash 10	
09/02/16	E 20688		ID WORKS, LLC	PW SUPPLIES	2531308 · Supplies & Materials 31	(400.68)
TOTAL						(400.68)
09/21/16	88979	IMPULSE INTERNET SERVICES	IMPULSE INTERNE...	837437	1000101 · Operating Cash 10	
09/12/16	837437		IMPULSE INTERNE...	TELEPHONE SERVICE	1013301 · Telephone 13	(2,137.01)
TOTAL						(2,137.01)
09/21/16	88980	METLIFE - GROUP BENEFITS	METLIFE - GROUP ...	SEP 2016 DENTAL	1000101 · Operating Cash 10	
09/16/16	SEP 2016 D...		METLIFE - GROUP ...	SEP 2016 DENTAL	1051194 · Wellness 51	(477.44)
			METLIFE - GROUP ...	SEP 2016 DENTAL	1011194 · Wellness 11	(181.21)
			METLIFE - GROUP ...	SEP 2016 DENTAL	1012194 · Wellness 12	(314.57)
			METLIFE - GROUP ...	SEP 2016 DENTAL	1013194 · Wellness 13	(195.21)
			METLIFE - GROUP ...	SEP 2016 DENTAL	1014194 · Wellness 14	(390.42)
			METLIFE - GROUP ...	SEP 2016 DENTAL	1016194 · Wellness 16	(58.61)
			METLIFE - GROUP ...	SEP 2016 DENTAL	1030194 · Wellness 30	(554.39)
			METLIFE - GROUP ...	SEP 2016 DENTAL	2531194 · Wellness 31	(585.63)
			METLIFE - GROUP ...	SEP 2016 DENTAL	1041194 · Wellness 41	(449.03)
			METLIFE - GROUP ...	SEP 2016 DENTAL	1042194 · Wellness 42	(195.21)
			METLIFE - GROUP ...	SEP 2016 DENTAL	1069194 · Wellness 69	(253.82)
			METLIFE - GROUP ...	SEP 2016 DENTAL	1022194 · Wellness 22	(239.82)
			METLIFE - GROUP ...	SEP 2016 DENTAL	3332194 · Wellness 32	(509.78)
			METLIFE - GROUP ...	SEP 2016 DENTAL	1044194 · Wellness 44	(195.21)
			METLIFE - GROUP ...	SEP 2016 DENTAL	2361194 · Wellness 61	(195.21)
			METLIFE - GROUP ...	SEP 2016 DENTAL	4868194 · Wellness 68	(117.22)
TOTAL						(4,912.78)
09/21/16	88981	MIKE S MODUGNO CONSULTING, INC	MIKE S MODUGNO ...	MSM2015-15	1000101 · Operating Cash 10	
08/30/16	MSM2015-15		MIKE S MODUGNO ...	POOL LIGHTING	3100242 · Park Improvements DIF	(1,341.04)
TOTAL						(1,341.04)
09/21/16	88982	MISSION UNIFORM SERVICE	MISSION UNIFORM ...	AUGUST 2016 UNIFORM	1000101 · Operating Cash 10	
08/31/16	AUG 2016 U...		MISSION UNIFORM ...	UNIFORM EXPENSE	2531198 · Uniform Rental 31	(207.92)
			MISSION UNIFORM ...	UNIFORM EXPENSE	3332198 · Uniform Rental 32	(207.91)
			MISSION UNIFORM ...	UNIFORM EXPENSE	1013198 · Uniform Rental 13	(103.96)
			MISSION UNIFORM ...	UNIFORM EXPENSE	2361198 · Uniform Rental 61	(103.96)
TOTAL						(623.75)
09/21/16	88983	MNS ENGINEERS INC	MNS ENGINEERS I...		1000101 · Operating Cash 10	
09/14/16	67474		MNS ENGINEERS INC	PROJ 5436	1000251 · Development Deposits	(300.00)
09/14/16	67475		MNS ENGINEERS INC	PROJ 1742	1000251 · Development Deposits	(3,337.50)

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CITY OF CARPINTERIA
Warrant Register
 September 21 through October 4, 2016

Date	Num	Name	Source Name	Memo	Account	Paid Amount
TOTAL						(3,637.50)
09/21/16	88984	MONTGOMERY HARDWARE CO	MONTGOMERY HA...	701292	1000101 · Operating Cash 10	
08/19/16	701292		MONTGOMERY HA...	CITY HALL	1013224 · Interior Maintenance	(84.80)
TOTAL						(84.80)
09/21/16	88985	PRAXAIR	PRAXAIR	55538002	1000101 · Operating Cash 10	
08/20/16	55538002		PRAXAIR	PW SUPPLIES	2531308 · Supplies & Materials 31	(28.18)
TOTAL						(28.18)
09/21/16	88986	RADIOSHACK	RADIOSHACK	ACCT: 00000403062193	1000101 · Operating Cash 10	
08/27/16	AUG 2016 B...		RADIOSHACK	POOL	4866308 · Supplies & Materials 66	(14.03)
			RADIOSHACK	CITY HALL	1013224 · Interior Maintenance	(53.99)
			RADIOSHACK	CITY HALL	1013224 · Interior Maintenance	(36.69)
TOTAL						(104.71)
09/21/16	88987	REYES MARKET	REYES MARKET	TRIATHLON 2016	1000101 · Operating Cash 10	
09/21/16	2016 TRIAT...		REYES MARKET	TRIATHLON 2016	4863300 · Triathlon Expense	(32.50)
TOTAL						(32.50)
09/21/16	88988	ROCKWELL PRINTING	ROCKWELL PRINTI...	28659	1000101 · Operating Cash 10	
09/09/16	28659		ROCKWELL PRINTI...	CITY BUSINESS CARDS, SMITH	1042308 · Supplies & Materials 42	(45.36)
TOTAL						(45.36)
09/21/16	88989	SAFETY STRIPING SERVICE INC	SAFETY STRIPING ...	CUSTOMER #0302	1000101 · Operating Cash 10	
08/27/16	716254		SAFETY STRIPING ...	STREET MARKINGS @ VARIOUS LOCATIONS	2531225 · Thermoplast/Striping	(18,921.75)
TOTAL						(18,921.75)
09/21/16	88990	SANTA BARBARA COUNTY, SHERIFF'S DEPT	SANTA BARBARA ...		1000101 · Operating Cash 10	
08/20/16	17-042		SANTA BARBARA C...	CONTRACT SERVICES	1021214 · SB County Sheriff	(281,468.42)
			SANTA BARBARA C...	CONTRACT SERVICES	1000150 · COPS Grant Receivable	(8,333.33)
			SANTA BARBARA C...	CONTRACT SERVICES	1121214 · SB County Sheriff 11	(1,303.25)
08/26/16	17-052		SANTA BARBARA C...	PROJ 5606	1000251 · Development Deposits	(1,141.61)
			SANTA BARBARA C...	SHERIFF OVERTIME	1021215 · Sheriff's Overtime	(351.60)
TOTAL						(292,598.21)

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CITY OF CARPINTERIA
Warrant Register
 September 21 through October 4, 2016

Date	Num	Name	Source Name	Memo	Account	Paid Amount
09/21/16	88991	SANTA BARBARA PEST CONTROL	SANTA BARBARA ...		1000101 · Operating Cash 10	
08/31/16	74773		SANTA BARBARA P...	PROJ 4865	1000251 · Development Deposits	(30.15)
08/31/16	74772		SANTA BARBARA P...	VETS HALL	4865309 · Misc Operating Expense...	(14.85)
			SANTA BARBARA P...	RODENT CONTROL	3332223 · Chemical Treatment	(65.00)
TOTAL						(110.00)
09/21/16	88992	SMARDAN HATCHER COMPANY	SMARDAN HATCHE...	CUSTOMER 180	1000101 · Operating Cash 10	
07/15/16	S2868318.001		SMARDAN HATCHE...	CITY HALL	1013224 · Interior Maintenance	(30.67)
TOTAL						(30.67)
09/21/16	88993	SO CA EDISON	SO CA EDISON		1000101 · Operating Cash 10	
08/30/16	2-32-832-7564		SO CA EDISON	PROJ 4865	1000251 · Development Deposits	(951.39)
			SO CA EDISON	VETS HALL	4865309 · Misc Operating Expense...	(468.59)
08/30/16	2-30-652-4281		SO CA EDISON	SEASIDE	4865309 · Misc Operating Expense...	(71.04)
08/31/16	2-26-504-7225		SO CA EDISON	CARP/CASITAS	2923210 · Traffic Signals	(22.78)
09/07/16	2-01-201-6465		SO CA EDISON	STREET LIGHTING	2923220 · Street Lighting	(7,121.04)
TOTAL						(8,634.84)
09/21/16	88994	SO CA GAS COMPANY	SO CA GAS COMP...		1000101 · Operating Cash 10	
08/17/16	016913950096		SO CA GAS COMPA...	CIVIC CENTER	1013314 · Utility - Natural Gas	(45.29)
08/17/16	00651427007		SO CA GAS COMPA...	POOL	4866314 · Utility - Natural Gas 66	(1,125.02)
09/06/16	14091430844		SO CA GAS COMPA...	PROJ 4865	1000251 · Development Deposits	(29.64)
			SO CA GAS COMPA...	VETS HALL	4865309 · Misc Operating Expense...	(14.59)
TOTAL						(1,214.54)
09/21/16	88995	SOLID WASTE SOLUTIONS INC	SOLID WASTE SOL...	INVOICE #127	1000101 · Operating Cash 10	
09/01/16	127		SOLID WASTE SOL...	AB949 COORDINATION	3937221 · Solid Waste	(2,955.00)
TOTAL						(2,955.00)
09/21/16	88996	STAPLES ADVANTAGE	STAPLES ADVANT...		1000101 · Operating Cash 10	
08/26/16	3312609007		STAPLES ADVANT...	PW SUPPLIES	2531308 · Supplies & Materials 31	(421.92)
08/27/16	3312999753		STAPLES ADVANT...	PW SUPPLIES	2531308 · Supplies & Materials 31	(325.84)
08/27/16	3312999766		STAPLES ADVANT...	OFFICE SUPPLIES	1013308 · Supplies & Materials 13	(78.28)
08/27/16	3312999773		STAPLES ADVANT...	PW SUPPLIES	2531308 · Supplies & Materials 31	(188.40)
TOTAL						(1,014.44)
09/21/16	88997	STEWART'S DE-ROOTING & PLUMBING	STEWART'S DE-RO...	45645	1000101 · Operating Cash 10	
08/12/16	45645		STEWART'S DE-RO...	STORM DRAINS	2531223 · Drainage Maintenance	(1,375.00)

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TOTAL						(1,375.00)
09/21/16	88998	TOTAL BARRICADE SERVICE, INC *	TOTAL BARRICADE...	PROJECT 5978 REFUND	1000101 · Operating Cash 10	
09/07/16	PROJ 5978		TOTAL BARRICADE...	PROJ 5978 REFUND	1000251 · Development Deposits	(454.68)
TOTAL						(454.68)
09/21/16	88999	WEST COAST ARBORIST INC	WEST COAST ARB...	117214	1000101 · Operating Cash 10	
07/15/16	117214		WEST COAST ARB...	TREE MAINTENANCE	2732220 · Public Tree Maintenance...	(9,704.00)
TOTAL						(9,704.00)
09/21/16	89000	WEST GROUP	WEST GROUP	565-139-500	1000101 · Operating Cash 10	
09/01/16	834625403		WEST GROUP	SUBSCRIPTION PRODUCT CHARGES	1051305 · Dues & Subscriptions 51	(136.66)
TOTAL						(136.66)
09/21/16	89001	WESTERN EXTERMINATOR COMPANY	WESTERN EXTERM...	4381652	1000101 · Operating Cash 10	
08/31/16	4381652		WESTERN EXTERM...	PROJ 4865 MEDICAL CLINIC	1000251 · Development Deposits	(50.50)
TOTAL						(50.50)
09/21/16	89002	WISSING, ALICE	WISSING, ALICE	PC 09-06-16	1000101 · Operating Cash 10	
09/06/16	09-06-16 PC...		WISSING, ALICE	MISC PC MINUTES	1041225 · Misc. Planning Contracts	(80.00)
			WISSING, ALICE	PROJ 1826	1000251 · Development Deposits	(10.00)
			WISSING, ALICE	PROJ 1830	1000251 · Development Deposits	(280.00)
TOTAL						(370.00)
09/21/16	89004	BIG GREEN CLEANING COMPANY	BIG GREEN CLEAN...		1000101 · Operating Cash 10	
08/31/16	481789		BIG GREEN CLEANI...	ROW	3332221 · Miscellaneous Contracts ...	(288.00)
08/31/16	481788		BIG GREEN CLEANI...	RESTROOMS	2861225 · Marsh Park Maintenance	(132.58)
			BIG GREEN CLEANI...	RESTROOMS	3332221 · Miscellaneous Contracts ...	(265.14)
			BIG GREEN CLEANI...	RESTROOMS	2361221 · Miscellaneous Contracts	(530.28)
09/01/16	482001		BIG GREEN CLEANI...	SEASIDE	4865309 · Misc Operating Expense...	(185.00)
09/01/16	482002		BIG GREEN CLEANI...	CITY HALL	1013224 · Interior Maintenance	(900.00)
			BIG GREEN CLEANI...	VETS HALL	4865224 · Custodial Services	(811.00)
09/01/16	482006		BIG GREEN CLEANI...	ASH	2861225 · Marsh Park Maintenance	(388.00)
			BIG GREEN CLEANI...	RESTROOMS	3332221 · Miscellaneous Contracts ...	(776.00)
			BIG GREEN CLEANI...	PARKS	2361221 · Miscellaneous Contracts	(1,555.00)
TOTAL						(5,831.00)
09/21/16	89005	DUNCAN PRINTING CO	DUNCAN PRINTING...	1427	1000101 · Operating Cash 10	

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09/15/16	1427		DUNCAN PRINTING...	HOLIDAY CLOSING SIGNS 2016	1011303 · Printing & Advertising 11	(83.16)
TOTAL						(83.16)
09/21/16	89006	FRONTIER COMMUNICATIONS	FRONTIER COMMU...	2091882500061589-5	1000101 · Operating Cash 10	
08/28/16	2091882500...		FRONTIER COMMU...	TELEPHONE SERVICE	1013301 · Telephone 13	(653.69)
TOTAL						(653.69)
09/21/16	89007	REAL GREEN GARDENING	REAL GREEN GAR...		1000101 · Operating Cash 10	
08/31/16	1606		REAL GREEN GAR...	TRAIN STATION	3332221 · Miscellaneous Contracts ...	(680.00)
08/31/16	1605		REAL GREEN GAR...	ROW	3332220 · Public Tree Maintenance	(2,412.30)
TOTAL						(3,092.30)
09/21/16	89008	REVENUE & COST SPECIALIST LLC	REVENUE & COST ...		1000101 · Operating Cash 10	
08/31/16	8642		REVENUE & COST ...	4 and 5 of 6 Billings Cost Study	1030221 · Contract Services 30	(5,100.00)
08/31/16	8643		REVENUE & COST ...	Cost Study	1030221 · Contract Services 30	(850.00)
TOTAL						(5,950.00)
09/21/16	89009	SPRINT*	SPRINT*	263847979-003	1000101 · Operating Cash 10	
09/01/16	263847979-...		SPRINT*	BEACH STORE IPAD	4864308 · Supplies & Materials 64	(216.45)
TOTAL						(216.45)
09/21/16	89010	STAPLES ADVANTAGE	STAPLES ADVANT...	3313739959	1000101 · Operating Cash 10	
09/01/16	3313739959		STAPLES ADVANT...	POOL	4866308 · Supplies & Materials 66	(316.83)
TOTAL						(316.83)
09/21/16	89011	TRAFFIC TECHNOLOGIES LLC	TRAFFIC TECHNOL...	VOID:	1000101 · Operating Cash 10	
TOTAL						0.00
09/21/16	89012	WEST COAST ARBORIST INC	WEST COAST ARB...	118533-A	1000101 · Operating Cash 10	
08/31/16	118533-A		WEST COAST ARB...	TREE MAINTENANCE	2732220 · Public Tree Maintenance...	(12,036.00)
TOTAL						(12,036.00)
09/21/16	89013	ZWORLD GIS	ZWORLD GIS	2016-0178	1000101 · Operating Cash 10	
09/01/16	2016-0178		ZWORLD GIS	GIS WEB MAPPING	2536226 · Engineering Retainer	(2,083.32)

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TOTAL						(2,083.32)
09/26/16	89014	MALKIEWICZ, MARIAH	MALKIEWICZ, MARI...	PAYROLL 09-01-16	1000101 · Operating Cash 10	
09/26/16	PAYROLL 0...		MALKIEWICZ, MARI...	PAYROLL 09-01-16	1000101 · Operating Cash 10	(548.64)
TOTAL						(548.64)
09/28/16	89015	ALL AROUND LANDSCAPE SUPPLY	ALL AROUND LAN...	S1904793.001	1000101 · Operating Cash 10	
08/31/16	S1904793.001		ALL AROUND LAND...	FINANCE CHARGE	3332308 · Supplies & Materials 32	(0.61)
TOTAL						(0.61)
09/28/16	89016	ATT	ATT	ACCOUNT 030-602-5152-001	1000101 · Operating Cash 10	
09/12/16	0306025152...		ATT	CIVIC CENTER	1013301 · Telephone 13	(38.51)
			ATT	PW	2531301 · Telephone 31	(1.72)
			ATT	BEACH	2862301 · Telephone 62	(6.25)
			ATT	POOL	4866301 · Telephone 66	(6.87)
TOTAL						(53.35)
09/28/16	89017	CALIFORNIA STATE DISBURSEMENT UNIT	CALIFORNIA STAT...	CASE NUMBER 0850182383-01	1000101 · Operating Cash 10	
09/23/16	PAYROLL 0...		CALIFORNIA STATE...	PAYROLL WITHHOLDING 09-29-16	1000105 · ICMA Cash	(330.46)
TOTAL						(330.46)
09/28/16	89018	CANON FINANCIAL SERVICES, INC	CANON FINANCIAL ...	16518625	1000101 · Operating Cash 10	
09/21/16	16518625		CANON FINANCIAL ...	COPIER SERVICE	1018222 · Equipment Maintenance	(618.31)
TOTAL						(618.31)
09/28/16	89019	CARPINTERIA VALLEY WATER DISTRICT	CARPINTERIA VAL...	AUGUST 2016	1000101 · Operating Cash 10	
08/28/16	AUGUST 20...		CARPINTERIA VALL...	CIVIC CENTER	1013312 · Utility - Water 13	(381.30)
			CARPINTERIA VALL...	ROW	3332312 · Utility - Water 32	(1,393.99)
			CARPINTERIA VALL...	PARKS	2361312 · Utility - Water 23	(8,682.50)
			CARPINTERIA VALL...	POOL	4866312 · Utility - Water 66	(1,105.16)
			CARPINTERIA VALL...	VETS HALL	4865309 · Misc Operating Expense...	(205.57)
			CARPINTERIA VALL...	PROJ 4865	1000251 · Development Deposits	(417.38)
TOTAL						(12,185.90)
09/28/16	89020	CHEVRON & TEXACO BUSINESS CARD SE...	CHEVRON & TEXA...	789-819-058-7	1000101 · Operating Cash 10	
09/22/16	7898190587		CHEVRON & TEXA...	VEHICLE FUEL	1013307 · Vehicle Oper & Maintena...	(252.28)
			CHEVRON & TEXA...	VEHICLE FUEL	2531307 · Vehicle Oper & Maintena...	(162.85)
			CHEVRON & TEXA...	VEHICLE FUEL	3332307 · Vehicle Oper & Maintena...	(350.76)

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			CHEVRON & TEXA...	VEHICLE FUEL	2361307 - Vehicle Oper/Maintenan...	(193.12)
TOTAL						(959.01)
09/28/16	89021	COLANTUONO, HIGHSMITH & WHATLEY, P...	COLANTUONO, HIG...	31412	1000101 - Operating Cash 10	
09/02/16	31412		COLANTUONO, HIG...	2015 ASSESSMENTS	1030221 - Contract Services 30	(1,575.00)
TOTAL						(1,575.00)
09/28/16	89022	EDD-SDI	EDD-SDI	776-5147-9	1000101 - Operating Cash 10	
09/23/16	PAYROLL 0...		EDD-SDI	PAYROLL 09-29-16	1000223 - SDI Withheld	(780.16)
TOTAL						(780.16)
09/28/16	89023	EDD-SIT	EDD-SIT	932-0283-6	1000101 - Operating Cash 10	
09/23/16	PAYROLL 0...		EDD-SIT	PAYROLL 09-29-16	1000221 - SIT Withheld	(3,698.42)
TOTAL						(3,698.42)
09/28/16	89024	FOREVER REDWOOD	FOREVER REDWO...	113310	1000101 - Operating Cash 10	
05/26/16	113310		FOREVER REDWO...	CARPINTERIA AQUATICS GRANT	2000261 - Deferred Revenue 20	(1,951.62)
TOTAL						(1,951.62)
09/28/16	89025	JOY EQUIPMENT PROTECTION INC	JOY EQUIPMENT P...	66907	1000101 - Operating Cash 10	
09/02/16	66907		JOY EQUIPMENT P...	PW HASMAT SUPPRESSION	3332221 - Miscellaneous Contracts ...	(237.00)
TOTAL						(237.00)
09/28/16	89026	LINCOLN FINANCIAL GROUP	LINCOLN FINANCIA...	OCTOBER 2016	1000101 - Operating Cash 10	
09/01/16	OCTOBER 2...		LINCOLN FINANCIA...	OCTOBER 2016	1051191 - Life Insurance Premiums...	(67.78)
			LINCOLN FINANCIA...	OCTOBER 2016	1011191 - Life Insurance Premiums...	(107.68)
			LINCOLN FINANCIA...	OCTOBER 2016	1012191 - Life Insurance Premiums...	(130.60)
			LINCOLN FINANCIA...	OCTOBER 2016	1013191 - Life Insurance Premiums...	(34.68)
			LINCOLN FINANCIA...	OCTOBER 2016	1014191 - Life Insurance Premiums...	(247.10)
			LINCOLN FINANCIA...	OCTOBER 2016	1016191 - Life Insurance Premiums...	(177.46)
			LINCOLN FINANCIA...	OCTOBER 2016	1030191 - Life Insurance Premiums...	(311.22)
			LINCOLN FINANCIA...	OCTOBER 2016	2531191 - Life Insurance Premiums...	(235.34)
			LINCOLN FINANCIA...	OCTOBER 2016	1041191 - Life Insurance Premiums...	(379.49)
			LINCOLN FINANCIA...	OCTOBER 2016	1042191 - Life Insurance Premiums...	(201.51)
			LINCOLN FINANCIA...	OCTOBER 2016	1069191 - Life Insurance Premiums...	(195.16)
			LINCOLN FINANCIA...	OCTOBER 2016	1022191 - Life Insurance Premiums...	(144.51)
			LINCOLN FINANCIA...	OCTOBER 2016	3332191 - Life Insurance Premiums...	(128.74)
			LINCOLN FINANCIA...	OCTOBER 2016	1044191 - Life Insurance Premiums...	(112.40)
			LINCOLN FINANCIA...	OCTOBER 2016	2361191 - Life Insurance Premiums...	(81.13)

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			LINCOLN FINANCIA...	OCTOBER 2016	4868191 · Life Insurance Premiums...	(70.26)
TOTAL						(2,625.06)
09/28/16	89027	SATCOM GLOBAL FZE	SATCOM GLOBAL ...	AS09160777	1000101 · Operating Cash 10	
09/01/16	AS09160777		SATCOM GLOBAL F...	IRIDIUM TRADE-UP	1024215 · Disaster Preparedness	(42.75)
TOTAL						(42.75)
09/28/16	89028	SEUI LOCAL 620	SEUI LOCAL 620	PAYROLL 09-29-16	1000101 · Operating Cash 10	
09/23/16	PAYROLL 0...		SEUI LOCAL 620	PAYROLL 09-29-16	1000229 · SEIU Local 620	(168.67)
TOTAL						(168.67)
09/28/16	89029	SO CA EDISON	SO CA EDISON		1000101 · Operating Cash 10	
09/01/16	2-00-378-2059		SO CA EDISON	CIVIC CENTER	1013313 · Utility - Electric 13	(2,571.23)
			SO CA EDISON	ROW	3332313 · Utility - Electric 32	(144.03)
			SO CA EDISON	PARKING	3332313 · Utility - Electric 32	(218.47)
			SO CA EDISON	PARKS	2361313 · Utility - Electric 23	(517.12)
			SO CA EDISON	POOL	4866313 · Utility - Electric 66	(2,920.19)
			SO CA EDISON	STREET LIGHTING	2923220 · Street Lighting	(449.36)
			SO CA EDISON	PROJ 4836	1000251 · Development Deposits	(1,745.10)
			SO CA EDISON	BIKEWAYS	2923225 · Public Right of Way Ligh...	(42.98)
09/17/16	2-25-126-2002		SO CA EDISON	VIOLA	2361313 · Utility - Electric 23	(31.43)
09/17/16	2-27-939-9950		SO CA EDISON	HOCKEY RINK	1013314 · Utility - Natural Gas	(24.36)
TOTAL						(8,664.27)
09/28/16	89030	STAPLES ADVANTAGE	STAPLES ADVANT...		1000101 · Operating Cash 10	
09/03/16	3314036347		STAPLES ADVANT...	CITY HALL	1013224 · Interior Maintenance	(72.35)
09/03/16	3314036343		STAPLES ADVANT...	OFFICE SUPPLIES	1013308 · Supplies & Materials 13	(88.52)
TOTAL						(160.87)
09/28/16	89031	T. ROWE PRICE	T. ROWE PRICE	PAYROLL CONTRIBUTION - ANTHONY VEGA	1000101 · Operating Cash 10	
09/23/16	PAYROLL 0...		T. ROWE PRICE	PAYROLL 09-29-16 ANTHONY VEGA	1000105 · ICMA Cash	(50.00)
TOTAL						(50.00)
09/28/16	89032	TRAFFIC TECHNOLOGIES LLC	TRAFFIC TECHNOL...	22207	1000101 · Operating Cash 10	
08/31/16	22207	15018	TRAFFIC TECHNOL...	TRIATHLON	4863300 · Triathlon Expense	(485.03)
TOTAL						(485.03)
09/28/16	89033	TRANSAMERICA EMPLOYEE BENEFITS	TRANSAMERICA E...	GROUP ID#G000026466	1000101 · Operating Cash 10	

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09/01/16	OCTOBER 2...		TRANSAMERICA E...	OCT 2016 WELLNESS	1030194 · Wellness 30	(18.75)
			TRANSAMERICA E...	OCT 2016 WELLNESS	1016194 · Wellness 16	(35.70)
			TRANSAMERICA E...	OCT 2016 WELLNESS	1030194 · Wellness 30	(56.75)
			TRANSAMERICA E...	OCT 2016 WELLNESS	1041194 · Wellness 41	(36.45)
			TRANSAMERICA E...	OCT 2016 WELLNESS	4868194 · Wellness 68	(35.70)
			TRANSAMERICA E...	OCT 2016 WELLNESS	1011194 · Wellness 11	(18.75)
			TRANSAMERICA E...	OCT 2016 WELLNESS	1030194 · Wellness 30	(40.68)
			TRANSAMERICA E...	OCT 2016 WELLNESS	1012194 · Wellness 12	(33.12)
			TRANSAMERICA E...	OCT 2016 WELLNESS	1022194 · Wellness 22	(35.70)
			TRANSAMERICA E...	OCT 2016 WELLNESS	1012194 · Wellness 12	(35.70)
			TRANSAMERICA E...	OCT 2016 WELLNESS	1041194 · Wellness 41	(87.43)
			TRANSAMERICA E...	OCT 2016 WELLNESS	1041194 · Wellness 41	(33.12)
			TRANSAMERICA E...	OCT 2016 WELLNESS	1022194 · Wellness 22	(72.48)
			TRANSAMERICA E...	OCT 2016 WELLNESS	2531194 · Wellness 31	(109.37)
			TRANSAMERICA E...	OCT 2016 WELLNESS	1030194 · Wellness 30	(35.70)
			TRANSAMERICA E...	OCT 2016 WELLNESS	2531194 · Wellness 31	(67.40)
			TRANSAMERICA E...	OCT 2016 WELLNESS	1011194 · Wellness 11	(35.70)
			TRANSAMERICA E...	OCT 2016 WELLNESS	1022194 · Wellness 22	(18.75)
			TRANSAMERICA E...	OCT 2016 WELLNESS	4868194 · Wellness 68	(18.75)
TOTAL						(826.00)
09/28/16	89034	UNITED WAY OF SANTA BARBARA COUNTY	UNITED WAY OF S...	PAYROLL 09-29-16	1000101 · Operating Cash 10	
09/23/16	PAYROLL 0...		UNITED WAY OF S...	PAYROLL 09-29-16	1000224 · United Way Payable	(24.00)
TOTAL						(24.00)
09/28/16	89035	US HEALTHWORKS	US HEALTHWORKS	2979470-CA	1000101 · Operating Cash 10	
09/02/16	2979470-CA		US HEALTHWORKS	PRE-PLACEMENT PHYSICALS	1016320 · Pre-placement Health Sc...	(226.00)
TOTAL						(226.00)
09/28/16	89036	VANTAGEPOINT TRANSFER AGENTS - 457	VANTAGEPOINT TR...	PAYROLL 09-29-16	1000101 · Operating Cash 10	
09/23/16	PAYROLL 0...		VANTAGEPOINT TR...	PAYROLL 09-29-16	1000105 · ICMA Cash	(1,025.00)
TOTAL						(1,025.00)
09/28/16	89037	49ER COMMUNICATIONS, INC	49ER COMMUNICA...	IN38322	1000101 · Operating Cash 10	
09/15/16	IN38322		49ER COMMUNICA...	EMERGENCY RADIOS	2531304 · Radio Maintenance/Rep...	(1,597.85)
TOTAL						(1,597.85)
09/28/16	89038	AFLAC	AFLAC	957512	1000101 · Operating Cash 10	
09/16/16	957512		AFLAC	OCT 2016	2361194 · Wellness 61	(48.80)
			AFLAC	OCT 2016	1016194 · Wellness 16	(64.30)
			AFLAC	OCT 2016	1041194 · Wellness 41	(24.10)

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			AFLAC	OCT 2016	1051194 · Wellness 51	(43.30)
			AFLAC	OCT 2016	1012194 · Wellness 12	(62.60)
			AFLAC	OCT 2016	1030194 · Wellness 30	(43.30)
			AFLAC	OCT 2016	1022194 · Wellness 22	(23.60)
			AFLAC	OCT 2016	1042194 · Wellness 42	(100.76)
			AFLAC	OCT 2016	1041194 · Wellness 41	(74.19)
			AFLAC	OCT 2016	1022194 · Wellness 22	(35.10)
			AFLAC	OCT 2016	2531194 · Wellness 31	(48.80)
			AFLAC	OCT 2016	1030194 · Wellness 30	(29.60)
			AFLAC	OCT 2016	2531194 · Wellness 31	(52.10)
			AFLAC	OCT 2016	3332194 · Wellness 32	(106.80)
			AFLAC	OCT 2016	1069194 · Wellness 69	(56.96)
			AFLAC	OCT 2016	1014194 · Wellness 14	(50.31)
			AFLAC	OCT 2016	1069194 · Wellness 69	(69.70)
			AFLAC	OCT 2016	1051194 · Wellness 51	(32.20)
			AFLAC	OCT 2016	2531194 · Wellness 31	(40.60)
TOTAL						(1,007.12)
09/28/16	89039	ALL AROUND LANDSCAPE SUPPLY	ALL AROUND LAN...	S1905587.001	1000101 · Operating Cash 10	
09/06/16	S1905587.001		ALL AROUND LAND...	SHOP SUPPLIES	3332308 · Supplies & Materials 32	(54.09)
TOTAL						(54.09)
09/28/16	89040	FRONTIER COMMUNICATIONS	FRONTIER COMMU...	80568476130422055	1000101 · Operating Cash 10	
09/07/16	8056847613...		FRONTIER COMMU...	TELEPHONE SERVICE	1013301 · Telephone 13	(132.05)
TOTAL						(132.05)
09/28/16	89041	KEYSER MARSTON ASSOCIATES, INC. *	KEYSER MARSTON...	0030094	1000101 · Operating Cash 10	
09/07/16	0030094		KEYSER MARSTON...	PARK IMPROVEMENT	3100242 · Park Improvements DIF	(540.00)
TOTAL						(540.00)
09/28/16	89042	SPECTRUM AQUATICS *	SPECTRUM AQUAT...	0153536-IN	1000101 · Operating Cash 10	
09/06/16	0153536-IN		SPECTRUM AQUAT...	POOL	4866223 · Equipment Maintenance ...	(1,165.37)
TOTAL						(1,165.37)
09/28/16	89043	STAPLES ADVANTAGE	STAPLES ADVANT...	3314269977	1000101 · Operating Cash 10	
09/08/16	3314269977		STAPLES ADVANT...	POOL OFFICE SUPPLIES	4866308 · Supplies & Materials 66	(115.28)
TOTAL						(115.28)
09/28/16	89044	THE STORAGE PLACE	THE STORAGE PLA...	VOID: STORAGE SEPT 2016	1000101 · Operating Cash 10	

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TOTAL						0.00
09/28/16	89045	WILLDAN	WILLDAN	010-32269	1000101 · Operating Cash 10	
09/21/16	010-32269		WILLDAN	DIF UPDATE	1030221 · Contract Services 30	(830.00)
TOTAL						(830.00)
09/28/16	89046	THE STORAGE PLACE	THE STORAGE PLA...	STORAGE SEPT 2016	1000101 · Operating Cash 10	
09/14/16	SEPT 2016		THE STORAGE PLA...	OFFSITE STORAGE RENTAL	1013221 · Miscellaneous Contracts ...	(335.00)
TOTAL						(335.00)
09/29/16	89047	JONES, CLIFTON*	JONES, CLIFTON*	AQUATICS CLUB GRANT	1000101 · Operating Cash 10	
09/29/16	AQUATICS ...		JONES, CLIFTON*	AQUATICS CLUB GRANT - SHAVER LAKE	2000261 · Deferred Revenue 20	(578.08)
TOTAL						(578.08)
10/03/16	89048	ORNELAS, LOUISA *	ORNELAS, LOUISA *	09-29-16 PAYROLL CORRECTION	1000101 · Operating Cash 10	
10/03/16	09-29-16 PA...		ORNELAS, LOUISA *	09-29-16 PAYROLL CORRECTION	1000101 · Operating Cash 10	(170.23)
TOTAL						(170.23)
10/03/16	89049	VEGA, ANTHONY	VEGA, ANTHONY	09-29-16 PAYROLL CORRECTION	1000101 · Operating Cash 10	
10/03/16	09-29-16		VEGA, ANTHONY	09-29-16 PAYROLL CORRECTION	1000101 · Operating Cash 10	(154.91)
TOTAL						(154.91)
10/03/16	89050	CA SOCIETY OF MUNICIPAL FINANCE OFFI...	CA SOCIETY OF M...	INV-16	1000101 · Operating Cash 10	
08/30/16	INV-16		CA SOCIETY OF MU...	CSMFO AWARD FY 2016-2017	1014305 · Dues & Subscriptions 14	(150.00)
TOTAL						(150.00)
TOTAL						\$499,642.46



City of Carpinteria

COUNCIL AGENDA STAFF REPORT October 10, 2016

ITEM FOR COUNCIL CONSIDERATION

Request for the issuance of a Letter of Public Convenience or Necessity (PCN), to California Department of Alcoholic Beverage Control (ABC), for a Type 42 Bar-Tavern license at 5080 Carpinteria Avenue, Sunburst Winery.

STAFF RECOMMENDATION

Action Item X; Non-Action Item ____

Staff recommends that the Council make a determination as to whether approval of the requested License to operate a new bar/tavern within the City serves the public's convenience or necessity.

Motion: I move that a letter of Public Convenience or Necessity be provided to ABC for the operation of Sunburst Winery at 5080 Carpinteria Avenue.

BACKGROUND

On July 18, 2016, ABC informed the City that they had received an application from Ryan Moore, Lucky Llama, Inc., to operate Sunburst Winery at 5080 Carpinteria Avenue. The application, Attachment A, is for a Type 42 Bar-Tavern license, and would authorize the sale of beer and wine for consumption on or off the premises where sold.

Within 30 days of the City's notification of receipt of the license application by ABC, the City of Carpinteria and the Santa Barbara County Sheriff's office have the opportunity to submit questions, concerns or objections to the proposed license, including a Letter of Protest (e.g., objecting to the license) or a Conditional Letter of Protest (e.g., objecting to the license unless certain conditions are agreed to and implemented). If no comments are received from the local agencies by the end of the 30-day review period, ABC continues with the processing of the application with the understanding that the local jurisdiction and law enforcement agency have no questions, concerns or

objections to the license. In the case of the subject license request, no questions, concerns or objections were submitted to ABC prior to the close of the 30-day period.

Due to an over-concentration of ABC licenses that already exist in the City (Attachment C - License Locations and Type), the City Council must also make a determination as to whether the public convenience or necessity is served by the issuance of an additional license. Pursuant to the Business and Professions Code, Sections 23958 and 23958.4, ABC must deny the application within 90 days of notification, in this case by October 17, 2016, unless prior to that date, a determination is made by the City that the public convenience or necessity would be served by the issuance of this additional license. The subject request for a PCN letter would address this requirement.

City Council Resolution No. 4193 (Attachment B), authorizes the City Council to review applications for new locations proposed for the sale of alcoholic beverages.

DISCUSSION

According to ABC's current records (Attachment C), the City of Carpinteria contains 32 on-sale licenses (i.e., restaurants, bars, etc.) and 13 off-sale licenses (markets, "liquor stores," etc.). There are five additional "non-retail" type licenses also located in the City, which allow for uses such as "small beer manufacturers," beer and wine wholesaler, etc. Based on the population size of the census tracts that comprise the Carpinteria Valley, the state threshold for a determination of "overconcentration" for Carpinteria is 23 on-sale and 12 off-sale licenses, respectively. As the number of licenses in the City, particularly in the City's downtown exceeds the license threshold, an over-concentration of ABC licenses is determined to exist. Hence, any new on-sale or off-sale license type in the downtown core of the City requires a PCN letter.¹

The requested Type 42 Bar-Tavern license authorizes the sale of beer and wine for consumption on or off the premises where sold. "Off-Sale" on an alcoholic beverage license of this type means alcoholic beverages must be sold in original, unopened packages for consumption off the premises. No distilled spirits may be sold or kept on the premises under this license type. This license type does not allow minors to enter and remain on the premises except under limited entertainment purposes. This license type is not required to provide food service, however, Mr. Moore has indicated that he may offer cheese and cracker platters and/or snacks for purchase. Mr. Moore proposes the following hours of operation for Sunburst Winery: Monday through Thursday, 12:00 p.m. to 9:00 p.m.; Friday, 12:00 p.m. to 10:00 p.m.; Saturday, 11:00 a.m. to 10:00 p.m.; and Sunday, 11:00 a.m. to 9:00 p.m.

¹ ABC licenses are distributed by census tracts. In the case of the City of Carpinteria, census tract 16.04, which covers all of the City south of U.S. 101 and west of Carpinteria Creek, is authorized for 9 on-sale and 5 off-sale licenses, however there are currently 29 on-sale and 10 off-sale licenses issued in this tract. Conversely, tracts 16.01 (north of U.S. 101) and 17.04 (east of Carpinteria Creek to the Santa Barbara/Ventura County line) both contain fewer than the authorized number of both on-sale and off-sale licenses.

Currently there are two other Type 42 licenses operating in the City of Carpinteria: the Carpinteria and Linden Pub at 4954 Carpinteria Avenue, and the Carpinteria Wine Company at 4193 Carpinteria Avenue. The Carpinteria and Linden Pub operates primarily as a bar/tavern; the Carpinteria Wine Company operates primarily as a wine retail establishment for off premises consumption, although tastings and similar events are periodically offered. The proposed Sunburst Winery intends to offer both wine and beer for purchase for on-site consumption as well as wine for sale for off-site consumption.

As required by ABC, the applicant published a Notice of Intention to Engage in the Sale of Alcoholic Beverages and posted the notice at the business site. The applicant also circulated the Notice to all owners of real property within a 500-foot radius and ABC has informed staff that no public response or protests to the notice have been received to date.

Based on the above information, the Council is asked to determine whether the public convenience or necessity would be served by the issuance of the above-requested Type 42 Bar-Tavern License. As noted previously, if the City determines the public convenience or necessity would not be served through the approval of the License, or if the City fails to respond before the 90-day period has expired, then ABC cannot issue the requested License.

ZONING CONSISTENCY

The proposed license site is addressed as 5080 Carpinteria Avenue, and is the former site of Sunburst Printers, which has been vacant for approximately the last two years. The property is developed with a one-story structure, which includes two rooms and a bathroom. There are five parking spaces located onsite that are accessible off Eugenia Place.

The site is zoned Commercial Planned Development (CPD) and both "cocktail lounge/bar" and "liquor store" are enumerated permissible uses in the zone district. As such, the code can be interpreted to include the operation of a beer and wine retail business allowing for onsite and offsite sales, as a permitted use.

Section 14.20.020 of the CPD zone district requires that if there is a change in use within an existing structure that causes an increase in parking, water use, or landscaping, then a Development Plan would be required to be approved by the Planning Commission. Planning staff has reviewed the ABC application and believes the use will trigger additional demand for parking and therefore would require the approval of a Development Plan prior to initiating the use. The applicant is aware of this requirement. As part of the Development Plan review process, the Planning Commission would have the opportunity to impose any necessary conditions of approval concerning hours of operation, requirements for staff training, presence of an

onsite manager during hours of operation, general site upkeep and/or similar conditions necessary to protect the public's health, safety and welfare.

The CPD zone district requirements also stipulate that if there is an over-concentration of two or more of certain uses, such as a pool/billiard hall, adult-oriented business, amusement arcade, bar, off-sale beer and wine store, convenience store, secondhand store, and/or massage establishment, which are located within four hundred fifty feet of the proposed use, then such use would require the approval of a Conditional Use Permit (pursuant to CMC §14.20.070). Staff has reviewed the existing "non-concentrated uses" in the vicinity of the proposed use and determined that the addition of the proposed Sunburst Winery would not create an over-concentration of the enumerated uses in this part of the City. Only one such use, the 76 Gas Station convenience store, which does not sell alcohol, is located within 450 feet of the subject property on Carpinteria Avenue.

GENERAL PLAN/COASTAL PLAN CONSISTENCY

The following General Plan/Coastal Plan objectives and policies apply to the proposed operation of Sunburst Winery at 5080 Carpinteria Avenue in the City's downtown core.

Objective LU-3: *Preserve the small beach town character of the built environment of Carpinteria, encouraging compatible revitalization and avoiding sprawl development at the City's edge.*

Policy LU-3d: *Establish a commercial sector that balances the retail and service needs of citizens and tourists.*

Policy LU-3g: *Provide for a range of business activities that bring vitality, revenue, and employment to Carpinteria and are compatible with its small town character.*

Objective LU-5: *Maintain availability of agriculture, coastal -dependent industry and visitor-serving commercial development including hotels/motels, restaurants and commercial recreation uses.*

Policy LU-5c: *The City shall prohibit the removal or conversion of visitor-serving development unless it will be replaced by development offering comparable visitor-serving opportunities.*

The proposed wine bar would backfill a vacancy in an existing building located in the City's downtown that was formerly occupied by a print shop. The proposed use would provide an additional retail venue in the downtown and could be found to be in keeping with the types of businesses allowed in the City's commercial core. The proposed use could be found to be consistent with the site's Visitor-serving Commercial designations in that the use would serve both residents and visitors to the City, thereby creating additional economic activity in the Downtown "T."

Objective CD-7: *Enhance and maintain the Linden Avenue downtown core, the Carpinteria Avenue commercial core, the Eugenia Professional office area, the Casitas Village, Shepard's place Shopping Center, and the Cindy Lane-Mark Avenue industrial park districts.*

Objective CDS2A-2: *Preserve and enhance the downtown's historic status as the center of commercial activity of the city by encouraging a range of uses that serve both residents and visitors.*

Policy CDS2A-b: *Ensure that intensified land uses within the subarea support a lively place to visit, live, work and shop, and that the scale and character of the District remain consistent with the city's "small beach town" image.*

Policy CDS2A-c: *Encourage the gradual but systematic transformation of Carpinteria Avenue from a highway commercial strip to an integrated downtown street similar in character to Linden Avenue.*

The proposed use would occupy a long vacant commercial space on Carpinteria Avenue in the City's downtown core. The business owners own the nearby, successful Lucky Llama coffee shop and are hoping to expand into a new business venture that they hope will be similarly well-received by City residents and visitors alike, bringing additional economic vitality into the Downtown "T."

As part of the forthcoming Development Plan review process, staff and the Architectural Review Board will have an opportunity to review the proposed remodel and tenant improvement plans for the site to ensure that it is consistent with the City's design objectives for the Downtown and enhances the Carpinteria Avenue streetscape. The conversion of the site from a commercial service use (e.g., print shop) to a visitor-serving retail space can be found to be consistent with the City's vision of transforming Carpinteria Avenue into an integrated downtown environment.

FINANCIAL CONSIDERATIONS

The City's Master Fee Schedule establishes a non-refundable application fee of \$2,210.00 to cover staff time to process the ABC license request. The fee provides for 100% recovery of the costs to process the application whether the license is approved or denied. Mr. Moore paid the application fee on June 24, 2016.

LEGAL

California Business and Professions Code §2958.4 Undue Concentration; Licensure for Public Convenience or Necessity, states that the local governing body of the area in which the subject premises is located may determine within 90 days of notification of a completed application, that the public convenience or necessity would or would not be

served by the issuance of the license. The City Council may, in the exercise of its police power for the protection of public morals, health and safety, protest the license and recommend that ABC not issue the license based on an over-concentration of licenses in the vicinity and/or the history of the applicant's conduct of alcohol sales, of which there is none. Should the Council not make a determination within the 90-day period, ABC must deny the license due to the existing over-concentration of ABC licenses in the area. ABC will consider the City's input and has independent and exclusive authority to determine if the alcohol sales license is issued or not, but if the City Council makes a determination not to issue the license, ABC will not issue the license.

OPTIONS

1. Issue a letter to ABC finding the proposed Sunburst Winery would serve the public convenience or necessity; or
2. Issue a letter to ABC finding the proposed Sunburst Winery would not serve the public convenience or necessity. Such a finding would result in the denial of the requested ABC license.

PRINCIPAL PARTIES EXPECTED AT MEETING

Mr. and Mrs. Ryan Moore, applicant

ATTACHMENTS

Attachment A - ABC License application

Attachment B - Resolution No. 4193

Attachment C - ABC License List

Attachment D - ABC Letter of Public Convenience or Necessity

Staff contact: Silvia Echeverria, Code Compliance Supervisor
745-4408 and silviae@ci.carpinteria.ca.us



Signature

Reviewed by: Steve Goggia, Director
Community Development Department



Signature

Reviewed by: Dave Durflinger, City Manager



Signature

Attachment A
California Department of ABC Application

City Council
October 10, 2016

APPLICATION FOR ALCOHOLIC BEVERAGE LICENSE(S)

ABC 211 (6/99)

TO: Department of Alcoholic Beverage Control
 1000 SOUTH HILL ROAD
 SUITE 310
 VENTURA, CA 93003
 (805) 289-0100

File Number: **571458**
 Receipt Number: **2372617**
 Geographical Code: **4205**
 Copies Mailed Date: **July 18, 2016**
 Issued Date:

RECEIVEDDISTRICT SERVING LOCATION: **VENTURA**

First Owner: **LUCKY LLAMA, INC.**
 Name of Business: **SUNBURST WINERY**
 Location of Business: **5080 CARPINTERIA AVE**
CARPINTERIA, CA 93013-2072

JUL 20 2016

CITY OF CARPINTERIACounty: **SANTA BARBARA**Is Premise inside city limits? **Yes**Census Tract **0016.04**

Mailing Address: **5100 CARPINTERIA AVE**
 (If different from premises address) **CARPINTERIA, CA 93013**

Type of license(s): **42**

Transferor's license/name:

Dropping Partner: Yes ☐ No ☐

<u>License Type</u>	<u>Transaction Type</u>	<u>Fee Type</u>	<u>Master</u>	<u>Dup</u>	<u>Date</u>	<u>Fee</u>
42 - On-Sale Beer And Wine	ANNUAL FEE	NA	Y	0	07/18/16	\$261.00
42 - On-Sale Beer And Wine	ORIGINAL FEES	NA	Y	0	07/18/16	\$300.00
NA	FEDERAL FINGERPRINTS	NA	N	3	07/18/16	\$72.00
NA	STATE FINGERPRINTS	NA	N	3	07/18/16	\$117.00
Total						\$750.00

Have you ever been convicted of a felony? **No**

Have you ever violated any provisions of the Alcoholic Beverage Control Act, or regulations of the Department pertaining to the Act? **No**

Explain any "Yes" answer to the above questions on an attachment which shall be deemed part of this application.

Applicant agrees (a) that any manager employed in an on-sale licensed premises will have all the qualifications of a licensee, and (b) that he will not violate or cause or permit to be violated any of the provisions of the Alcoholic Beverage Control Act.

STATE OF CALIFORNIA County of **SANTA BARBARA**Date: **July 18, 2016**

Under penalty of perjury, each person whose signature appears below, certifies and says: (1) He is an applicant, or one of the applicants, or an executive officer of the applicant corporation, named in the foregoing application, duly authorized to make this application on its behalf; (2) that he has read the foregoing and knows the contents thereof and that each of the above statements therein made are true; (3) that no person other than the applicant or applicants has any direct or indirect interest in the applicant or applicant's business to be conducted under the license(s) for which this application is made; (4) that the transfer application or proposed transfer is not made to satisfy the payment of a loan or to fulfill an agreement entered into more than ninety (90) days preceding the day on which the transfer application is filed with the Department or to gain or establish a preference to or for any creditor or transferor or to defraud or injure any creditor of transferor; (5) that the transfer application may be withdrawn by either the applicant or the licensee with no resulting liability to the Department.

Effective July 1, 2012, Revenue and Taxation Code Section 7057, authorizes the State Board of Equalization and the Franchise Tax Board to share taxpayer information with Department of Alcoholic Beverage Control. The Department may suspend, revoke, and refuse to issue a license if the licensee's name appears in the 500 largest tax delinquencies list. (Business and Professions Code Section 494.5.)

Applicant Name(s)

Applicant Signature(s)

See 211 Signature Page**LUCKY LLAMA, INC.**

Attachment B
Resolution 4193

City Council
October 10, 2016

RESOLUTION NO. 4193

**A RESOLUTION OF THE CITY OF CARPINTERIA A CITY COUNCIL
ESTABLISHING A FEE FOR ALCOHOLIC BEVERAGE
CONTROL - LETTER OF CONVENIENCE**

WHEREAS, as of January 1, 1995, the Department of Alcoholic Beverage (ABC) requires that a local governing body (i.e., City Council) shall determine whether or not public convenience and necessity is met for issuance of off-sale beer/wine and general off-sale licenses.

WHEREAS, Council will review new locations for sites proposed for the sale of alcoholic beverages; and

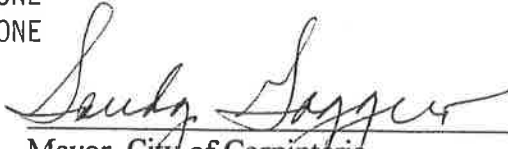
WHEREAS, Council wishes to recover 100% of the costs of providing such services including general and departmental overhead; and

WHEREAS, Council wishes to avoid any subsidy of such activities by the general taxpayer; and

NOW THEREFORE, THE CARPINTERIA CITY COUNCIL HEREBY RESOLVES that this resolution be adopted to establish a fee of \$150.00 for the cost of providing such services:

PASSED, APPROVED AND ADOPTED, this 27th day of March 1995, by the following called vote:

AYES: COUNCILMEMBERS :	STEIN, MARTINEZ, NIELSEN, JORDAN, GAGGERO
NOES: COUNCILMEMBERS :	NONE
ABSENT COUNCILMEMBERS:	NONE

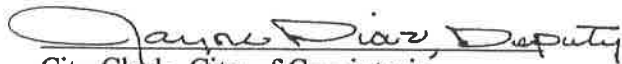


Mayor, City of Carpinteria

ATTEST:


City Clerk, City of Carpinteria

I hereby certify that the foregoing resolution was duly and regularly introduced and adopted at a regular meeting of the City Council of the City of Carpinteria held this 27th day of March 1995.


City Clerk, City of Carpinteria

APPROVED AS TO FORM:


City Attorney

Attachment C
ABC License List

City Council
October 10, 2016



**California Department of Alcoholic
Beverage Control
On-Sale Licenses
For the Cities of
CARPINTERIA**

36 of 36 Licenses Displayed

*To create a downloadable CSV
File go back
and check the Create CSV
Download Option.*

Report as of 10/2/2016

License Number	Status	License Type	Orig. Iss. Date	Expir Date	Primary Owner and Premises Addr.	Business Name	Mailing Address	Geo Code
1) <u>242886</u>	ACTIVE	41	02/28/1990	6/30/2017	CLEMENTINES ENTERPRISES LTD 4631 CARPINTERIA AVE CARPINTERIA, CA 93013	CLEMENTINES ENTERPRISES LTD		4205
2) <u>328882</u>	ACTIVE	41	05/29/1997	4/30/2017	Census Tract: 0016.04 NATALE, PATRICIA R 5003 CARPINTERIA AVE CARPINTERIA, CA 93013	GIOVANNIS PIZZA		4205
3) <u>377264</u>	ACTIVE	41	06/12/2002	5/31/2017	Census Tract: 0016.04 JACKS FAMOUS BAGELS INC 5050 CARPINTERIA AVE CARPINTERIA, CA 93013	JACKS BISTRO & FAMOUS BAGELS		4205
4) <u>380276</u>	ACTIVE	47	03/01/2002	2/28/2017	Census Tract: 0016.04 CASTELLANOS, ARTURO 4401 CARPINTERIA AVE CARPINTERIA, CA 93013	DELGADOS MEXICAN RESTAURANT		4205
5) <u>453993</u>	ACTIVE	41	07/11/2007	6/30/2017	Census Tract: 0016.04 ZOOKERS INC 5404 CARPINTERIA AVE CARPINTERIA, CA 93013-1423	ZOOKERS		4205
6) <u>476047</u>	ACTIVE	47	04/23/2009	3/31/2017	Census Tract: 0016.04 CHM HOTELS 4558 CARPINTERIA AVE CARPINTERIA, CA 93013-1863	CARPINTERIA MOTOR INN	800 BAY MARINA DR NATIONAL CITY, CA 91950-6406	4205
7) <u>509983</u>	ACTIVE	42	03/07/2012	2/28/2017	Census Tract: 0016.04 LEONESIO, KATIE LEE 4954 CARPINTERIA AVE CARPINTERIA, CA 93013-1937	CARPINTERIA AND LINDEN PUB		4205
8) <u>551908</u>	ACTIVE	64	02/04/2015	1/31/2017	Census Tract: 0016.04 CARPINTERIA COMMUNITY THEATRE, INC. 4916 CARPINTERIA AVE CARPINTERIA, CA 93013-1937	PLAZA PLAYHOUSE THEATER		4205
9) <u>568181</u>	ACTIVE	47	05/24/2016	4/30/2017	Census Tract: 0016.04 CIELO BAR & GRILL, LLC 5096 CARPINTERIA AVE CARPINTERIA, CA 93013-2072	CABOS BAJA GRILL AND CANTINA		4205
10) <u>78868</u>	ACTIVE	41	10/12/1979	12/31/2016	Census Tract: 0016.04 RUSTYS PIZZA PARLORS INC 5250 CARPINTERIA AVE CARPINTERIA, CA 93013	RUSTYS PIZZA PARLORS INC 9 228 W CARRILLO ST, STE F SANTA BARBARA, CA 93101		4205
11) <u>536054</u>	ACTIVE	42	10/08/2013	9/30/2016	Census Tract: 0016.04 DAMBACH, FRANK LLOYD 4193 CARPINTERIA AVE, STE 1 CARPINTERIA, CA 93013	CARPINTERIA WINE COMPANY		4205
12) <u>308909</u>	ACTIVE	41	07/24/1995	6/30/2017	Census Tract: 0016.04 CHOI, CHANG HO 1049 CASITAS PASS RD CARPINTERIA, CA 93013	HUGOS RESTAURANT		4205
13) <u>314926</u>	ACTIVE	41	01/19/1996	12/31/2016	Census Tract: 0016.04 LEE, TSAIWANG 1025 CASITAS PASS RD CARPINTERIA, CA 93013	UNCLE CHEN		4205
14) <u>324049</u>	ACTIVE	51	07/25/1990	6/30/2017	Census Tract: 0016.04 LIONS CLUB CARPINTERIA THE 5197 CASITAS PASS RD CARPINTERIA, CA 93013	CARPINTERIA LIONS CLUB	PO BOX 191 CARPINTERIA, CA 93014	4200
15) <u>371195</u>	ACTIVE	41	02/13/2001	1/31/2017	Census Tract: 0016.01 FLORES, GUADALUPE	EL TACO GRANDE	PO BOX 1062	4205

				1096 CASITAS PASS RD CARPINTERIA, CA 93013	HEALDSBURG, CA 95448	
16)	<u>392779</u>	ACTIVE	40	06/25/2003	5/31/2017	4205
				Census Tract: 0016.04 AZTLAN INC 1001 CASITAS PASS RD CARPINTERIA, CA 93013	RUDYS RESTAURANT CARPINTERIA	
17)	<u>531201</u>	ACTIVE	86	11/05/2013	6/30/2017	4205
				Census Tract: 0016.04 ALBERTSONS LLC 1018 CASITAS PASS RD CARPINTERIA, CA 93013-2108	ALBERTSONS 6355 PO BOX 20 BOISE, ID 83726-0020	
18)	<u>566680</u>	ACTIVE	41	05/19/2016	4/30/2017	4205
				Census Tract: 0016.04 FOOD LIAISON CORPORATION THE FOOD LIAISON THE 1033 CASITAS PASS RD CARPINTERIA, CA 93013-2108	1093 HOLLY LANE CARPINTERIA, CA 93013	
19)	<u>80025</u>	ACTIVE	51	11/02/1979	5/31/2017	4200
				Census Tract: 0016.04 SANTA BARBARA POLO & RACQUET CLUB 3375 FOOTHILL RD CARPINTERIA, CA 93013	3375 FOOTHILL RD 1200 CARPINTERIA, CA 93013	
20)	<u>379983</u>	ACTIVE	41	10/02/2001	9/30/2016	4205
				Census Tract: 0017.06 SUSHI TERI CORPORATION 970 LINDEN AVE CARPINTERIA, CA 93013	SUSHI TERI CARPINTERIA	
21)	<u>401146</u>	ACTIVE	41	09/05/2003	8/31/2017	4205
				Census Tract: 0016.04 CARMONADIAZ, HAILE 721-741 LINDEN AVE CARPINTERIA, CA 93013	OAXACA FRESH	
22)	<u>410954</u>	ACTIVE	41	05/03/2004	4/30/2017	4205
				Census Tract: 0016.04 ESAUS COFFEE SHOP INC 507 LINDEN AVE CARPINTERIA, CA 93013-2037	ESAUS CAFE	
23)	<u>4325</u>	ACTIVE	47	08/18/1967	5/31/2017	4205
				Census Tract: 0016.04 KENS ENTERPRISES INC 701 LINDEN AVE CARPINTERIA, CA 93013	PALMS THE	
24)	<u>447987</u>	ACTIVE	41	01/12/2007	12/31/2016	4205
				Census Tract: 0016.04 GIANNFRANCOS TRATTORIA LLC 666 LINDEN AVE CARPINTERIA, CA 93013-2040	GIANNFRANCOS TRATTORIA	
25)	<u>451770</u>	ACTIVE	47	06/29/2007	5/31/2017	4205
				Census Tract: 0016.04 SENROR FROGS INC 892 LINDEN AVE CARPINTERIA, CA 93013-2043	SENROR FROGS	
26)	<u>488186</u>	ACTIVE	41	05/13/2010	4/30/2017	4205
				Census Tract: 0016.04 CORKTREE CELLARS INC 910 LINDEN AVE CARPINTERIA, CA 93013-2045	CORKTREE CELLARS	
27)	<u>508614</u>	ACTIVE	41	04/12/2011	3/31/2017	4205
				Census Tract: 0016.04 GONZALEZ, JANNA GASPARLIMA 915 LINDEN AVE CARPINTERIA, CA 93013-2044	NUTBELLY PIZZERIA AND DELI	
28)	<u>530115</u>	ACTIVE	41	04/03/2013	8/31/2017	4205
				Census Tract: 0016.04 SIAM ELEPHANT THAI RESTAURANT, LLC 509 LINDEN AVE CARPINTERIA, CA 93013-2037	SIAM ELEPHANT THAI RESTAURANT	
29)	<u>531339</u>	ACTIVE	41	06/13/2013	5/31/2017	4205
				Census Tract: 0016.04 MANCILLA, RICHARD ANDREW 973 LINDEN AVE CARPINTERIA, CA 93013-2044	WORKER BEE RESTAURANT	
30)	<u>533286</u>	ACTIVE	47	07/05/2013	6/30/2017	4205
				Census Tract: 0016.04 GREAT SLY RESTAURANTS INC 686 LINDEN AVE CARPINTERIA, CA 93013-2040	SLY'S	
31)	<u>569761</u>	ACTIVE	41	08/25/2016	7/31/2017	4205
				Census Tract: 0016.04 PMD CARPINTERIA, INC. 699 LINDEN AVE CARPINTERIA, CA 93013-2039	PIZZAMAN DANS 444 E SANTA CLARA ST VENTURA, CA 93001	
32)	<u>857714</u>	ACTIVE	47	10/18/1999	9/30/2016	4200
				Census Tract: 0016.04 RINCON CATERING INC RINCON BEACH CLUB		

			3805 SANTA CLAUS LN CARPINTERIA, CA 93013			
			Census Tract: 0017.06			
33)161420	ACTIVE	41	02/27/2008 1/31/2017	TAMARA LEE INCORPORATED	GARDEN MARKET THE	4200
			3841 SANTA CLAUS LN CARPINTERIA, CA 93013-1110			
			Census Tract: 0017.06			
34)558764	ACTIVE	41	08/24/2015 7/31/2016	SB CANTINA LLC	BORRELLO'S PIZZA & PASTARIA	4200
			3807 SANTA CLAUS LN CARPINTERIA, CA 93013-1110			
			Census Tract: 0017.06			
35)561050	ACTIVE	41	10/21/2015 9/30/2016	PADARO PACIFICO LLO	PADARO BEACH GRILL	4200
			3765 SANTA CLAUS LN CARPINTERIA, CA 93013-1109			
			Census Tract: 0017.06			
36)326752	ACTIVE	41	02/03/1997 1/31/2017	ANGULO, MARIA ERNESTINA	TAQUERIA RINCON ALTENO	4205
			4412-4414 VIA REAL CARPINTERIA, CA 93013			
			Census Tract: 0016.01			
				4167 VIA MARCIA CARPINTERIA, CA 93013		

--- End of Report ---

For a definition of codes, view our [glossary](#).



**California Department of Alcoholic
Beverage Control
Off-Sale Licenses
For the Cities of
CARPINTERIA**

14 of 14 Licenses Displayed

*To create a downloadable CSV
File go back
and check the Create CSV
Download Option.*

Report as of 10/2/2016

License Number	Status	License Type	Orig. Iss. Date	Expir Date	Primary Owner and Premises Addr.	Business Name	Mailing Address	Geo Code
1) <u>397093</u>	ACTIVE	20	05/01/2003	6/30/2017	REYES MARKET INC 4795 CARPINTERIA AVE CARPINTERIA, CA 93013	REYES MARKET		4205
2) <u>481718</u>	ACTIVE	20	12/09/2009	11/30/2016	Census Tract: 0016.04 MAIDA, SIMON 4502 CARPINTERIA AVE CARPINTERIA, CA 93013-1812	MI FIESTA MARKET		4205
3) <u>501495</u>	ACTIVE	20	12/21/2010	11/30/2016	Census Tract: 0016.04 BALLAT, MAAN GEORGES 5292 CARPINTERIA AVE CARPINTERIA, CA 93013	CITY MARKET CENTER		4205
4) <u>71549</u>	ACTIVE	21	02/27/1979	9/30/2016	Census Tract: 0016.04 WAL DAHL INC 4860 CARPINTERIA AVE CARPINTERIA, CA 93013	COASTAL LIQUORS		4205
5) <u>473372</u>	ACTIVE	20	01/09/2009	12/31/2016	Census Tract: 0016.04 SHORELINE OIL INC 1116 CASITAS PASS RD CARPINTERIA, CA 93013-2104	ARCO AM PM 789	5 W FOOTHILL BLVD ARCADIA, CA 91006-2339	4205
6) <u>477562</u>	ACTIVE	21	06/22/2009	5/31/2017	Census Tract: 0016.04 GARFIELD BEACH CVS LLC 1036 CASITAS PASS RD CARPINTERIA, CA 93013-2108	CVS PHARMACY STORE 9235	1 CVS DR, MAIL DROP 23062A WOONSOCKET, RI 02895-6146	4205
7) <u>531201</u>	ACTIVE	21	11/05/2013	6/30/2017	Census Tract: 0016.04 ALBERTSONS LLC 1018 CASITAS PASS RD CARPINTERIA, CA 93013-2108	ALBERTSONS 6355	PO BOX 20 BOISE, ID 83726-0020	4205
8) <u>460602</u>	ACTIVE	21	01/07/2008	12/31/2016	Census Tract: 0016.04 BALLAT, MAAN GEORGES 501 LINDEN AVE CARPINTERIA, CA 93013-2037	CITY MARKET 15		4205
9) <u>517458</u>	ACTIVE	21	02/15/2012	6/30/2017	Census Tract: 0016.04 BEACH LIQUOR & TACO TO GO, INC. 794 LINDEN AVE CARPINTERIA, CA 93013-2056	BEACH LIQUOR & TACO TO GO		4205
10) <u>564845</u>	ACTIVE	21	02/17/2016	6/30/2017	Census Tract: 0016.04 SMART & FINAL STORES LLC 850 LINDEN AVE CARPINTERIA, CA 93013	SMART & FINAL STORE #915	600 CITADEL DR LOS ANGELES, CA 90040-1562	4205
11) <u>567594</u>	ACTIVE	20	07/01/2010	6/30/2017	Census Tract: 0016.04 WILLIAMSON FAMILY WINERY LLC 1980 PAQUITA DR CARPINTERIA, CA 93103	WILLIAMSON FAMILY WINES	PO BOX 633 SUMMERLAND, CA 93067	4200
12) <u>349900</u>	ACTIVE	20	03/04/1999	2/28/2017	Census Tract: 0017.06 CHEVRON STATIONS INC 4290 VIA REAL CARPINTERIA, CA 93013	CHEVRON STATIONS INC 1867	PO BOX 2292, BUSINESS LICENSE & PERMIT BREA, CA 92822-2292	4205
13) <u>507401</u>	ACTIVE	21	05/25/2011	4/30/2017	Census Tract: 0016.01 AL NADER, KARAM 4060 VIA REAL CARPINTERIA, CA 93013-1220	KIM'S MARKET		4205
14) <u>554622</u>	ACTIVE	20	05/08/2015	6/30/2017	Census Tract: 0016.01 7 ELEVEN INC 4410 VIA REAL CARPINTERIA, CA 93013	7-ELEVEN STORE 23855C	PO BOX 219088, ATT: 7 ELEVEN LICENSING DALLAS, TX 75221-9088	4205
					Census Tract: 0016.01			



**California Department of Alcoholic
Beverage Control
Non-Retail Licenses
For the Cities of
CARPINTERIA**

6 of 6 Licenses Displayed

*To create a downloadable CSV
File go back
and check the Create CSV
Download Option.*

Report as of 10/2/2016

License Number	Status	License Type	Orig. Iss. Date	Expir Date	Primary Owner and Premises Addr.	Business Name	Mailing Address	Geo Code
1) <u>421440</u>	ACTIVE	23	06/27/2005	3/31/2017	ALEWRIGHT LLC 5049 6TH ST CARPINTERIA, CA 93013	ISLAND BREWING COMPANY		4205
					Census Tract: 0016.04			
2) <u>540908</u>	ACTIVE	23	07/16/2014	6/30/2017	RINCON BREWERY INC 5065 CARPINTERIA AVE CARPINTERIA, CA 93013-2046	RINCON BREWERY		4205
					Census Tract: 0016.02			
3) <u>561214</u>	ACTIVE	02	04/27/2016	6/30/2017	APIARY BEVERAGE COMPANY, LLC 4191 CARPINTERIA AVE, STE 10 CARPINTERIA, CA 93013-3302	APIARY MEADERY & CIDERWORKS, THE		4205
					Census Tract: 0016.04			
4) <u>563416</u>	ACTIVE	23	12/29/2015	6/30/2017	SECOND SONS, LLC 4191 CARPINTERIA AVE, STE 8 - 9 CARPINTERIA, CA 93013	BREW LAB	4191 CARPINTERIA AVE, STE 8 CARPINTERIA, CA 93013-3302	4205
					Census Tract: 0016.04			
5) <u>555581</u>	ACTIVE	17	07/02/2015	6/30/2017	LA UVA LLC 6375 LAGUNITAS CT CARPINTERIA, CA 93013	LA UVA LLC	PO BOX 1242 CARPINTERIA, CA 93014	4205
					Census Tract: 0016.04			
6) <u>567594</u>	ACTIVE	17	07/01/2016	6/30/2017	WILLIAMSON FAMILY WINERY, LLC 1980 PAQUITA DR CARPINTERIA, CA 93013	WILLIAMSON FAMILY WINES	PO BOX 833 SUMMERLAND, CA 93067	4200
					Census Tract: 0017.06			

--- End of Report ---

For a definition of codes, view our [glossary](#).



Attachment D
Letter of Public Convenience or Necessity

City Council
October 10, 2016

CITY of CARPINTERIA



October 11, 2016

Leslie Pond, District Administrator
Department of Alcoholic Beverage Control
1000 South Hill Road, Ste. 310
Ventura, CA 93003

Re: Letter of Public Convenience or Necessity
Applicant - Ryan Moore, Lucky Llama, Inc. dba Sunburst Winery
Location - 5080 Carpinteria Avenue
Pending License # - 571458

Dear Mr. Pond:

At the City Council meeting on October 10, 2016, the City Council voted to issue this letter of Public Convenience or Necessity to Sunburst Winery, located at 5080 Carpinteria Avenue, for a Type 42- Bar/Tavern License.

If you have any questions or require additional information, please do not hesitate to contact me at 755-4408 or by email silviae@ci.carpinteria.ca.us Thank you for your time and attention to this matter.

Sincerely,

Silvia Echeverria
Code Compliance Supervisor

C: Dave Durflinger, City Manager
Lt. Mike Perkins, Santa Barbara County Sheriff's Department



City of Carpinteria

COUNCIL AGENDA STAFF REPORT October 10, 2016

ITEM FOR COUNCIL CONSIDERATION

Authorization to issue purchase orders for site furnishings and to seek bids to complete the Community Garden Project.

STAFF RECOMMENDATION

Action Item X ; Non-Action Item

Authorize the City Manager to issue purchase orders for park furnishings and to seek public bids from qualified contractors to complete the improvements as shown on the Community Garden Plan set pursuant to Public Contract Code § 20164

Motion: I move to authorize the City Manager to issue purchase orders for park furnishings and to seek public bids from qualified contractors to complete improvements as shown on the Community Garden Plan set pursuant to Public Contract Code § 20164.

BACKGROUND / DISCUSSION

On December 10, 2012 the City Council approved Resolution No. 5425 approving submittal to the State of California an application for an Environmental Enhancement and Mitigation Grant to be used to fund the design and construction of a community garden on a parcel of City owned land located at 4855 Fifth Street (APN 004-105-15).

This public garden project includes 100 fifty square foot garden plots that will be made available to the public for a quarterly rental fee, several shade pergolas, a permeable paving entry area, a restored small railroad building and a new restroom. Also included are project amenities that will demonstrate and promote sustainable and water conserving gardening practices such as a rain water collection tank, compost bins, solar panels, and owl boxes. The grounds will be landscaped with native plants and fruit trees. Site furnishings include picnic tables, interpretive signage, benches and bike racks. The project also includes new street lights on Fifth Street that match those of the City's downtown.

The City was awarded \$350,000 toward the cost of the Community Garden in September 2014. Since that time the project plans have been prepared and the project has been seen by the Architectural Review Board (March 31, 2016 and April 14, 2016) and has been granted a coastal development permit by the Planning Commission on May 2, 2016.

Since that time, plans have been further refined to allow for public bidding of the project. Also, in preparation of the project, site utilities have been brought to the property including electrical and sewer service.

Different components of the Project may be publically bid separately depending upon the outcome of additional analysis of the overall project. I

For example, the building installation and restroom construction may be best to be bid as a separate contract for budgetary reasons.

POLICY CONSISTENCY

The City's General Plan and Local Coastal Plan policy OSC-14 directs the City to pursue the provision of adequate parks and open space for all community members.

This project is listed in the City's Draft Capital Improvement Program as Item PR-29 and was approved as a part of the Park and Recreation Department work plan by the City Council in January 2016

FINANCIAL CONSIDERATIONS

The EEM Program grant is in the amount of \$350,000. Some of the project costs are not eligible to be paid for with grant funds. These include restroom and street light costs. The complete project cost is expected to be approximately \$450- \$500,000 including street lights and a new restroom.

Once bids are received, a precise cost estimate will be presented to the City Council for consideration.

Project costs in excess of the grant amount will be proposed to come from the Park Improvement Fund that currently has a fund balance of \$250,000, and from the Street Lighting Fund for those costs related to the Fifth Street pole lights.

LEGAL

No legal issues are presented as a part of this report.

OPTIONS

PRINCIPAL PARTIES EXPECTED AT MEETING

There are no principal parties expected at the meeting.

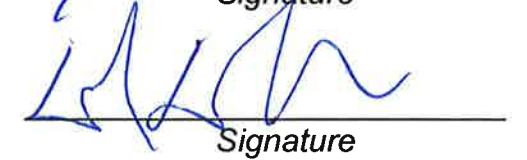
ATTACHMENTS

3 Purchase Orders
Representative Project Plan exhibits.

Staff contact:
Matthew Roberts
(805) 684-5405 ext. 449
mattr@ci.carpinteria.ca.us

Reviewed by: Dave Durflinger, City Manager


Signature


Signature

Attachment A

Sample Project Plans



PURCHASE ORDER

City of Carpinteria
5775 Carpinteria Avenue, Carpinteria CA 93013
(805) 755-4449 fax (805) 684-5304
mattr@ci.carpinteria.ca.us

DATE: OCTOBER 12, 2016
NO. 10121602

Vendor CONTAIN WATER SYSTEMS
Information 1704 Colt Circle Drive
Marble Falls, TX 78654

COMMENTS:

QUAN	DESCRIPTION	PRICE/UNIT	AMOUNT
1	1-GSFTFT50 2"Bulkhead Fitting Assembly		
1	1-BV50BSPNPT 2"BSP x NPT Ball Valve		
1	4-CGSR3-16 16"Strainer Basket Assembly		
1	4-CHS2-6W 6"IEWS T-Flange Sidewall Assembly		
1	2-0601q.1P 601 Potable PVC Liner		
1	2-0601.3 601 Textile Base		
1	1-199278-9 24"Side Roof Hatch (9',15'-48'dia tanks)		
Materials/Freight and 20 Years Warranty Included			
As per proposal #CWSI-4277J			
Authorized		Sub Total	
by: _____		(taxable)	
		Sales Tax	
		Total Delivery	
		Total Purchase order	\$4,844.24

Incorporated in 1965



PURCHASE ORDER

City of Carpinteria
5775 Carpinteria Avenue, Carpinteria CA 93013
(805) 755-4449 fax (805) 684-5304
mattr@ci.carpinteria.ca.us

DATE: OCTOBER 12, 2016
NO.10121601

Vendor Mid State Concrete Products
Information P.O. Box 1359
Nipomo, CA 93444

COMMENTS:

QUAN		DESCRIPTION	PRICE/UNIT	AMOUNT
32	APWT10	Watertrough 122"X52"x27"O.D with Baffle (453 Gal) TO BE USED AS PLANTER	\$580.00	\$18,560.00
0	NOTES PLANTER	DAVIS SANDSTONE OPTION FOR	\$790.00	0.00
1	NOTES	CAST WITH 6-4"HOLE FOR DRAINAGE; THEY WILL BE ROUGH FINISH	0.00	0.00
5	XDELC07	Delivery (88) Carpinteria—ESTIMATED DEL:IVERIES	445.00	2,225.00

Per attached proposal #15-8565

Authorized
by: _____

Sub Total (taxable)	
Sales Tax	1,558.88
Total Delivery	Included Above
Total Purchase order	\$22,433.88

Incorporated in 1965



PURCHASE ORDER

City of Carpinteria
5775 Carpinteria Avenue, Carpinteria CA 93013
(805) 755-4449 fax (805) 684-5304
mattr@ci.carpinteria.ca.us

DATE: OCTOBER 12, 2016
NO. 10121603

Vendor Forever Redwood
Information 33710 Annapolis Road
Annapolis, CA 95412

COMMENTS:
1/3 of pretax
amount required as
initial deposit

QUAN	DESCRIPTION	PRICE/UNIT	AMOUNT
1	16'x16'Pergola Kit	\$11,680.00	\$11,680.00
1	20'x16'Pergola Kit	14,000.00	14,000.00
3	6'x8'Pergola Kit Garden Type	3,830.00	11,490.00
6	Lighthouse Garden Bench 5'(Seats 3)	1,120.00	6,720.00
6	Luna Wood Memorial Bench 5'(Seats 3)	1,850.00	11,100.00
	On-site assembly and anchoring of all pergolas and benches (public installation)	3,000.00	3,000.00
1	Up charge for 8x8 post and larger horizontals	6,000.00	6,000.00
As per Order ID 113335			
		Sub Total (taxable)	\$63,990.00
		Coupon Negotiated Discount	-13,318.00
		Sales Tax	4,053.76
		Total Delivery	0.00
		Total Purchase order	\$54,725.76
Authorized by: _____			

Incorporated in 1965

ALL IDEAS, DESIGN, ARRANGEMENTS AND PLANS INDICATED OR REPRESENTED BY THIS DRAWING ARE OWNED BY AND THE PROPERTY OF VAN ATTA ASSOCIATES INC. AND WERE CREATED, EVOLVED AND DEVELOPED FOR USE ON, AND IN CONNECTION WITH THIS PROJECT. NONE OF SUCH IDEAS, DESIGN, ARRANGEMENTS AND PLANS INDICATED OR REPRESENTED BY THIS DRAWING ARE TO BE REPRODUCED OR USED FOR ANY OTHER PROJECT WITHOUT THE WRITTEN PERMISSION OF VAN ATTA ASSOCIATES INC. NO PART OF THIS DRAWING IS TO BE REPRODUCED OR USED FOR ANY OTHER PROJECT WITHOUT THE WRITTEN PERMISSION OF VAN ATTA ASSOCIATES INC.



community garden site plan

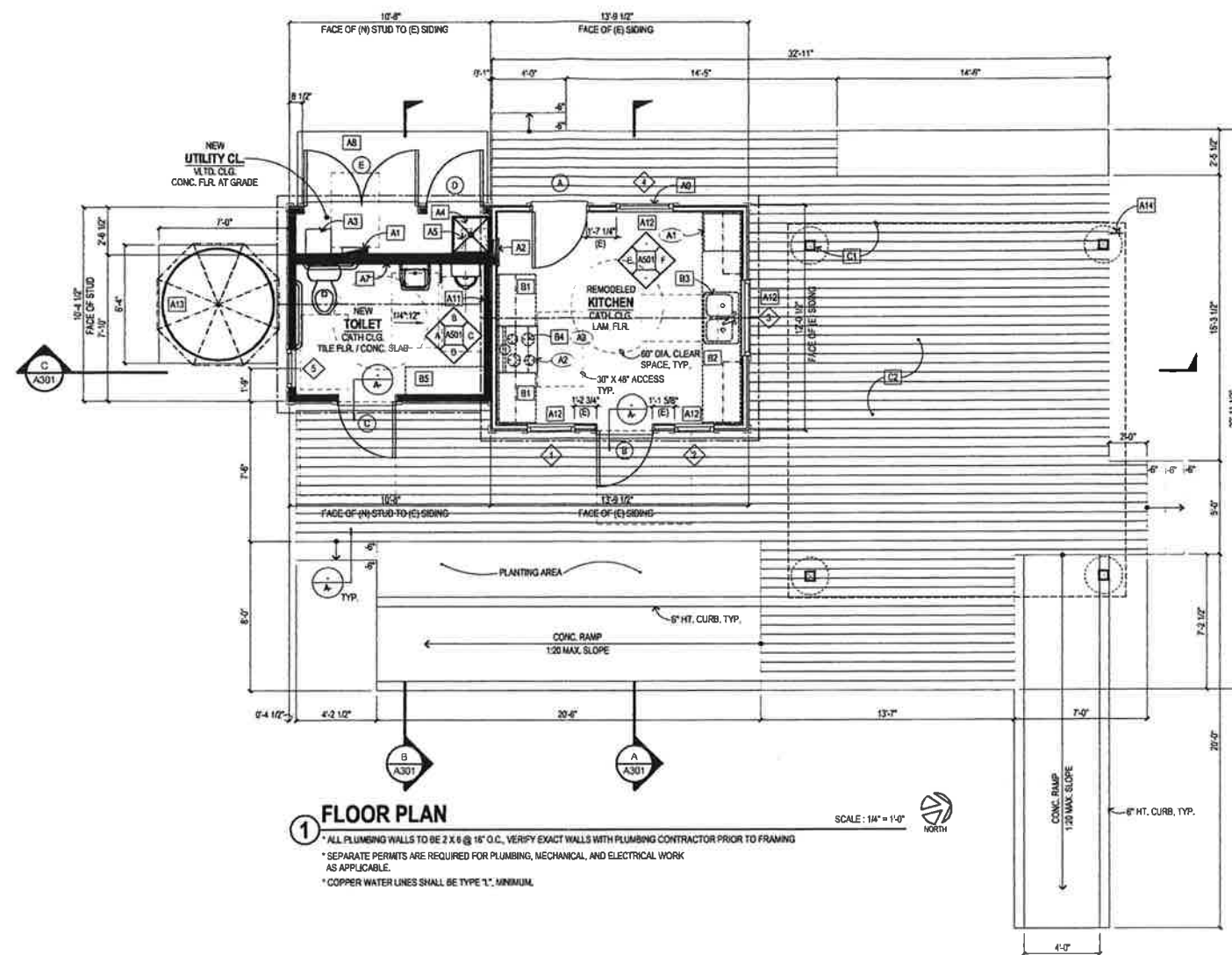
planting legend

Botanical Name	Common Name	Botanical Name	Common Name	Botanical Name	Common Name	Vines	Seedless Grape
Trees		Shrubs		Perennials/Groundcovers		Vitis spp	
<i>Diospyros kaki</i> 'Fuyu'	Fuyu Persimmon	<i>Artostaphylos</i> 'Louis Edmunds'	Louis Edmunds Manzanita	<i>Anemopsis californica</i>	Yerba Mansa		
<i>Citrus</i> sp.	Dwarf Lemon	<i>Ceanothus maritimus</i> 'Valley Violet'	Valley Violet Ceanothus	<i>Carex praegracilis</i>	California Field Sedge		
<i>Citrus</i> sp.	Dwarf Lemon	<i>Eriogonum grande</i> var. <i>rubescens</i>	San Miguel Island Buckwheat	<i>Carex spissa</i>	San Diego Sedge		
<i>Citrus</i> sp.	Mandarin	<i>Eriophyllum confertiflorum</i>	Golden Yarrow	<i>Fragaria chiloensis</i>	Dune Strawberry		
<i>Citrus</i> sp.	Lime	<i>Fremontodendron</i> 'California Glory'	Golden Yarrow	<i>Juncus tenuis</i>	Basket Rush		
<i>Citrus</i> sp.	Dwarf Grapelfruit	<i>Rhamnus californica</i> 'Bonita Linda'	Bonita Linda Coffeeberry	<i>Sisyrinchium californicum</i>	Yellow-eyed Grass		
<i>Citrus</i> sp.	Dwarf Orange	<i>Ribes sanguinum</i>	Current				
		<i>Rosmarinus officinalis</i>	Rosemary				
		<i>Salvia clevelandii</i> 'Alpine'	Blue Sage				



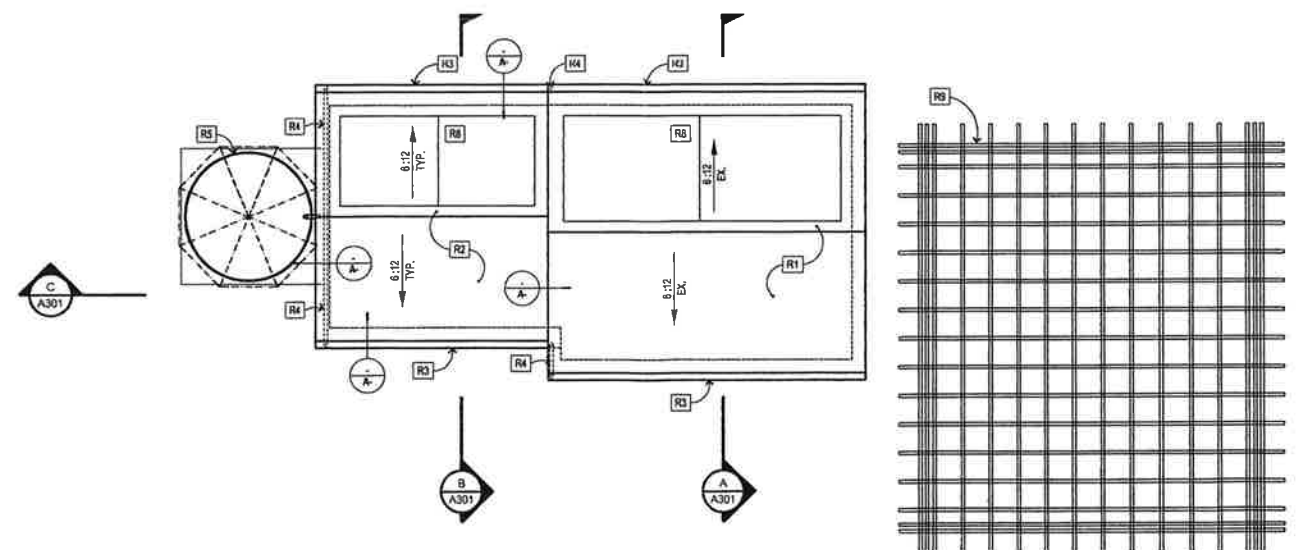
PROGRESS
not for construction

REV	DATE	DESCRIPTION	DESIGN	DRAWN	CHECKED	FLD. BK. NO.	VAN ATTA Associates, Inc. landscape architecture + planning 235 Fulton Ave., Suite 200 San Francisco, CA 94102 Tel. 415 770 7444	DATE Sep 27, 2016	CARPINTERIA COMMUNITY GARDENS PLANTING PLAN	CITY OF CARPINTERIA PARKS DEPARTMENT	REVIEWED: _____ DATE _____ PARKS DIRECTOR	SCALE: as noted	PROJ. _____ SHT# 11 OF 12 SHTS. SHT L4.0
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1 FLOOR PLAN

* ALL PLUMBING WALLS TO BE 2 X 6 @ 16" O.C., VERIFY EXACT WALLS WITH PLUMBING CONTRACTOR PRIOR TO FRAMING
* SEPARATE PERMITS ARE REQUIRED FOR PLUMBING, MECHANICAL, AND ELECTRICAL WORK AS APPLICABLE.
* COPPER WATER LINES SHALL BE TYPE "L", MINIMUM.



2 ROOF PLAN

SCALE: 1/4" = 1'-0"

FLOOR PLAN KEYED NOTES

- A1 200 AMP. ELECTRICAL SUB-PANEL "A", FED FROM PEDESTAL PANEL ALONG 5TH STREET, SEE SITE PLAN.
- A2 (E) 80 AMP ELECTRICAL SUB-PANEL "B"
- A3 SOLAR PANEL INVERTER
- A4 MOP SINK
- A5 10 GAL. ELEC. WATER HEATER, MOUNTED ON SHELF +12" ABV. MOP SINK. PROVIDE 3/4" COPPER TEMPERATURE & PRESSURE RELIEF VALVES, EXTEND TO EXTERIOR OF BLDG. TERMINATE 6" A.F.S.
ALL INSTALLATION PER 2013 EDITIONS OF C.B.C. & C.M.C. & C.P.C.
- A7 PLUMBING WALL-2 X 6 STUDS @ 16" O.C.
- A8 4" WIDE X 10' LONG, 4" CONC. LANDING, SLOPE 2%
- A9 24" X 18" UNDERFLOOR CRAWL SPACE ACCESS W/ LOCKABLE DOOR, PROVIDE LIGHT & SWITCH AT OPENING.
- A10 MECHANICAL EXHAUST FAN, MIN. 5 AIR CHANGES PER HOUR, PROVIDE TIMER SWITCH & VACANCY SENSOR, SEE ELECTRICAL PLANS, VENT THRU ROOF OR WALL (3' FROM ANY INTAKE).
- A11 LINEAR FLOOR DRAIN, INFINITY DRAINS, FF SERIES
- A12 (E) WINDOW, LOW "E", TEMPERED GLASS
- A13 RAIN COLLECTION TANK, APPROX 8' DIA. BY 7' TALL, WRAP WITH 4" WOOD SLATS & METAL STRAPS, ON +12" HIGH CONCRETE SLAB
- A14 HOSE BIBB, GRAVITY FEED FROM RAIN COLLECTION BARREL

- B1 FUTURE CABINET BASE / WALL CABINETS MILLWORK & TOP MATERIAL, PER CITY
- B2 FUTURE +34" CABINET BASE / WALL CABINETS MILLWORK & TOP MATERIAL, PER CITY
- B3 FUTURE KITCHEN SINK W/ ADA/24" APPROVED FAUCET, STYLE & MODEL, PER CITY. PLUMBING CONTRACTOR TO PROVIDE STUB OUT FOR FUTURE SINK.
- B4 FUTURE EXHAUST HOOD ABOVE RANGE, MIN. 100 CFM, EXHAUST THRU ROOF TO EXTERIOR, 7" DUCT
- B5 FUTURE CABINET BY CITY
- B6 NOT USED

- C1 REDWOOD PERGOLA, FACTORY ENGINEERED, 16' X 20', BY FOREVER REDWOOD
- C2 SPACED DECKING, TREX TRANSCEND IN TWO TONES, 1 X 6 W/ EXPOSED SCREWS. SCREWS TO BE COUNTERSUNK TO FLUSH AND SCREW HEADS TO BE COLOR MATCHED TO TREX. SCREWS TO BE INSTALLED IN CLEAN LINES, GAP BETWEEN BOARDS TO BE 1/8" PROVIDE SQUARE EDGE MATERIAL AT DECK EDGE

APPLIANCES

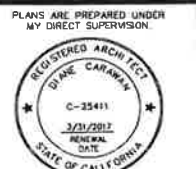
- A1 FUTURE 24" UNDERCOUNTER REFRIGERATOR, PER CITY
 - A2 FUTURE 30" WIDE ELEC STOVE, PER CITY
 - A3 FUTURE 30" WIDE RANGE EXHAUST HOOD, MIN. 100 CFM, VENT THRU ROOF TO EXTERIOR, SEE KEYNOTE #B4
- CABINET MAKER TO SECURE EXACT MODELS & ROUGH CONSTRUCTION SIZES FROM PRIME CONTRACTOR PRIOR TO FABRICATING CABINETS.

ROOF KEYED NOTES

- R1 CLASS "A" RATED SHINGLES O/ 30 LB. FELT O/ (E) ROOF SHYTG, CERTAINTED PRESIDENTIAL SHAKE, TL, AGED BARK, OR EQUAL
- R2 CLASS "A" RATED SHINGLES O/ 30 LB. FELT, CERTAINTED PRESIDENTIAL SHAKE, TL, AGED BARK, OR EQUAL
- R3 UNPAINTED GALV. OR GALVALUME 4" WIDE GUTTER
- R4 UNPAINTED GALV. OR GALVALUME 2" DIA. DOWNSPOUT, RUN TO RAINWATER COLLECTION TANK, MIN. SLOPE 1/8" PER FT.
- R5 ROOF OVER RAIN BARREL, RIBBED METAL ROOFING O/ PROTECTO WRAP ROOF UNDERLAYMENT
- R6 NOT USED
- R7 NOT USED
- R8 SOLAR PANELS, ROOF MOUNTED, PER CITY
- R9 PERGOLA, REDWOOD, FACTORY ENGINEERED, BY FOREVER REDWOOD
- R10 NOT USED

LEGEND

- ◇ WINDOW TYPE
- DOOR NUMBER



CARAWAN ARCHITECTURE

CARPINTERIA COMMUNITY GARDEN KITCHEN
4851 5TH STREET
(LINDEN & 5TH STREET)
CARPINTERIA, CALIFORNIA

CITY OF CARPINTERIA
5775 CARPINTERIA AVE.
CARPINTERIA, CALIFORNIA
"PROGRESS SET"
09 / 29 / 2016

REVISIONS

NO.	REVISIONS	DATE
1.		
2.		
3.		

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SHEET INFO

SCALE	AS NOTED
DATE	09-29-2016

A101

FLOOR PLAN



City of Carpinteria

COUNCIL AGENDA STAFF REPORT October 10, 2016

ITEM FOR COUNCIL CONSIDERATION

A report on City options for responding to Proposition 64, known as the Adult Use of Marijuana Act, on the ballot for consideration by California voters on the November 8, 2016 election.

STAFF RECOMMENDATION

Action Item X Non-Action Item

Determine which option is desired and direct staff accordingly.

BACKGROUND

Proposition 64, known as the Control, Regulate and Tax Adult Use of Marijuana Act ("AUMA"), will be on the ballot for the November 8th election. If passed by the voters, the AUMA will legalize, under state law, nonmedical marijuana activities for personal use, as well commercial nonmedical marijuana activities, upon issuance of a state license.¹

The AUMA includes allowances for personal use and cultivation of marijuana as well as various commercial activities. Under the AUMA, personal use and cultivation are exempt from state licensing requirements and taxation and would go into effect immediately, i.e. November 9, 2016. Commercial activities are subject to state licensing, oversight and taxation and it is believed that the state will be ready to license commercial marijuana activities by January 2018.

The purpose of this agenda matter is to allow the Council to decide if it wishes to direct staff to draft an ordinance regulating aspects of nonmedical marijuana cultivation for personal use that would become permissible immediately should voters approve the AUMA. Specifically, the Council will be considering whether or not to have staff draft regulations that would: (1) prohibit or regulate outdoor cultivation of nonmedical marijuana for personal use, and (2) regulate indoor cultivation of nonmedical marijuana

¹ As a reminder, all marijuana activities, whether for medical or nonmedical purposes, remain illegal under the Federal Controlled Substances Act, 21 U.S.C. § 801 *et seq.*

for personal use. If the Council directs that an ordinance concerning cultivation of marijuana for personal use be drafted, it would be considered at the next regular meeting of October 24, 2016.

In preparing this matter for City Council consideration City staff and legal counsel have reviewed AUMA and various analyses of the measure, including an analysis provided by the League of California Cities, regulatory responses, to date, by other California cities, and the City's current medical marijuana regulations, which are a part of zoning regulations in the City's Municipal Code (CMC Chapter 14.59).

DISCUSSION

I. Current Medical Marijuana Regulations

The Compassionate Use Act of 1996 ("CUA") legalized medical marijuana use under state law. (Health & Safety Code § 11362.5.) The CUA permits the possession and cultivation of medical marijuana by a qualified patient or primary caregiver for the personal medical purposes of the patient, upon recommendation of a physician. (*Id.*) Qualified patients and primary caregivers are permitted to associate to collectively or cooperatively cultivate marijuana for medical purposes, until the state begins issuing licenses pursuant to the Medical Marijuana Regulation and Safety Act ("MMRSA"), at which time a license will be required to cultivate. (Health & Safety Code § 11362.775.)

A primary caregiver may maintain no more than six mature or 12 immature marijuana plants per qualified patient, unless a doctor recommends that the amount does not meet the patient's needs. (Health & Safety Code § 11362.77.) It remains illegal under state law to cultivate or distribute marijuana for a profit until the state begins issuing licenses for commercial cannabis activities under the MMRSA. (Health & Safety Code § 11362.765(a).) No medical marijuana cooperative, collective, dispensary, operator, establishment, or provider who possesses, cultivates or distributes medical marijuana may be located within a 600-foot radius of a school. (Health & Safety Code § 11362.768(b).)

The Carpinteria Municipal Code prohibits medical marijuana cultivation and delivery within the City, except by a primary caregiver or a qualified patient when conducted in accord with state law. (CMC § 14.59.030.) The Code also prohibits the establishment of a medical marijuana dispensary, which includes any facility or location where the owner or operator cultivates, sells, or provides medical marijuana to any person. (CMC § 14.59.030, 14.08.444.)

Santa Barbara County regulations prohibit all cultivation of medical marijuana with the exception of cultivation by a qualified patient or primary caregiver conducted on a lot that contains the lawful residential structure occupied by the qualified patient. (SB

County Code § 35-1003.) However, cultivation locations that were in operation prior to January 19, 2016, may continue operating as a legal non-conforming use if they are legal under state law. (*Id.*)

II. The AUMA

If it is adopted by the voters on November 8, 2016, the AUMA would legalize nonmedical use of marijuana.

Personal use of marijuana, including possession, cultivation, drying, processing, transport, and purchase, would become legal on November 9. An individual would be allowed to cultivate no more than six living plants per residence or grounds of the residence. While local agencies retain the authority to prohibit outdoor cultivation, they may not prohibit cultivation conducted in a private residence or a fully enclosed and secure accessory structure. However, they may impose reasonable regulations on indoor cultivation.

The AUMA also authorizes commercial nonmedical marijuana activities, such as cultivation, possession, manufacture, distribution, processing, storing and transport. But no person may engage in commercial nonmedical marijuana activities, including cultivation, without a state license. The state is not expected to begin issuing licenses until January of 2018. Again, no licensee may be located within 600 feet of a school.

Under the AUMA, local agencies retain the authority to regulate and prohibit commercial nonmedical marijuana activities.

III. Potential Impacts to City from Legalization of Nonmedical Marijuana

The passage of the AUMA would immediately allow personal indoor and outdoor cultivation of nonmedical marijuana within the City. Cities that have elected to regulate personal indoor and outdoor cultivation of marijuana have cited public health and safety issues as a part of the basis for the need to regulate in this area. Recently the City has received a number of complaints about odors emanating from marijuana growing operations apparently located in unincorporated areas of the County. City residents have complained of strong odors impacting their health and Carpinteria High School staff have stated that the odors have at times inundated the school campus. The complaints also include concerns about crime and negative impacts on property values.

While personal cultivation is limited to no more than six plants per residence, widespread unregulated indoor and outdoor cultivation could have negative effects on the health, safety, and welfare of City residents, including potential impacts from odors, aesthetics and safety related to conducting cultivation activities.

IV. Options for Regulating Cultivation of Nonmedical Marijuana for Personal Use

If the AUMA passes, personal nonmedical marijuana activities will become legal on November 9. The City Council will have two issues to consider:

1. Whether to prohibit or regulate outdoor cultivation of nonmedical marijuana for personal use.

Some cities have decided to adopt moratoriums on outdoor cultivation to allow time to study the issues and potential impacts of outdoor cultivation. The Council could also choose to adopt regulations applicable to outdoor cultivation.

2. Whether to adopt reasonable regulations on indoor cultivation of nonmedical marijuana for personal use.

The following are examples of regulations that other cities have considered or established in response to issues identified with marijuana cultivation for personal use:

- No person may cultivate marijuana without a permit or license issued by the City
- Cultivation may only take place in specified zones within the City
- The primary use of the property must remain residential
- All areas used for cultivation must comply with all building standards and regulations, including regulations pertaining to ventilation and fire protection; the building official may require installation of fire suppression sprinklers
- Limits on the dimensions of the cultivation area within the structure
- Establish a maximum wattage for grow lights
- Gas products or generators may not be used in cultivation
- Ventilation and filtration systems must be installed to prevent marijuana plant odors from exiting the structure
- Specify the allowed location for accessory structures used for cultivation, such as requiring that the structure be located in the backyard and specifying setbacks
- A security system must be installed on any accessory structure used for cultivation
- Each property shall be limited to six plants regardless of the number of people residing on the property
- The cultivator must reside full-time in the residence where cultivation is taking place

- Cultivation shall not take place in rooms used for cooking, sleeping or sanitary facilities when such cultivation would prevent the primary use of cooking meals, sleeping and bathing
- The cultivator may not participate in cultivation at any other locations within the City
- Cultivation shall only take place on impervious surfaces
- There shall be no exterior evidence of cultivation taking place within the structure when viewed from a public right-of-way
- The cultivation area shall not be accessible to persons under the age of 21
- Marijuana in excess of a specified quantity produced by plants kept for indoor personal cultivation must be kept in a locked space on the grounds of the private residence not visible from the public right-of-way
- Written consent of the property owner to cultivate on the property shall be obtained and kept on the premises, available for inspection by law enforcement authorities
- A fire extinguisher must be kept in the same room where the cultivation occurs
- Any violation of the above standards constitute a public nuisance; cultivation shall not result in a nuisance or adversely affect the health, welfare, or safety of the resident or nearby residents by creating dust, glare, heat, noise, noxious gasses, odors, smoke, traffic, vibration, or other impacts, or be hazardous due to use or storage of materials, processes, products or wastes

The Council could also consider whether to declare that certain activities related to nonmedical marijuana constitute a public nuisance. For example, a public nuisance may be deemed to exist if cultivation produces:

- Odors which are disturbing to people of reasonable sensitivity residing or present on adjacent or nearby property or areas open to the public
- Repeated responses to the parcel by law enforcement personnel
- A repeated disruption to the free passage of persons or vehicles in the neighborhood or excessive noise which is disturbing to people of normal sensitivity on adjacent or nearby property or areas open to the public
- Any other impacts on the neighborhood which are disruptive of normal activity in the area including, but not limited to, grow lighting visible outside the dwelling,

excessive vehicular traffic or parking occurring at or near the dwelling, and
excessive noise emanating from the dwelling

FINANCIAL CONSIDERATIONS

I. Fees

As discussed above, the City has the authority to regulate marijuana use that would become permissible under the AUMA, should it be passed by voters. As such, the City may establish fees to offset costs associated with the processing of permits, inspection of premises, and other similar activities that result from the operation of local regulations.

II. Taxation²

The AUMA would impose new state taxes on medical and nonmedical marijuana. The tax included in the ballot measure is an excise tax imposed at a rate of 15% of gross retail sales receipts. The tax would be in addition to existing state and local sales tax. In Santa Barbara County, which has an 8% sales tax rate, the excise plus sales tax would be a minimum of 23%, and, because the AUMA does not pre-empt local taxation, could be higher in local jurisdictions that elect to establish a local tax. Some cities and counties in California have discussed the possibility of pursuing local taxes on various aspects of marijuana sales and/or cultivation. Any local marijuana tax would have to be approved through the procedures for new taxes established in state law, i.e., Proposition 218.

Beginning January 1, 2018, a separate state cultivation tax on all harvested marijuana would go into effect and be applied at rates specific to flowers and leaves.

The AUMA would prohibit cities and counties from taxing medical marijuana and would exempt marijuana cultivated for personal use from taxation.

The AUMA includes a formula for the programmatic allocation of state taxes collected on marijuana. It appears that this could benefit Carpinteria depending on how the distribution program is structured. After the state takes out costs for regulating marijuana and university research and development, tax revenue would be distributed to youth programs, substance abuse education, prevention and treatment, environmental cleanup and remediation, and state and local programs aimed at reducing DUI and negative health impacts resulting from marijuana legalization.

² The Control, Regulate and Tax Adult Use of Marijuana Act, League of California Cities Memorandum, September 26, 2016.

LEGAL

The City Attorney's Office has assisted in drafting this staff report and is available to answer questions.

OPTIONS

The City Council may receive this report and take no action; however, should the City Council determine that it wishes to consider regulation of the cultivation of nonmedical marijuana for personal use, staff recommends it consider the following options.

- A. Direct staff to prepare for Council consideration regulations prohibiting outdoor cultivation of nonmedical marijuana for personal use.
- B. Direct staff to prepare for Council consideration regulations on indoor cultivation of nonmedical marijuana for personal use.
- C. Direct staff to prepare for Council consideration regulations prohibiting outdoor cultivation of nonmedical marijuana for personal use and regulations on indoor cultivation for personal use in accord with Council direction provided at the hearing.
- D. Direct staff to prepare for Council consideration regulations on outdoor and indoor cultivation of nonmedical marijuana for personal use in accord with Council direction provided at the hearing.

ATTACHMENTS

- A. Text of Proposition 64, the Control, Regulate and Tax Adult Use Marijuana Act
- B. League of California Cities Frequently Asked Questions

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Signature

Reviewed by: Dylan Johnson,
on behalf of

Brownstein Hyatt Farber Schreck, LLP
Attorney for the City of Carpinteria



Signature

SECTION 1. TITLE.

This measure shall be known as the Control, Regulate and Tax Adult Use of Marijuana Act ("the Adult Use of Marijuana Act").

SECTION 2. FINDINGS AND DECLARATIONS.

A. Currently in California, nonmedical marijuana use is unregulated, untaxed, and occurs without any consumer or environmental protections. The Control, Regulate and Tax Adult Use of Marijuana Act will legalize marijuana for those over 21 years old, protect children, and establish laws to regulate marijuana cultivation, distribution, sale and use, and will protect Californians and the environment from potential dangers. It establishes the Bureau of Marijuana Control within the Department of Consumer Affairs to regulate and license the marijuana industry.

B. Marijuana is currently legal in our state for medical use and illegal for nonmedical use. Abuse of the medical marijuana system in California has long been widespread, but recent bipartisan legislation signed by Governor Jerry Brown is establishing a comprehensive regulatory scheme for medical marijuana. The Control, Regulate and Tax Adult Use of Marijuana Act (hereafter called the Adult Use of Marijuana Act) will consolidate and streamline regulation and taxation for both nonmedical and medical marijuana.

C. Currently, marijuana growth and sale is not being taxed by the State of California, which means our state is missing out on hundreds of millions of dollars in potential tax revenue every year. The Adult Use of Marijuana Act will tax both the growth and sale of marijuana to generate hundreds of millions of dollars annually. The revenues will cover the cost of administering the new law and will provide funds to: invest in public health programs that educate youth to prevent and treat serious substance abuse; train local law enforcement to enforce the new law with a focus on DUI enforcement; invest in communities to reduce the illicit market and create job opportunities; and provide for environmental cleanup and restoration of public lands damaged by illegal marijuana cultivation.

D. Currently, children under the age of 18 can just as easily purchase marijuana on the black market as adults can. By legalizing marijuana, the Adult Use of Marijuana Act will incapacitate the black market, and move marijuana purchases into a legal structure with strict safeguards against children accessing it. The Adult Use of Marijuana Act prohibits the sale of nonmedical marijuana to those under 21 years old, and provides new resources to educate youth against drug abuse and train local law enforcement to enforce the new law. It bars marijuana businesses from being located within 600 feet of schools and other areas where children congregate. It establishes mandatory and strict packaging and labeling requirements for marijuana and marijuana products. And it mandates that marijuana and marijuana products cannot be advertised or marketed towards children.

E. There are currently no laws governing adult use marijuana businesses to ensure that they operate in accordance with existing California laws. Adult use of marijuana may only be

accessed from the unregulated illicit market. The Adult Use of Marijuana Act sets up a comprehensive system governing marijuana businesses at the state level and safeguards local control, allowing local governments to regulate marijuana-related activities, to subject marijuana businesses to zoning and permitting requirements, and to ban marijuana businesses by a vote of the people within a locality.

F. Currently, illegal marijuana growers steal or divert millions of gallons of water without any accountability. The Adult Use of Marijuana Act will create strict environmental regulations to ensure that the marijuana is grown efficiently and legally, to regulate the use of pesticides, to prevent wasting water, and to minimize water usage. The Adult Use of Marijuana Act will crack down on the illegal use of water and punish bad actors, while providing funds to restore lands that have been damaged by illegal marijuana grows. If a business does not demonstrate they are in full compliance with the applicable water usage and environmental laws, they will have their license revoked.

G. Currently, the courts are clogged with cases of non-violent drug offenses. By legalizing marijuana, the Adult Use of Marijuana Act will alleviate pressure on the courts, but continue to allow prosecutors to charge the most serious marijuana-related offenses as felonies, while reducing the penalties for minor marijuana-related offenses as set forth in the Act.

H. By bringing marijuana into a regulated and legitimate market, the Adult Use of Marijuana Act creates a transparent and accountable system. This will help police crackdown on the underground black market that currently benefits violent drug cartels and transnational gangs, which are making billions from marijuana trafficking and jeopardizing public safety.

I. The Adult Use of Marijuana Act creates a comprehensive regulatory structure in which every marijuana business is overseen by a specialized agency with relevant expertise. The Bureau of Marijuana Control, housed in the Department of Consumer Affairs, will oversee the whole system and ensure a smooth transition to the legal market, with licenses issued beginning in 2018. The Department of Consumer Affairs will also license and oversee marijuana retailers, distributors, and microbusinesses. The Department of Food and Agriculture will license and oversee marijuana cultivation, ensuring it is environmentally safe. The Department of Public Health will license and oversee manufacturing and testing, ensuring consumers receive a safe product. The State Board of Equalization will collect the special marijuana taxes, and the Controller will allocate the revenue to administer the new law and provide the funds to critical investments.

J. The Adult Use of Marijuana Act ensures the nonmedical marijuana industry in California will be built around small and medium sized businesses by prohibiting large-scale cultivation licenses for the first five years. The Adult Use of Marijuana Act also protects consumers and small businesses by imposing strict anti-monopoly restrictions for businesses that participate in the nonmedical marijuana industry.

SECTION 3. PURPOSE AND INTENT.

The purpose of the Adult Use of Marijuana Act is to establish a comprehensive system to legalize, control and regulate the cultivation, processing, manufacture, distribution, testing, and sale of nonmedical marijuana, including marijuana products, for use by adults 21 years and older, and to tax the commercial growth and retail sale of marijuana. It is the intent of the People in enacting this Act to accomplish the following:

(a) Take nonmedical marijuana production and sales out of the hands of the illegal market and bring them under a regulatory structure that prevents access by minors and protects public safety, public health, and the environment.

(b) Strictly control the cultivation, processing, manufacture, distribution, testing and sale of nonmedical marijuana through a system of state licensing, regulation, and enforcement.

(c) Allow local governments to enforce state laws and regulations for nonmedical marijuana businesses and enact additional local requirements for nonmedical marijuana businesses, but not require that they do so for a nonmedical marijuana business to be issued a state license and be legal under state law.

(d) Allow local governments to ban nonmedical marijuana businesses as set forth in this Act.

(e) Require track and trace management procedures to track nonmedical marijuana from cultivation to sale.

(f) Require nonmedical marijuana to be comprehensively tested by independent testing services for the presence of contaminants, including mold and pesticides, before it can be sold by licensed businesses.

(g) Require nonmedical marijuana sold by licensed businesses to be packaged in child-resistant containers and be labeled so that consumers are fully informed about potency and the effects of ingesting nonmedical marijuana.

(h) Require licensed nonmedical marijuana businesses to follow strict environmental and product safety standards as a condition of maintaining their license.

(i) Prohibit the sale of nonmedical marijuana by businesses that also sell alcohol or tobacco.

(j) Prohibit the marketing and advertising of nonmedical marijuana to persons younger than 21 years old or near schools or other places where children are present.

(k) Strengthen the state's existing medical marijuana system by requiring patients to obtain by January 1, 2018, a new recommendation from their physician that meets the strict standards signed into law by the Governor in 2015, and by providing new privacy protections for patients who obtain medical marijuana identification cards as set forth in this Act.

- (l) Permit adults 21 years and older to use, possess, purchase and grow nonmedical marijuana within defined limits for use by adults 21 years and older as set forth in this Act.
- (m) Allow local governments to reasonably regulate the cultivation of nonmedical marijuana for personal use by adults 21 years and older through zoning and other local laws, and only to ban outdoor cultivation as set forth in this Act.
- (n) Deny access to marijuana by persons younger than 21 years old who are not medical marijuana patients.
- (o) Prohibit the consumption of marijuana in a public place unlicensed for such use, including near K-12 schools and other areas where children are present.
- (p) Maintain existing laws making it unlawful to operate a car or other vehicle used for transportation while impaired by marijuana.
- (q) Prohibit the cultivation of marijuana on public lands or while trespassing on private lands.
- (r) Allow public and private employers to enact and enforce workplace policies pertaining to marijuana.
- (s) Tax the growth and sale of marijuana in a way that drives out the illicit market for marijuana and discourages use by minors, and abuse by adults.
- (t) Generate hundreds of millions of dollars in new state revenue annually for restoring and repairing the environment, youth treatment and prevention, community investment, and law enforcement.
- (u) Prevent illegal production or distribution of marijuana.
- (v) Prevent the illegal diversion of marijuana from California to other states or countries or to the illegal market.
- (w) Preserve scarce law enforcement resources to prevent and prosecute violent crime.
- (x) Reduce barriers to entry into the legal, regulated market.
- (y) Require minors who commit marijuana-related offenses to complete drug prevention education or counseling and community service.
- (z) Authorize courts to resentence persons who are currently serving a sentence for offenses for which the penalty is reduced by the Act, so long as the person does not pose a risk to public safety, and to redesignate or dismiss such offenses from the criminal records of persons who have completed their sentences as set forth in this Act.

(aa) Allow industrial hemp to be grown as an agricultural product, and for agricultural or academic research, and regulated separately from the strains of cannabis with higher delta-9 tetrahydrocannabinol concentrations.

SECTION 4. PERSONAL USE.

Sections 11018 of the Health and Safety Code is hereby amended, and Sections 11018.1 and 11018.2 of the Health and Safety Code are hereby added to read:

11018. Marijuana

"Marijuana" means all parts of the plant *Cannabis sativa* L., whether growing or not; the seeds thereof; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or resin. It does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination:

(a) industrial hemp, as defined in Section 11018.5; or

(b) the weight of any other ingredient combined with marijuana to prepare topical or oral administrations, food, drink, or other product.

11018.1. Marijuana Products

"Marijuana products" means marijuana that has undergone a process whereby the plant material has been transformed into a concentrate, including, but not limited to, concentrated cannabis, or an edible or topical product containing marijuana or concentrated cannabis and other ingredients.

11018.2. Marijuana Accessories

"Marijuana accessories" means any equipment, products or materials of any kind which are used, intended for use, or designed for use in planting, propagating, cultivating, growing, harvesting, manufacturing, compounding, converting, producing, processing, preparing, testing, analyzing, packaging, repackaging, storing, smoking, vaporizing, or containing marijuana, or for ingesting, inhaling, or otherwise introducing marijuana or marijuana products into the human body.

Sections 11362.1 through 11362.45 are added to the Health and Safety Code, to read:

11362.1.

(a) Subject to Sections 11362.2, 11362.3, 11362.4, and 11362.45, but notwithstanding any other provision of law, it shall be lawful under state and local law, and shall not be a violation of state or local law, for persons 21 years of age or older to:

(1) Possess, process, transport, purchase, obtain, or give away to persons 21 years of age or older without any compensation whatsoever, not more than 28.5 grams of marijuana not in the form of concentrated cannabis;

(2) Possess, process, transport, purchase, obtain, or give away to persons 21 years of age or older without any compensation whatsoever, not more than eight grams of marijuana in the form of concentrated cannabis, including as contained in marijuana products;

(3) Possess, plant, cultivate, harvest, dry, or process not more than six living marijuana plants and possess the marijuana produced by the plants;

(4) Smoke or ingest marijuana or marijuana products; and

(5) Possess, transport, purchase, obtain, use, manufacture, or give away marijuana accessories to persons 21 years of age or older without any compensation whatsoever.

(b) Paragraph (5) of subdivision (a) is intended to meet the requirements of subdivision (f) of Section 863 of Title 21 of the United States Code (21 U.S.C. § 863(f)) by authorizing, under state law, any person in compliance with this section to manufacture, possess, or distribute marijuana accessories.

(c) Marijuana and marijuana products involved in any way with conduct deemed lawful by this section are not contraband nor subject to seizure, and no conduct deemed lawful by this section shall constitute the basis for detention, search, or arrest.

11362.2.

(a) Personal cultivation of marijuana under paragraph (3) of subdivision (a) of Section 11362.1 is subject to the following restrictions:

(1) A person shall plant, cultivate, harvest, dry, or process plants in accordance with local ordinances, if any, adopted in accordance with subdivision (b) of this section.

(2) The living plants and any marijuana produced by the plants in excess of 28.5 grams are kept within the person's private residence, or upon the grounds of that private residence (e.g., in an outdoor garden area), are in a locked space, and are not visible by normal unaided vision from a public place.

(3) Not more than six living plants may be planted, cultivated, harvested, dried, or processed within a single private residence, or upon the grounds of that private residence, at one time.

(b)(1) A city, county, or city and county may enact and enforce reasonable regulations to reasonably regulate the actions and conduct in paragraph (3) of subdivision (a) of Section 11362.1.

(2) Notwithstanding paragraph (1), no city, county, or city and county may completely prohibit persons engaging in the actions and conduct under paragraph (3) of subdivision (a) of Section 11362.1 inside a private residence, or inside an accessory structure to a private residence located upon the grounds of a private residence that is fully enclosed and secure.

(3) Notwithstanding paragraph (3) of subdivision (a) of Section 11362.1, a city, county, or city and county may completely prohibit persons from engaging in actions and conduct under paragraph (3) of subdivision (a) of Section 11362.1 outdoors upon the grounds of a private residence.

(4) Paragraph (3) of this subdivision shall become inoperable upon a determination by the California Attorney General that nonmedical use of marijuana is lawful in the State of California under federal law, and an act taken by a city, county, or city and county under paragraph (3) shall be deemed repealed upon the date of such determination by the California Attorney General.

(5) For purposes of this section, "private residence" means a house, an apartment unit, a mobile home, or other similar dwelling.

11362.3.

(a) Nothing in Section 11362.1 shall be construed to permit any person to:

(1) Smoke or ingest marijuana or marijuana products in any public place, except in accordance with Section 26200 of the Business and Professions Code.

(2) Smoke marijuana or marijuana products in a location where smoking tobacco is prohibited.

(3) Smoke marijuana or marijuana products within 1,000 feet of a school, day care center, or youth center while children are present at such a school, day care center, or youth center, except in or upon the grounds of a private residence or in accordance with Section 26200 of the Business and Professions Code or Chapter 3.5 of Division 8 of the Business and Professions Code and only if such smoking is not detectable by others on the grounds of such a school, day care center, or youth center while children are present.

(4) Possess an open container or open package of marijuana or marijuana products while driving, operating, or riding in the passenger seat or compartment of a motor vehicle, boat, vessel, aircraft, or other vehicle used for transportation.

(5) Possess, smoke or ingest marijuana or marijuana products in or upon the grounds of a school, day care center, or youth center while children are present.

(6) Manufacture concentrated cannabis using a volatile solvent, unless done in accordance with a license under Chapter 3.5 of Division 8 or Division 10 of the Business and Professions Code.

(7) Smoke or ingest marijuana or marijuana products while driving, operating a motor vehicle, boat, vessel, aircraft, or other vehicle used for transportation.

(8) Smoke or ingest marijuana or marijuana products while riding in the passenger seat or compartment of a motor vehicle, boat, vessel, aircraft, or other vehicle used for transportation except as permitted on a motor vehicle, boat, vessel, aircraft, or other vehicle used for transportation that is operated in accordance with Section 26200 of the Business and Professions Code and while no persons under the age of 21 years are present.

(b) For purposes of this section, "day care center" has the same meaning as in Section 1596.76.

(c) For purposes of this section, "smoke" means to inhale, exhale, burn, or carry any lighted or heated device or pipe, or any other lighted or heated marijuana or marijuana product intended for inhalation, whether natural or synthetic, in any manner or in any form. "Smoke" includes the use of an electronic smoking device that creates an aerosol or vapor, in any manner or in any form, or the use of any oral smoking device for the purpose of circumventing the prohibition of smoking in a place.

(d) For purposes of this section, "volatile solvent" means volatile organic compounds, including: (1) explosive gases, such as Butane, Propane, Xylene, Styrene, Gasoline, Kerosene, O₂ or H₂; and (2) dangerous poisons, toxins, or carcinogens, such as Methanol, Iso-propyl Alcohol, Methylene Chloride, Acetone, Benzene, Toluene, and Tri-chloro-ethylene.

(e) For purposes of this section, "youth center" has the same meaning as in Section 11353.1.

(f) Nothing in this section shall be construed or interpreted to amend, repeal, affect, restrict, or preempt laws pertaining to the Compassionate Use Act of 1996.

11362.4.

(a) A person who engages in the conduct described in paragraph (1) of subdivision (a) of Section 11362.3 is guilty of an infraction punishable by no more than a one hundred dollar (\$100) fine; provided, however, that persons under the age of 18 shall instead be required to complete four hours of a drug education program or counseling, and up to 10 hours of community service, over

a period not to exceed 60 days once the drug education program or counseling and community service opportunity are made available to the person.

(b) A person who engages in the conduct described in paragraphs (2) through (4) of subdivision (a) of Section 11362.3 shall be guilty of an infraction punishable by no more than a two hundred and fifty dollar (\$250) fine, unless such activity is otherwise permitted by state and local law; provided, however, that persons under the age of 18 shall instead be required to complete four hours of drug education or counseling, and up to 20 hours of community service, over a period not to exceed 90 days once the drug education program or counseling and community service opportunity are made available to the person.

(c) A person who engages in the conduct described in paragraph (5) of subdivision (a) of Section 11362.3 shall be subject to the same punishment as provided under subdivisions (c) or (d) of Section 11357.

(d) A person who engages in the conduct described in paragraph (6) of subdivision (a) of Section 11362.3 shall be subject to punishment under Section 11379.6.

(e) A person who violates the restrictions in subdivision (a) of Section 11362.2 is guilty of an infraction punishable by no more than a two hundred and fifty dollar (\$250) fine.

(f) Notwithstanding subdivision (e), a person under the age of 18 who violates the restrictions in subdivision (a) of Section 11362.2 shall be punished under subdivision (a) of Section 11358.

(g)(1) The drug education program or counseling hours required by this section shall be mandatory unless the court makes a finding that such a program or counseling is unnecessary for the person or that a drug education program or counseling is unavailable.

(2) The drug education program required by this section for persons under the age of 18 must be free to participants and provide at least four hours of group discussion or instruction based on science and evidence-based principles and practices specific to the use and abuse of marijuana and other controlled substances.

(h) Upon a finding of good cause, the court may extend the time for a person to complete the drug education or counseling, and community service required under this section.

11362.45.

Nothing in section 11362.1 shall be construed or interpreted to amend, repeal, affect, restrict, or preempt:

(a) Laws making it unlawful to drive or operate a vehicle, boat, vessel, or aircraft, while smoking, ingesting, or impaired by, marijuana or marijuana products, including, but not limited to, subdivision (e) of Section 23152 of the Vehicle Code, or the penalties prescribed for violating those laws.

(b) Laws prohibiting the sale, administering, furnishing, or giving away of marijuana, marijuana products, or marijuana accessories, or the offering to sell, administer, furnish, or give away marijuana, marijuana products, or marijuana accessories to a person younger than 21 years of age.

(c) Laws prohibiting a person younger than 21 years of age from engaging in any of the actions or conduct otherwise permitted under Section 11362.1.

(d) Laws pertaining to smoking or ingesting marijuana or marijuana products on the grounds of, or within, any facility or institution under the jurisdiction of the Department of Corrections and Rehabilitation or the Division of Juvenile Justice, or on the grounds of, or within, any other facility or institution referenced in Section 4573 of the Penal Code.

- (e) Laws providing that it would constitute negligence or professional malpractice to undertake any task while impaired from smoking or ingesting marijuana or marijuana products.*
- (f) The rights and obligations of public and private employers to maintain a drug and alcohol free workplace or require an employer to permit or accommodate the use, consumption, possession, transfer, display, transportation, sale, or growth of marijuana in the workplace, or affect the ability of employers to have policies prohibiting the use of marijuana by employees and prospective employees, or prevent employers from complying with state or federal law.*
- (g) The ability of a state or local government agency to prohibit or restrict any of the actions or conduct otherwise permitted under Section 11362.1 within a building owned, leased, or occupied by the state or local government agency.*
- (h) The ability of an individual or private entity to prohibit or restrict any of the actions or conduct otherwise permitted under Section 11362.1 on the individual's or entity's privately owned property.*
- (i) Laws pertaining to the Compassionate Use Act of 1996.*

SECTION 5. USE OF MARIJUANA FOR MEDICAL PURPOSES.

Sections 11362.712, 11362.713, 11362.84 and 11362.85 are added to the Health and Safety Code, and 11362.755 of the Health and Safety Code is amended to read:

11362.712.

(a) Commencing on January 1, 2018, a qualified patient must possess a physician's recommendation that complies with Article 25 (commencing with Section 2525) of Chapter 5 of Division 2 of the Business and Professions Code. Failure to comply with this requirement shall not, however, affect any of the protections provided to patients or their primary caregivers by Section 11362.5.

(b) A county health department or the county's designee shall develop protocols to ensure that, commencing upon January 1, 2018, all identification cards issued pursuant to Section 11362.71 are supported by a physician's recommendation that complies with Article 25 (commencing with Section 2525) of Chapter 5 of Division 2 of the Business and Professions Code.

11362.713.

(a) Information identifying the names, addresses, or social security numbers of patients, their medical conditions, or the names of their primary caregivers, received and contained in the records of the Department of Public Health and by any county public health department are hereby deemed "medical information" within the meaning of the Confidentiality of Medical Information Act (Civil Code § 56, et seq.) and shall not be disclosed by the Department or by any county public health department except in accordance with the restrictions on disclosure of individually identifiable information under the Confidentiality of Medical Information Act.

(b) Within 24 hours of receiving any request to disclose the name, address, or social security number of a patient, their medical condition, or the name of their primary caregiver, the Department of Public Health or any county public health agency shall contact the patient and inform the patient of the request and if the request was made in writing, a copy of the request.

(c) Notwithstanding Section 56.10 of the Civil Code, neither the Department of Public Health, nor any county public health agency, shall disclose, nor shall they be ordered by agency or court to disclose, the names, addresses, or social security numbers of patients, their medical

conditions, or the names of their primary caregivers, sooner than the 10th day after which the patient whose records are sought to be disclosed has been contacted.

(d) No identification card application system or database used or maintained by the Department of Public Health or by any county department of public health or the county's designee as provided in Section 11362.71 shall contain any personal information of any qualified patient, including but not limited to, the patient's name, address, social security number, medical conditions, or the names of their primary caregivers. Such an application system or database may only contain a unique user identification number, and when that number is entered, the only information that may be provided is whether the card is valid or invalid.

11362.755.

(a) ~~The department shall establish application and renewal fees for persons seeking to obtain or renew identification cards that are sufficient to cover the expenses incurred by the department, including the startup cost, the cost of reduced fees for Medi-Cal beneficiaries in accordance with subdivision (b), the cost of identifying and developing a cost-effective Internet Web-based system, and the cost of maintaining the 24-hour toll-free telephone number. Each county health department or the county's designee may charge an additional a fee for all costs incurred by the county or the county's designee for administering the program pursuant to this article.~~

(b) *In no event shall the amount of the fee charged by a county health department exceed \$100 per application or renewal.*

(c) Upon satisfactory proof of participation and eligibility in the Medi-Cal program, a Medi-Cal beneficiary shall receive a 50 percent reduction in the fees established pursuant to this section.

(d) *Upon satisfactory proof that a qualified patient, or the legal guardian of a qualified patient under the age of 18, is a medically indigent adult who is eligible for and participates in the County Medical Services Program, the fee established pursuant to this section shall be waived.*

(e) *In the event the fees charged and collected by a county health department are not sufficient to pay for the administrative costs incurred in discharging the county health department's duties with respect to the mandatory identification card system, the Legislature, upon request by the county health department, shall reimburse the county health department for those reasonable administrative costs in excess of the fees charged and collected by the county health department.*

11362.84.

The status and conduct of a qualified patient who acts in accordance with the Compassionate Use Act shall not, by itself, be used to restrict or abridge custodial or parental rights to minor children in any action or proceeding under the jurisdiction of family or juvenile court.

11362.85.

Upon a determination by the California Attorney General that the federal schedule of controlled substances has been amended to reclassify or declassify marijuana, the Legislature may amend or repeal the provisions of the Health and Safety Code, as necessary, to conform state law to such changes in federal law.

SECTION 6. MARIJUANA REGULATION AND SAFETY.

Division 10 is hereby added to the Business and Professions Code to read as follows:

Division 10. Marijuana

Chapter 1. General Provisions and Definitions

26000.

(a) The purpose and intent of this division is to establish a comprehensive system to control and regulate the cultivation, distribution, transport, storage, manufacturing, processing, and sale of nonmedical marijuana and marijuana products for adults 21 years of age and over.

(b) In the furtherance of subdivision (a), this division expands the power and duties of the existing state agencies responsible for controlling and regulating the medical cannabis industry under Chapter 3.5 of Division 8 to include the power and duty to control and regulate the commercial nonmedical marijuana industry.

(c) The Legislature may, by majority vote, enact laws to implement this division, provided such laws are consistent with the purposes and intent of the Control, Regulate and Tax Adult Use of Marijuana Act.

26001.

For purposes of this division, the following definitions shall apply:

(a) "Applicant" means the following:

(1) The owner or owners of a proposed licensee. "Owner" means all persons having (A) an aggregate ownership interest (other than a security interest, lien, or encumbrance) of 20 percent or more in the licensee and (B) the power to direct or cause to be directed, the management or control of the licensee.

(2) If the applicant is a publicly traded company, "owner" includes the chief executive officer and any member of the board of directors and any person or entity with an aggregate ownership interest in the company of 20 percent or more. If the applicant is a nonprofit entity, "owner" means both the chief executive officer and any member of the board of directors.

(b) "Bureau" means the Bureau of Marijuana Control within the Department of Consumer Affairs.

(c) "Child resistant" means designed or constructed to be significantly difficult for children under five years of age to open, and not difficult for normal adults to use properly.

(d) "Commercial marijuana activity" includes the cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, labeling, transportation, distribution, delivery or sale of marijuana and marijuana products as provided for in this division.

(e) "Cultivation" means any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of marijuana.

(f) "Customer" means a natural person 21 years of age or over.

(g) "Day care center" shall have the same meaning as in Section 1596.76 of the Health and Safety Code.

(h) "Delivery" means the commercial transfer of marijuana or marijuana products to a customer. "Delivery" also includes the use by a retailer of any technology platform owned and controlled by the retailer, or independently licensed under this division, that enables customers to arrange for or facilitate the commercial transfer by a licensed retailer of marijuana or marijuana products.

(i) "Director" means the Director of the Department of Consumer Affairs.

- (j) "Distribution" means the procurement, sale, and transport of marijuana and marijuana products between entities licensed pursuant to this division.
- (k) "Fund" means the Marijuana Control Fund established pursuant to Section 26210.
- (l) "Kind" means applicable type or designation regarding a particular marijuana variant or marijuana product type, including, but not limited to, strain name or other grower trademark, or growing area designation.
- (m) "License" means a state license issued under this division.
- (n) "Licensee" means any person or entity holding a license under this division.
- (o) "Licensing authority" means the state agency responsible for the issuance, renewal, or reinstatement of the license, or the state agency authorized to take disciplinary action against the licensee.
- (p) "Local jurisdiction" means a city, county, or city and county.
- (q) "Manufacture" means to compound, blend, extract, infuse, or otherwise make or prepare a marijuana product.
- (r) "Manufacturer" means a person that conducts the production, preparation, propagation, or compounding of marijuana or marijuana products either directly or indirectly or by extraction methods, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis at a fixed location that packages or repackages marijuana or marijuana products or labels or re-labels its container, that holds a state license pursuant to this division.
- (s) "Marijuana" has the same meaning as in Section 11018 of the Health and Safety Code, except that it does not include marijuana that is cultivated, processed, transported, distributed, or sold for medical purposes under Chapter 3.5 of Division 8.
- (t) "Marijuana accessories" has the same meaning as in Section 11018.2 of the Health and Safety Code.
- (u) "Marijuana products" has the same meaning as in Section 11018.1 of the Health and Safety Code, except that it does not include marijuana products manufactured, processed, transported, distributed, or sold for medical purposes under Chapter 3.5 of Division 8.
- (v) "Nursery" means a licensee that produces only clones, immature plants, seeds, and other agricultural products used specifically for the planting, propagation, and cultivation of marijuana.
- (w) "Operation" means any act for which licensure is required under the provisions of this division, or any commercial transfer of marijuana or marijuana products.
- (x) "Package" means any container or receptacle used for holding marijuana or marijuana products.
- (y) "Person" includes any individual, firm, co-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 the plural as well as the singular.
- (z) "Purchaser" means the customer who is engaged in a transaction with a licensee for purposes of obtaining marijuana or marijuana products.
- (aa) "Sell," "sale," and "to sell" include any transaction whereby, for any consideration, title to marijuana is transferred from one person to another, and includes the delivery of marijuana or marijuana products pursuant to an order placed for the purchase of the same and soliciting or receiving an order for the same, but does not include the return of marijuana or marijuana products by a licensee to the licensee from whom such marijuana or marijuana product was purchased.

(bb) "Testing service" means a laboratory, facility, or entity in the state, that offers or performs tests of marijuana or marijuana products, including the equipment provided by such laboratory, facility, or entity, and that is both of the following:

(1) Accredited by an accrediting body that is independent from all other persons involved in commercial marijuana activity in the state.

(2) Registered with the Department of Public Health.

(cc) "Unique identifier" means an alphanumeric code or designation used for reference to a specific plant on a licensed premises.

(dd) "Unreasonably impracticable" means that the measures necessary to comply with the regulations require such a high investment of risk, money, time, or any other resource or asset, that the operation of a marijuana establishment is not worthy of being carried out in practice by a reasonably prudent business person.

(ee) "Youth center" shall have the same meaning as in Section 11353.1 of the Health and Safety Code.

Chapter 2. Administration

26010.

(a) The Bureau of Medical Marijuana Regulation established in Section 19302 in Chapter 3.5 of Division 8 is hereby renamed the Bureau of Marijuana Control. The director shall administer and enforce the provisions of this division in addition to the provisions of Chapter 3.5 of Division 8. The director shall have the same power and authority as provided by subdivisions (b) and (c) of Section 19302.1 for purposes of this division.

(b) The bureau and the director shall succeed to and are vested with all the duties, powers, purposes, responsibilities, and jurisdiction vested in the Bureau of Medical Marijuana Regulation under Chapter 3.5 of Division 8.

(c) In addition to the powers, duties, purposes, responsibilities, and jurisdiction referenced in subdivision (b), the bureau shall heretofore have the power, duty, purpose, responsibility, and jurisdiction to regulate commercial marijuana activity as provided in this division.

(d) Upon the effective date of this section, whenever "Bureau of Medical Marijuana Regulation" appears in any statute, regulation, or contract, or in any other code, it shall be construed to refer to the bureau.

26011.

Neither the chief of the bureau nor any member of the Marijuana Control Appeals Panel established under Section 26040 shall have nor do any of the following:

(a) Receive any commission or profit whatsoever, directly or indirectly, from any person applying for or receiving any license or permit under this division or Chapter 3.5 of Division 8.

(b) Engage or have any interest in the sale or any insurance covering a licensee's business or premises.

(c) Engage or have any interest in the sale of equipment for use upon the premises of a licensee engaged in commercial marijuana activity.

(d) Knowingly solicit any licensee for the purchase of tickets for benefits or contributions for benefits.

(e) Knowingly request any licensee to donate or receive money, or any other thing of value, for the benefit of any person whatsoever.

26012.

(a) It being a matter of statewide concern, except as otherwise authorized in this division:

(1) The Department of Consumer Affairs shall have the exclusive authority to create, issue, renew, discipline, suspend, or revoke licenses for the transportation, storage unrelated to manufacturing activities, distribution, and sale of marijuana within the state.

(2) The Department of Food and Agriculture shall administer the provisions of this division related to and associated with the cultivation of marijuana. The Department of Food and Agriculture shall have the authority to create, issue, and suspend or revoke cultivation licenses for violations of this division.

(3) The Department of Public Health shall administer the provisions of this division related to and associated with the manufacturing and testing of marijuana. The Department of Public Health shall have the authority to create, issue, and suspend or revoke manufacturing and testing licenses for violations of this division.

(b) The licensing authorities and the bureau shall have the authority to collect fees in connection with activities they regulate concerning marijuana. The bureau may create licenses in addition to those identified in this division that the bureau deems necessary to effectuate its duties under this division.

(c) Licensing authorities shall begin issuing licenses under this division by January 1, 2018.

26013.

(a) Licensing authorities shall make and prescribe reasonable rules and regulations as may be necessary to implement, administer and enforce their respective duties under this division in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. Such rules and regulations shall be consistent with the purposes and intent of the Control, Regulate and Tax Adult Use of Marijuana Act.

(b) Licensing authorities may prescribe, adopt, and enforce any emergency regulations as necessary to implement, administer and enforce their respective duties under this division. Any emergency regulation prescribed, adopted or enforced pursuant to this section shall be adopted in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, and, for purposes of that chapter, including Section 11349.6 of the Government Code, the adoption of the regulation is an emergency and shall be considered by the Office of Administrative Law as necessary for the immediate preservation of the public peace, health and safety, and general welfare.

(c) Regulations issued under this division shall be necessary to achieve the purposes of this division, based on best available evidence, and shall mandate only commercially feasible procedures, technology, or other requirements, and shall not unreasonably restrain or inhibit the development of alternative procedures or technology to achieve the same substantive requirements, nor shall such regulations make compliance unreasonably impracticable.

26014.

(a) The bureau shall convene an advisory committee to advise the bureau and licensing authorities on the development of standards and regulations pursuant to this division, including best practices and guidelines that protect public health and safety while ensuring a regulated environment for commercial marijuana activity that does not impose such unreasonably

impracticable barriers so as to perpetuate, rather than reduce and eliminate, the illicit market for marijuana.

(b) The advisory committee members shall include, but not be limited to, representatives of the marijuana industry, representatives of labor organizations, appropriate state and local agencies, public health experts, and other subject matter experts, including representatives from the Department of Alcoholic Beverage Control, with expertise in regulating commercial activity for adult-use intoxicating substances. The advisory committee members shall be determined by the director.

(c) Commencing on January 1, 2019, the advisory committee shall publish an annual public report describing its activities including, but not limited to, the recommendations the advisory committee made to the bureau and licensing authorities during the immediately preceding calendar year and whether those recommendations were implemented by the bureau or licensing authorities.

26015.

A licensing authority may make or cause to be made such investigation as it deems necessary to carry out its duties under this division.

26016.

For any hearing held pursuant to this division, except a hearing held under Chapter 4, a licensing authority may delegate the power to hear and decide to an administrative law judge. Any hearing before an administrative law judge shall be pursuant to the procedures, rules, and limitations prescribed in Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

26017.

In any hearing before a licensing authority pursuant to this division, the licensing authority may pay any person appearing as a witness at the hearing at the request of the licensing authority pursuant to a subpoena, his or her actual, necessary, and reasonable travel, food, and lodging expenses, not to exceed the amount authorized for state employees.

26018.

A licensing authority may on its own motion at any time before a penalty assessment is placed into effect, and without any further proceedings, review the penalty, but such review shall be limited to its reduction.

Chapter 3. Enforcement

26030.

Grounds for disciplinary action include:

(a) Failure to comply with the provisions of this division or any rule or regulation adopted pursuant to this division.

(b) Conduct that constitutes grounds for denial of licensure pursuant to Chapter 3 (commencing with Section 490) of Division 1.5.

(c) Any other grounds contained in regulations adopted by a licensing authority pursuant to this division.

(d) Failure to comply with any state law including, but not limited to, the payment of taxes as required under the Revenue and Taxation Code, except as provided for in this division or other California law.

(e) Knowing violations of any state or local law, ordinance, or regulation conferring worker protections or legal rights on the employees of a licensee.

(f) Failure to comply with the requirement of a local ordinance regulating commercial marijuana activity.

(g) The intentional and knowing sale of marijuana or marijuana products by a licensee to a person under the legal age to purchase or possess.

26031.

Each licensing authority may suspend or revoke licenses, after proper notice and hearing to the licensee, if the licensee is found to have committed any of the acts or omissions constituting grounds for disciplinary action. The disciplinary proceedings under this chapter shall be conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code, and the director of each licensing authority shall have all the powers granted therein.

26032.

Each licensing authority may take disciplinary action against a licensee for any violation of this division when the violation was committed by the licensee's agent or employee while acting on behalf of the licensee or engaged in commercial marijuana activity.

26033.

Upon suspension or revocation of a license, the licensing authority shall inform the bureau. The bureau shall then inform all other licensing authorities.

26034.

Accusations against licensees under this division shall be filed within the same time limits as specified in Section 19314 or as otherwise provided by law.

26035.

(a) The director shall designate the persons employed by the Department of Consumer Affairs for purposes of the administration and enforcement of this division. The director shall ensure that a sufficient number of employees are qualified peace officers for purposes of enforcing this division.

26036.

Nothing in this division shall be interpreted to supersede or limit state agencies from exercising their existing enforcement authority, including, but not limited to, under the Fish and Game Code, the Food and Agricultural Code, the Government Code, the Health and Safety Code, the Public Resources Code, the Water Code, or the application of those laws.

26037.

(a) The actions of a licensee, its employees, and its agents that are: (1) permitted under a license issued under this division and any applicable local ordinances; and (2) conducted in accordance

with the requirements of this division and regulations adopted pursuant to this division, are not unlawful under state law and shall not be an offense subject to arrest, prosecution, or other sanction under state law, or be subject to a civil fine or be a basis for seizure or forfeiture of assets under state law.

(b) The actions of a person who, in good faith, allows his or her property to be used by a licensee, its employees, and its agents, as permitted pursuant to a state license and any applicable local ordinances, are not unlawful under state law and shall not be an offense subject to arrest, prosecution, or other sanction under state law, or be subject to a civil fine or be a basis for seizure or forfeiture of assets under state law.

26038.

(a) A person engaging in commercial marijuana activity without a license required by this division shall be subject to civil penalties of up to three times the amount of the license fee for each violation, and the court may order the destruction of marijuana associated with that violation in accordance with Section 11479 of the Health and Safety Code. Each day of operation shall constitute a separate violation of this section. All civil penalties imposed and collected pursuant to this section by a licensing authority shall be deposited into the General Fund except as provided in subdivision (b).

(b) If an action for civil penalties is brought against a licensee pursuant to this division by the Attorney General on behalf of the people, the penalty collected shall be deposited into the General Fund. If the action is brought by a district attorney or county counsel, the penalty shall first be used to reimburse the district attorney or county counsel for the costs of bringing the action for civil penalties, with the remainder, if any, to be deposited into the General Fund. If the action is brought by a city attorney or city prosecutor, the penalty collected shall first be used to reimburse the city attorney or city prosecutor for the costs of bringing the action for civil penalties, with the remainder, if any, to be deposited into the General Fund.

(c) Notwithstanding subdivision (a), criminal penalties shall continue to apply to an unlicensed person engaging in commercial marijuana activity in violation of this division.

Chapter 4. Appeals

26040.

(a) There is established in state government a Marijuana Control Appeals Panel which shall consist of three members appointed by the Governor and subject to confirmation by a majority vote of all of the members elected to the Senate. Each member, at the time of his or her initial appointment, shall be a resident of a different county from the one in which either of the other members resides. Members of the panel shall receive an annual salary as provided for by Chapter 6 (commencing with Section 11550) of Part 1 of Division 3 of Title 2 of the Government Code.

(b) The members of the panel may be removed from office by the Governor, and the Legislature shall have the power, by a majority vote of all members elected to each house, to remove any member from office for dereliction of duty, corruption or incompetency.

(c) A concurrent resolution for the removal of any member of the panel may be introduced in the Legislature only if five Members of the Senate, or ten Members of the Assembly, join as authors.

26041.

All personnel of the panel shall be appointed, employed, directed, and controlled by the panel consistent with state civil service requirements. The director shall furnish the equipment, supplies, and housing necessary for the authorized activities of the panel and shall perform such other mechanics of administration as the panel and the director may agree upon.

26042.

The panel shall adopt procedures for appeals similar to the procedures used in Articles 3 and 4 in Chapter 1.5 in Division 9 of the Business and Professions Code. Such procedures shall be adopted in accordance with the Administrative Procedure Act (Government Code, Title 2, Division 3, section 11340 et seq.).

26043.

(a) When any person aggrieved thereby appeals from a decision of the bureau or any licensing authority ordering any penalty assessment, issuing, denying, transferring, conditioning, suspending or revoking any license provided for under this division, the panel shall review the decision subject to such limitations as may be imposed by the Legislature. In such cases, the panel shall not receive evidence in addition to that considered by the bureau or the licensing authority.

(b) Review by the panel of a decision of the bureau or a licensing authority shall be limited to the following questions:

(1) Whether the bureau or any licensing authority has proceeded without or in excess of its jurisdiction.

(2) Whether the bureau or any licensing authority has proceeded in the manner required by law.

(3) Whether the decision is supported by the findings.

(4) Whether the findings are supported by substantial evidence in the light of the whole record.

26044.

(a) In appeals where the panel finds that there is relevant evidence which, in the exercise of reasonable diligence, could not have been produced or which was improperly excluded at the hearing before the bureau or licensing authority, it may enter an order remanding the matter to the bureau or licensing authority for reconsideration in the light of such evidence.

(b) Except as provided in subdivision (a), in all appeals, the panel shall enter an order either affirming or reversing the decision of the bureau or licensing authority. When the order reverses the decision of the bureau or licensing authority, the board may direct the reconsideration of the matter in the light of its order and may direct the bureau or licensing authority to take such further action as is specially enjoined upon it by law, but the order shall not limit or control in any way the discretion vested by law in the bureau or licensing authority.

26045.

Orders of the panel shall be subject to judicial review under Section 1094.5 of the Code of Civil Procedure upon petition by the bureau or licensing authority or any party aggrieved by such order.

Chapter 5. Licensing

26050.

(a) The license classification pursuant to this division shall, at a minimum, be as follows:

- (1) Type 1 = Cultivation; Specialty outdoor; Small.*
- (2) Type 1A = Cultivation; Specialty indoor; Small.*
- (3) Type 1B = Cultivation; Specialty mixed-light; Small.*
- (4) Type 2 = Cultivation; Outdoor; Small.*
- (5) Type 2A = Cultivation; Indoor; Small.*
- (6) Type 2B = Cultivation; Mixed-light; Small.*
- (7) Type 3 = Cultivation; Outdoor; Medium.*
- (8) Type 3A = Cultivation; Indoor; Medium.*
- (9) Type 3B = Cultivation; Mixed-light; Medium.*
- (10) Type 4 = Cultivation; Nursery.*
- (11) Type 5 = Cultivation; Outdoor; Large.*
- (12) Type 5A = Cultivation; Indoor; Large.*
- (13) Type 5B = Cultivation; Mixed-light; Large.*
- (14) Type 6 = Manufacturer 1.*
- (15) Type 7 = Manufacturer 2.*
- (16) Type 8 = Testing.*
- (17) Type 10 = Retailer.*
- (18) Type 11 = Distributor.*
- (19) Type 12 = Microbusiness.*

(b) All licenses issued under this division shall bear a clear designation indicating that the license is for commercial marijuana activity as distinct from commercial medical cannabis activity licensed under Chapter 3.5 of Division 8. Examples of such a designation include, but are not limited to, "Type 1 – Nonmedical," or "Type INM."

(c) A license issued pursuant to this division shall be valid for 12 months from the date of issuance. The license may be renewed annually.

(d) Each licensing authority shall establish procedures for the issuance and renewal of licenses.

(e) Notwithstanding subdivision (c), a licensing authority may issue a temporary license for a period of less than 12 months. This subdivision shall cease to be operable on January 1, 2019.

26051.

(a) In determining whether to grant, deny, or renew a license authorized under this division, a licensing authority shall consider factors reasonably related to the determination, including, but not limited to, whether it is reasonably foreseeable that issuance, denial, or renewal of the license could:

- (1) allow unreasonable restraints on competition by creation or maintenance of unlawful monopoly power;*
- (2) perpetuate the presence of an illegal market for marijuana or marijuana products in the state or out of the state;*
- (3) encourage underage use or adult abuse of marijuana or marijuana products, or illegal diversion of marijuana or marijuana products out of the state;*
- (4) result in an excessive concentration of licensees in a given city, county, or both;*

(5) present an unreasonable risk of minors being exposed to marijuana or marijuana products;
or

(6) result in violations of any environmental protection laws.

(b) A licensing authority may deny a license or renewal of a license based upon the considerations in subdivision (a).

(c) For purposes of this section, "excessive concentration" means when the premises for a retail license, microbusiness license, or a license issued under Section 26070.5 is located in an area where either of the following conditions exist:

(1) The ratio of a licensee to population in the census tract or census division in which the applicant premises are located exceeds the ratio of licensees to population in the county in which the applicant premises are located, unless denial of the application would unduly limit the development of the legal market so as to perpetuate the illegal market for marijuana or marijuana products.

(2) The ratio of retail licenses, microbusiness licenses, or licenses under Section 26070.5 to population in the census tract, division or jurisdiction exceeds that allowable by local ordinance adopted under Section 26200.

26052.

(a) No licensee shall perform any of the following acts, or permit any such acts to be performed by any employee, agent, or contractor of such licensee:

(1) Make any contract in restraint of trade in violation of Section 16600;

(2) Form a trust or other prohibited organization in restraint of trade in violation of Section 16720;

(3) Make a sale or contract for the sale of marijuana or marijuana products, or to fix a price charged therefor, or discount from, or rebate upon, such price, on the condition, agreement or understanding that the consumer or purchaser thereof shall not use or deal in the goods, merchandise, machinery, supplies, commodities, or services of a competitor or competitors of such seller, where the effect of such sale, contract, condition, agreement or understanding may be to substantially lessen competition or tend to create a monopoly in any line of trade or commerce;

(4) Sell any marijuana or marijuana products at less than cost for the purpose of injuring competitors, destroying competition, or misleading or deceiving purchasers or prospective purchasers;

(5) Discriminate between different sections, communities, or cities or portions thereof, or between different locations in such sections, communities, cities or portions thereof in this state, by selling or furnishing marijuana or marijuana products at a lower price in one section, community, or city or any portion thereof, or in one location in such section, community, or city or any portion thereof, than in another, for the purpose of injuring competitors or destroying competition; or

(6) Sell any marijuana or marijuana products at less than the cost thereof to such vendor, or to give away any article or product for the purpose of injuring competitors or destroying competition.

(b) Any person who, either as director, officer or agent of any firm or corporation, or as agent of any person, violates the provisions of this chapter, assists or aids, directly or indirectly, in such violation is responsible therefor equally with the person, firm or corporation for which such person acts.

- (c) A licensing authority may enforce this section by appropriate regulation.*
- (d) Any person or trade association may bring an action to enjoin and restrain any violation of this section for the recovery of damages.*

26053.

- (a) The bureau and licensing authorities may issue licenses under this division to persons or entities that hold licenses under Chapter 3.5 of Division 8.*
- (b) Notwithstanding subdivision (a), a person or entity that holds a state testing license under this division or Chapter 3.5 of Division 8 is prohibited from licensure for any other activity, except testing, as authorized under this division.*
- (c) Except as provided in subdivision (b), a person or entity may apply for and be issued more than one license under this division.*

26054.

- (a) A licensee shall not also be licensed as a retailer of alcoholic beverages under Division 9 or of tobacco products.*
- (b) No licensee under this division shall be located within a 600-foot radius of a school providing instruction in kindergarten or any grades 1 through 12, day care center, or youth center that is in existence at the time the license is issued, unless a licensing authority or a local jurisdiction specifies a different radius. The distance specified in this section shall be measured in the same manner as provided in paragraph (c) of Section 11362.768 of the Health and Safety Code unless otherwise provided by law.*
- (c) It shall be lawful under state and local law, and shall not be a violation of state or local law, for a business engaged in the manufacture of marijuana accessories to possess, transport, purchase or otherwise obtain small amounts of marijuana or marijuana products as necessary to conduct research and development related to such marijuana accessories, provided such marijuana and marijuana products are obtained from a person or entity licensed under this division or Chapter 3.5 of Division 8 permitted to provide or deliver such marijuana or marijuana products.*

26054.1

- (a) No licensing authority shall issue or renew a license to any person that cannot demonstrate continuous California residency from or before January 1, 2015. In the case of an applicant or licensee that is an entity, the entity shall not be considered a resident if any person controlling the entity cannot demonstrate continuous California residency from and before January 1, 2015.*
- (b) Subdivision (a) shall cease to be operable on December 31, 2019 unless reenacted prior thereto by the Legislature.*

26054.2

- (a) A licensing authority shall give priority in issuing licenses under this division to applicants that can demonstrate to the authority's satisfaction that the applicant operated in compliance with the Compassionate Use Act and its implementing laws before September 1, 2016, or currently operates in compliance with Chapter 3.5 of Division 8.*
- (b) The bureau shall request that local jurisdictions identify for the bureau potential applicants for licensure based on the applicants' prior operation in the local jurisdiction in compliance with state law, including the Compassionate Use Act and its implementing laws, and any*

applicable local laws. The bureau shall make the requested information available to licensing authorities.

(c) In addition to or in lieu of the information described in subdivision (b), an applicant may furnish other evidence to demonstrate operation in compliance with the Compassionate Use Act or Chapter 3.5 of Division 8. The bureau and licensing authorities may accept such evidence to demonstrate eligibility for the priority provided for in subdivision (a).

(d) This section shall cease to be operable on December 31, 2019 unless otherwise provided by law.

26055.

(a) Licensing authorities may issue state licenses only to qualified applicants.

(b) Revocation of a state license issued under this division shall terminate the ability of the licensee to operate within California until the licensing authority reinstates or reissues the state license.

(c) Separate licenses shall be issued for each of the premises of any licensee having more than one location, except as otherwise authorized by law or regulation.

(d) After issuance or transfer of a license, no licensee shall change or alter the premises in a manner which materially or substantially alters the premises, the usage of the premises, or the mode or character of business operation conducted from the premises, from the plan contained in the diagram on file with the application, unless and until prior written assent of the licensing authority or bureau has been obtained. For purposes of this section, material or substantial physical changes of the premises, or in the usage of the premises, shall include, but not be limited to, a substantial increase or decrease in the total area of the licensed premises previously diagrammed, or any other physical modification resulting in substantial change in the mode or character of business operation.

(e) Licensing authorities shall not approve an application for a state license under this division if approval of the state license will violate the provisions of any local ordinance or regulation adopted in accordance with Section 26200.

26056.

An applicant for any type of state license issued pursuant to this division shall comply with the same requirements as set forth in Section 19322 of Chapter 3.5 of Division 8 unless otherwise provided by law, including electronic submission of fingerprint images, and any other requirements imposed by law or a licensing authority, except as follows:

(a) notwithstanding paragraph (2) of subdivision (a) of Section 19322 of Chapter 3.5 of Division 8, an applicant need not provide documentation that the applicant has obtained a license, permit or other authorization to operate from the local jurisdiction in which the applicant seeks to operate;

(b) an application for a license under this division shall include evidence that the proposed location meets the restriction in subdivision (b) of Section 26054; and

(c) for applicants seeking licensure to cultivate, distribute, or manufacture nonmedical marijuana or marijuana products, the application shall also include a detailed description of the applicant's operating procedures for all of the following, as required by the licensing authority:

(1) Cultivation.

(2) Extraction and infusion methods.

(3) The transportation process.

(4) *The inventory process.*

(5) *Quality control procedures.*

(6) *The source or sources of water the applicant will use for the licensed activities, including a certification that the applicant may use that water legally under state law.*

(d) *The applicant shall provide a complete detailed diagram of the proposed premises wherein the license privileges will be exercised, with sufficient particularity to enable ready determination of the bounds of the premises, showing all boundaries, dimensions, entrances and exits, interior partitions, walls, rooms, and common or shared entryways, and include a brief statement or description of the principal activity to be conducted therein, and, for licenses permitting cultivation, measurements of the planned canopy including aggregate square footage and individual square footage of separate cultivation areas, if any.*

26056.5.

The bureau shall devise protocols that each licensing authority shall implement to ensure compliance with state laws and regulations related to environmental impacts, natural resource protection, water quality, water supply, hazardous materials, and pesticide use in accordance with regulations, including but not limited to, the California Environmental Quality Act (Public Resources Code, Section 21000, et seq.), the California Endangered Species Act (Fish and Game Code, Section 2800 et. seq.), lake or streambed alteration agreements (Fish and Game Code, Section 1600 et. seq.), the Clean Water Act, the Porter-Cologne Water Quality Control Act, timber production zones, wastewater discharge requirements, and any permit or right necessary to divert water.

26057.

(a) *The licensing authority shall deny an application if either the applicant, or the premises for which a state license is applied, do not qualify for licensure under this division.*

(b) *The licensing authority may deny the application for licensure or renewal of a state license if any of the following conditions apply:*

(1) *Failure to comply with the provisions of this division, any rule or regulation adopted pursuant to this division, or any requirement imposed to protect natural resources, including, but not limited to, protections for instream flow and water quality.*

(2) *Conduct that constitutes grounds for denial of licensure under Chapter 2 of Division 1.5, except as otherwise specified in this section and Section 26059.*

(3) *Failure to provide information required by the licensing authority.*

(4) *The applicant or licensee has been convicted of an offense that is substantially related to the qualifications, functions, or duties of the business or profession for which the application is made, except that if the licensing authority determines that the applicant or licensee is otherwise suitable to be issued a license, and granting the license would not compromise public safety, the licensing authority shall conduct a thorough review of the nature of the crime, conviction, circumstances, and evidence of rehabilitation of the applicant, and shall evaluate the suitability of the applicant or licensee to be issued a license based on the evidence found through the review. In determining which offenses are substantially related to the qualifications, functions, or duties of the business or profession for which the application is made, the licensing authority shall include, but not be limited to, the following:*

(A) *A violent felony conviction, as specified in subdivision (c) of Section 667.5 of the Penal Code.*

(B) A serious felony conviction, as specified in subdivision (c) of Section 1192.7 of the Penal Code.

(C) A felony conviction involving fraud, deceit, or embezzlement.

(D) A felony conviction for hiring, employing, or using a minor in transporting, carrying, selling, giving away, preparing for sale, or peddling, any controlled substance to a minor; or selling, offering to sell, furnishing, offering to furnish, administering, or giving any controlled substance to a minor.

(E) A felony conviction for drug trafficking with enhancements pursuant to Sections 11370.4 or 11379.8.

(5) Except as provided in subparagraphs (D) and (E) of paragraph (4) and notwithstanding Chapter 2 of Division 1.5, a prior conviction, where the sentence, including any term of probation, incarceration, or supervised release, is completed, for possession of, possession for sale, sale, manufacture, transportation, or cultivation of a controlled substance is not considered substantially related, and shall not be the sole ground for denial of a license. Conviction for any controlled substance felony subsequent to licensure shall be grounds for revocation of a license or denial of the renewal of a license.

(6) The applicant, or any of its officers, directors, or owners, has been subject to fines or penalties for cultivation or production of a controlled substance on public or private lands pursuant to Sections 12025 or 12025.1 of the Fish and Game Code.

(7) The applicant, or any of its officers, directors, or owners, has been sanctioned by a licensing authority or a city, county, or city and county for unauthorized commercial marijuana activities or commercial medical cannabis activities, has had a license revoked under this division or Chapter 3.5 of Division 8 in the three years immediately preceding the date the application is filed with the licensing authority, or has been sanctioned under Sections 12025 or 12025.1 of the Fish and Game Code.

(8) Failure to obtain and maintain a valid seller's permit required pursuant to Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code.

(9) Any other condition specified in law.

26058.

Upon the denial of any application for a license, the licensing authority shall notify the applicant in writing.

26059.

An applicant shall not be denied a state license if the denial is based solely on any of the following:

(a) A conviction or act that is substantially related to the qualifications, functions, or duties of the business or profession for which the application is made for which the applicant or licensee has obtained a certificate of rehabilitation pursuant to Chapter 3.5 (commencing with Section 4852.01) of Title 6 of Part 3 of the Penal Code.

(b) A conviction that was subsequently dismissed pursuant to Sections 1203.4, 1203.4a, or 1203.41 of the Penal Code or any other provision allowing for dismissal of a conviction.

Chapter 6. Licensed Cultivation Sites

26060.

(a) Regulations issued by the Department of Food and Agriculture governing the licensing of indoor, outdoor, and mixed-light cultivation sites shall apply to licensed cultivators under this division.

(b) Standards developed by the Department of Pesticide Regulation, in consultation with the Department of Food and Agriculture, for the use of pesticides in cultivation, and maximum tolerances for pesticides and other foreign object residue in harvested cannabis shall apply to licensed cultivators under this division.

(c) The Department of Food and Agriculture shall include conditions in each license requested by the Department of Fish and Wildlife and the State Water Resources Control Board to ensure that individual and cumulative effects of water diversion and discharge associated with cultivation do not affect the instream flows needed for fish spawning, migration, and rearing, and the flows needed to maintain natural flow variability, and to otherwise protect fish, wildlife, fish and wildlife habitat, and water quality.

(d) The regulations promulgated by the Department of Food and Agriculture under this division shall, at a minimum, address in relation to commercial marijuana activity, the same matters described in subdivision (e) of Section 19332 of Chapter 3.5 of Division 8.

(e) The Department of Pesticide Regulation, in consultation with the State Water Resources Control Board, shall promulgate regulations that require that the application of pesticides or other pest control in connection with the indoor, outdoor, or mixed light cultivation of marijuana meets standards equivalent to Division 6 (commencing with Section 11401) of the Food and Agricultural Code and its implementing regulations.

26061.

(a) The state cultivator license types to be issued by the Department of Food and Agriculture under this division shall include Type 1, Type 1A, Type 1B, Type 2, Type 2A, Type 2B, Type 3, Type 3A, Type 3B, Type 4, and Type 5, Type 5A, and Type 5B unless otherwise provided by law.

(b) Except as otherwise provided by law, Type 1, Type 1A, Type 1B, Type 2, Type 2A, Type 2B, Type 3, Type 3A, Type 3B and Type 4 licenses shall provide for the cultivation of marijuana in the same amount as the equivalent license type for cultivation of medical cannabis as specified in subdivision (g) of Section 19332 of Chapter 3.5 of Division 8.

(c) Except as otherwise provided by law:

(1) Type 5, or "outdoor," means for outdoor cultivation using no artificial lighting greater than one acre, inclusive, of total canopy size on one premises.

(2) Type 5A, or "indoor," means for indoor cultivation using exclusively artificial lighting greater than 22,000 square feet, inclusive, of total canopy size on one premises.

(3) Type 5B, or "mixed-light," means for cultivation using a combination of natural and supplemental artificial lighting at a maximum threshold to be determined by the licensing authority, greater than 22,000 square feet, inclusive, of total canopy size on one premises.

(d) No Type 5, Type 5A, or Type 5B cultivation licenses may be issued before January 1, 2023.

(e) Commencing on January 1, 2023, A Type 5, Type 5A, or Type 5B licensee may apply for and hold a Type 6 or Type 7 license and apply for and hold Type 10 license. A Type 5, Type 5A, or Type 5B licensee shall not eligible to apply for or hold a Type 8, Type 11, or Type 12 license.

26062.

The Department of Food and Agriculture, in conjunction with the bureau, shall establish a certified organic designation and organic certification program for marijuana and marijuana products in the same manner as provided in Section 19332.5 of Chapter 3.5 of Division 8.

26063.

- (a) The bureau shall establish standards for recognition of a particular appellation of origin applicable to marijuana grown or cultivated in a certain geographical area in California.*
- (b) Marijuana shall not be marketed, labeled, or sold as grown in a California county when the marijuana was not grown in that county.*
- (c) The name of a California county shall not be used in the labeling, marketing, or packaging of marijuana products unless the marijuana contained in the product was grown in that county.*

26064.

Each licensed cultivator shall ensure that the licensed premises do not pose an unreasonable risk of fire or combustion. Each cultivator shall ensure that all lighting, wiring, electrical and mechanical devices, or other relevant property is carefully maintained to avoid unreasonable or dangerous risk to the property or others.

26065.

An employee engaged in the cultivation of marijuana under this division shall be subject to Wage Order No. 4-2001 of the Industrial Welfare Commission.

26066.

Indoor and outdoor marijuana cultivation by persons and entities licensed under this division shall be conducted in accordance with state and local laws related to land conversion, grading, electricity usage, water usage, water quality, woodland and riparian habitat protection, agricultural discharges, and similar matters. State agencies, including, but not limited to, the Board of Forestry and Fire Protection, the Department of Fish and Wildlife, the State Water Resources Control Board, the California regional water quality control boards, and traditional state law enforcement agencies, shall address environmental impacts of marijuana cultivation and shall coordinate when appropriate with cities and counties and their law enforcement agencies in enforcement efforts.

26067.

- (a) The Department of Food and Agriculture shall establish a Marijuana Cultivation Program to be administered by the secretary. The secretary shall administer this section as it pertains to the cultivation of marijuana. For purposes of this division, marijuana is an agricultural product.*
- (b) A person or entity shall not cultivate marijuana without first obtaining a state license issued by the department pursuant to this section.*
- (c)(1) The department, in consultation with, but not limited to, the bureau, the State Water Resources Control Board, and the Department of Fish and Wildlife, shall implement a unique identification program for marijuana. In implementing the program, the department shall consider issues including, but not limited to, water use and environmental impacts. In implementing the program, the department shall ensure that:*

- (A) Individual and cumulative effects of water diversion and discharge associated with cultivation do not affect the instream flows needed for fish spawning, migration, and rearing, and the flows needed to maintain natural flow variability. If a watershed cannot support additional cultivation, no new plant identifiers will be issued for that watershed.
- (B) Cultivation will not negatively impact springs, riparian wetlands and aquatic habitats.
- (2) The department shall establish a program for the identification of permitted marijuana plants at a cultivation site during the cultivation period. A unique identifier shall be issued for each marijuana plant. The department shall ensure that unique identifiers are issued as quickly as possible to ensure the implementation of this division. The unique identifier shall be attached at the base of each plant or as otherwise required by law or regulation.
- (A) Unique identifiers will only be issued to those persons appropriately licensed by this section.
- (B) Information associated with the assigned unique identifier and licensee shall be included in the trace and track program specified in Section 26170.
- (C) The department may charge a fee to cover the reasonable costs of issuing the unique identifier and monitoring, tracking, and inspecting each marijuana plant.
- (D) The department may promulgate regulations to implement this section.
- (3) The department shall take adequate steps to establish protections against fraudulent unique identifiers and limit illegal diversion of unique identifiers to unlicensed persons.
- (d) Unique identifiers and associated identifying information administered by local jurisdictions shall adhere to the requirements set by the department and be the equivalent to those administered by the department.
- (e) (1) This section does not apply to the cultivation of marijuana in accordance with Section 11362.1 of the Health and Safety Code or the Compassionate Use Act.
- (2) Subdivision (b) of this section does not apply to persons or entities licensed under either paragraph (3) of subdivision (a) of Section 26070 or subdivision (b) of Section 26070.5.
- (f) "Department" for purposes of this section means the Department of Food and Agriculture.

Chapter 7. Retailers and Distributors

26070. Retailers and Distributors

- (a) State licenses to be issued by the Department of Consumer Affairs are as follows:
- (1) "Retailer," for the retail sale and delivery of marijuana or marijuana products to customers.
- (2) "Distributor," for the distribution of marijuana and marijuana products. A distributor licensee shall be bonded and insured at a minimum level established by the licensing authority.
- (3) "Microbusiness," for the cultivation of marijuana on an area less than 10,000 square feet and to act as a licensed distributor, Level 1 manufacturer, and retailer under this division, provided such licensee complies with all requirements imposed by this division on licensed cultivators, distributors, Level 1 manufacturers, and retailers to the extent the licensee engages in such activities. Microbusiness licenses that authorize cultivation of marijuana shall include conditions requested by the Department of Fish and Wildlife and the State Water Resources Control Board to ensure that individual and cumulative effects of water diversion and discharge associated with cultivation do not affect the instream flows needed for fish spawning, migration, and rearing, and the flow needed to maintain flow variability, and otherwise protect fish, wildlife, fish and wildlife habitat, and water quality.
- (b) The bureau shall establish minimum security and transportation safety requirements for the commercial distribution and delivery of marijuana and marijuana products. The transportation

safety standards established by the bureau shall include, but not be limited to, minimum standards governing the types of vehicles in which marijuana and marijuana products may be distributed and delivered and minimum qualifications for persons eligible to operate such vehicles.

(c) Licensed retailers and microbusinesses, and licensed nonprofits under Section 26070.5, shall implement security measures reasonably designed to prevent unauthorized entrance into areas containing marijuana or marijuana products and theft of marijuana or marijuana products from the premises. These security measures shall include, but not be limited to, all of the following:

(1) Prohibiting individuals from remaining on the licensee's premises if they are not engaging in activity expressly related to the operations of the dispensary.

(2) Establishing limited access areas accessible only to authorized personnel.

(3) Other than limited amounts of marijuana used for display purposes, samples, or immediate sale, storing all finished marijuana and marijuana products in a secured and locked room, safe, or vault, and in a manner reasonably designed to prevent diversion, theft, and loss.

26070.5

(a) The bureau shall, by January 1, 2018, investigate the feasibility of creating one or more classifications of nonprofit licenses under this section. The feasibility determination shall be made in consultation with the relevant licensing agencies and representatives of local jurisdictions which issue temporary licenses pursuant to subdivision (b).

The bureau shall consider factors including, but not limited to, the following:

(1) Should nonprofit licensees be exempted from any or all state taxes, licensing fees and regulatory provisions applicable to other licenses in this division?

(2) Should funding incentives be created to encourage others licensed under this division to provide professional services at reduced or no cost to nonprofit licensees?

(3) Should nonprofit licenses be limited to, or prioritize those, entities previously operating on a not-for-profit basis primarily providing whole-plant marijuana and marijuana products and a diversity of marijuana strains and seed stock to low income persons?

(b) Any local jurisdiction may issue temporary local licenses to nonprofit entities primarily providing whole-plant marijuana and marijuana products and a diversity of marijuana strains and seed stock to low income persons so long as the local jurisdiction:

(1) confirms the license applicant's status as a nonprofit entity registered with the California Attorney General's Registry of Charitable Trusts and that the applicant is in good standing with all state requirements governing nonprofit entities;

(2) licenses and regulates any such entity to protect public health and safety, and so as to require compliance with all environmental requirements in this division;

(3) provides notice to the bureau of any such local licenses issued, including the name and location of any such licensed entity and all local regulations governing the licensed entity's operation, and;

(4) certifies to the bureau that any such licensed entity will not generate annual gross revenues in excess of two million dollars (\$2,000,000).

(c) Temporary local licenses authorized under subdivision (b) shall expire after twelve months unless renewed by the local jurisdiction.

(d) The bureau may impose reasonable additional requirements on the local licenses authorized under subdivision (b).

(e) (1) No new temporary local licenses shall be issued pursuant to this section after the date the bureau determines that creation of nonprofit licenses under this division is not feasible, or if the bureau determines such licenses are feasible, after the date a licensing agency commences issuing state nonprofit licenses.

(2) If the bureau determines such licenses are feasible, no temporary license issued under subdivision (b) shall be renewed or extended after the date on which a licensing agency commences issuing state nonprofit licenses.

(3) If the bureau determines that creation of nonprofit licenses under this division is not feasible, the bureau shall provide notice of this determination to all local jurisdictions that have issued temporary licenses under subdivision (b). The bureau may, in its discretion, permit any such local jurisdiction to renew or extend on an annual basis any temporary license previously issued under subdivision (b).

Chapter 8. Distribution and Transport

26080.

(a) This division shall not be construed to authorize or permit a licensee to transport or distribute, or cause to be transported or distributed, marijuana or marijuana products outside the state, unless authorized by federal law.

(b) A local jurisdiction shall not prevent transportation of marijuana or marijuana products on public roads by a licensee transporting marijuana or marijuana products in compliance with this division.

Chapter 9. Delivery

26090.

(a) Deliveries, as defined in this division, may only be made by a licensed retailer or microbusiness, or a licensed nonprofit under Section 26070.5.

(b) A customer requesting delivery shall maintain a physical or electronic copy of the delivery request and shall make it available upon request by the licensing authority and law enforcement officers.

(c) A local jurisdiction shall not prevent delivery of marijuana or marijuana products on public roads by a licensee acting in compliance with this division and local law as adopted under Section 26200.

Chapter 10. Manufacturers and Testing Laboratories

26100.

The Department of Public Health shall promulgate regulations governing the licensing of marijuana manufacturers and testing laboratories. Licenses to be issued are as follows:

(a) "Manufacturing Level 1," for sites that manufacture marijuana products using nonvolatile solvents, or no solvents.

(b) "Manufacturing Level 2," for sites that manufacture marijuana products using volatile solvents.

(c) "Testing," for testing of marijuana and marijuana products. Testing licensees shall have their facilities or devices licensed according to regulations set forth by the Department. A testing

licensee shall not hold a license in another license category of this division and shall not own or have ownership interest in a non-testing facility licensed pursuant to this division.

(d) For purposes of this section, "volatile solvents" shall have the same meaning as in subdivision (d) of Section 11362.2 of the Health and Safety Code unless otherwise provided by law or regulation.

26101.

(a) Except as otherwise provided by law, no marijuana or marijuana products may be sold pursuant to a license provided for under this division unless a representative sample of such marijuana or marijuana product has been tested by a certified testing service to determine:

(1) Whether the chemical profile of the sample conforms to the labeled content of compounds, including, but not limited to, all of the following:

(A) Tetrahydrocannabinol (THC).

(B) Tetrahydrocannabinolic Acid (THCA).

(C) Cannabidiol (CBD).

(D) Cannabidiolic Acid (CBDA).

(E) The terpenes described in the most current version of the cannabis inflorescence monograph published by the American Herbal Pharmacopoeia.

(F) Cannabigerol (CBG).

(G) Cannabinol (CBN).

(2) That the presence of contaminants does not exceed the levels in the most current version of the American Herbal Pharmacopoeia monograph. For purposes of this paragraph, contaminants includes, but is not limited to, all of the following:

(A) Residual solvent or processing chemicals, including explosive gases, such as Butane, propane, O₂ or H₂, and poisons, toxins, or carcinogens, such as Methanol, Iso-propyl Alcohol, Methylene Chloride, Acetone, Benzene, Toluene, and Tri-chloro-ethylene.

(B) Foreign material, including, but not limited to, hair, insects, or similar or related adulterant.

(C) Microbiological impurity, including total aerobic microbial count, total yeast mold count, *P. aeruginosa*, *aspergillus* spp., *s. aureus*, aflatoxin B1, B2, G1, or G2, or ochratoxin A.

(b) Residual levels of volatile organic compounds shall satisfy standards of the cannabis inflorescence monograph set by the United States Pharmacopeia (U.S.P. Chapter 467).

(c) The testing required by paragraph (a) shall be performed in a manner consistent with general requirements for the competence of testing and calibrations activities, including sampling, using standard methods established by the International Organization for Standardization, specifically ISO/IEC 17020 and ISO/IEC 17025 to test marijuana and marijuana products that are approved by an accrediting body that is a signatory to the International Laboratory Accreditation Cooperation Mutual Recognition Agreement.

(d) Any pre-sale inspection, testing transfer, or transportation of marijuana products pursuant to this section shall conform to a specified chain of custody protocol and any other requirements imposed under this division.

26102.

A licensed testing service shall not handle, test, or analyze marijuana or marijuana products unless the licensed testing laboratory meets the requirements of Section 19343 in Chapter 3.5 of Division 8 or unless otherwise provided by law.

26103.

A licensed testing service shall issue a certificate of analysis for each lot, with supporting data, to report the same information required in Section 19344 in Chapter 3.5 of Division 8 or unless otherwise provided by law.

26104.

(a) A licensed testing service shall, in performing activities concerning marijuana and marijuana products, comply with the requirements and restrictions set forth in applicable law and regulations.

(b) The Department of Public Health shall develop procedures to:

(1) ensure that testing of marijuana and marijuana products occurs prior to distribution to retailers, microbusinesses, or nonprofits licensed under Section 26070.5;

(2) specify how often licensees shall test marijuana and marijuana products, and that the cost of testing marijuana shall be borne by the licensed cultivators and the cost of testing marijuana products shall be borne by the licensed manufacturer, and that the costs of testing marijuana and marijuana products shall be borne a nonprofit licensed under Section 26070.5; and

(3) require destruction of harvested batches whose testing samples indicate noncompliance with health and safety standards promulgated by the Department of Public Health, unless remedial measures can bring the marijuana or marijuana products into compliance with quality assurance standards as promulgated by the Department of Public Health.

26105.

Manufacturing Level 2 licensees shall enact sufficient methods or procedures to capture or otherwise limit risk of explosion, combustion, or any other unreasonably dangerous risk to public safety created by volatile solvents. The Department of Public Health shall establish minimum standards concerning such methods and procedures for Level 2 licensees.

26106.

Standards for the production and labeling of all marijuana products developed by the Department of Public Health shall apply to licensed manufacturers and microbusinesses, and nonprofits licensed under Section 26070.5 unless otherwise specified by the Department of Public Health.

Chapter 11. Quality Assurance, Inspection, and Testing

26110.

(a) All marijuana and marijuana products shall be subject to quality assurance, inspection, and testing.

(b) All marijuana and marijuana products shall undergo quality assurance, inspection, and testing in the same manner as provided in Section 19326 in Chapter 3.5 of Division 8 except as otherwise provided in this division or by law.

Chapter 12. Packaging and Labeling

26120.

(a) Prior to delivery or sale at a retailer, marijuana and marijuana products shall be labeled and placed in a resealable, child resistant package.

(b) Packages and labels shall not be made to be attractive to children.

(c) All marijuana and marijuana product labels and inserts shall include the following information prominently displayed in a clear and legible fashion in accordance with the requirements, including font size, prescribed by the bureau or the Department of Public Health: ~~not less than 8 point font:~~

(1) Manufacture date and source.

(2) The following statements, in bold print:

(A) For marijuana: "**GOVERNMENT WARNING: THIS PACKAGE CONTAINS MARIJUANA, A SCHEDULE I CONTROLLED SUBSTANCE. KEEP OUT OF REACH OF CHILDREN AND ANIMALS. MARIJUANA MAY ONLY BE POSSESSED OR CONSUMED BY PERSONS 21 YEARS OF AGE OR OLDER UNLESS THE PERSON IS A QUALIFIED PATIENT. MARIJUANA USE WHILE PREGNANT OR BREASTFEEDING MAY BE HARMFUL. CONSUMPTION OF MARIJUANA IMPAIRS YOUR ABILITY TO DRIVE AND OPERATE MACHINERY. PLEASE USE EXTREME CAUTION.**"

(B) For marijuana products: "**GOVERNMENT WARNING: THIS PRODUCT CONTAINS MARIJUANA, A SCHEDULE I CONTROLLED SUBSTANCE. KEEP OUT OF REACH OF CHILDREN AND ANIMALS. MARIJUANA PRODUCTS MAY ONLY BE POSSESSED OR CONSUMED BY PERSONS 21 YEARS OF AGE OR OLDER UNLESS THE PERSON IS A QUALIFIED PATIENT. THE INTOXICATING EFFECTS OF MARIJUANA PRODUCTS MAY BE DELAYED UP TO TWO HOURS. MARIJUANA USE WHILE PREGNANT OR BREASTFEEDING MAY BE HARMFUL. CONSUMPTION OF MARIJUANA PRODUCTS IMPAIRS YOUR ABILITY TO DRIVE AND OPERATE MACHINERY. PLEASE USE EXTREME CAUTION.**"

(3) For packages containing only dried flower, the net weight of marijuana in the package.

(4) Identification of the source and date of cultivation, the type of marijuana or marijuana product and the date of manufacturing and packaging.

(5) The appellation of origin, if any.

(6) List of pharmacologically 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, and the potency of the marijuana or marijuana product by reference to the amount of tetrahydrocannabinol and cannabidiol in each serving.

(7) For marijuana products, a list of all ingredients and disclosure of nutritional information in the same manner as the federal nutritional labeling requirements in 21 C.F.R. section 101.9.

(8) A list of any solvents, nonorganic pesticides, herbicides, and fertilizers that were used in the cultivation, production, and manufacture of such marijuana or marijuana product.

(9) A warning if nuts or other known allergens are used.

(10) Information associated with the unique identifier issued by the Department of Food and Agriculture.

(11) Any other requirement set by the bureau or the Department of Public Health.

- (d) Only generic food names may be used to describe the ingredients in edible marijuana products.*
- (e) In the event the bureau determines that marijuana is no longer a schedule I controlled substance under federal law, the label prescribed in subdivision (c) shall no longer require a statement that marijuana is a schedule I controlled substance.*

Chapter 13. Marijuana Products

26130.

(a) Marijuana products shall be:

(1) Not designed to be appealing to children or easily confused with commercially sold candy or foods that do not contain marijuana.

(2) Produced and sold with a standardized dosage of cannabinoids not to exceed ten (10) milligrams tetrahydrocannabinol per serving.

(3) Delineated or scored into standardized serving sizes if the marijuana product contains more than one serving and is an edible marijuana product in solid form.

(4) Homogenized to ensure uniform disbursement of cannabinoids throughout the product.

(5) Manufactured and sold under sanitation standards established by the Department of Public Health, in consultation with the bureau, for preparation, storage, handling and sale of food products.

(6) Provided to customers with sufficient information to enable the informed consumption of such product, including the potential effects of the marijuana product and directions as to how to consume the marijuana product, as necessary.

(b) Marijuana, including concentrated cannabis, included in a marijuana product manufactured in compliance with law is not considered an adulterant under state law.

Chapter 14. Protection of Minors

26140.

(a) No licensee shall:

(1) Sell marijuana or marijuana products to persons under 21 years of age.

(2) Allow any person under 21 years of age on its premises.

(3) Employ or retain persons under 21 years of age.

(4) Sell or transfer marijuana or marijuana products unless the person to whom the marijuana or marijuana product is to be sold first presents documentation which reasonably appears to be a valid government-issued identification card showing that the person is 21 years of age or older.

(b) Persons under 21 years of age may be used by peace officers in the enforcement of this division and to apprehend licensees, or employees or agents of licensees, or other persons who sell or furnish marijuana to minors. Notwithstanding any provision of law, any person under 21 years of age who purchases or attempts to purchase any marijuana while under the direction of a peace officer is immune from prosecution for that purchase or attempt to purchase marijuana. Guidelines with respect to the use of persons under 21 years of age as decoys shall be adopted and published by the bureau in accordance with the rulemaking portion of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).

(c) Notwithstanding subdivision (a), a licensee that is also a dispensary licensed under Chapter 3.5 of Division 8 may:

(1) Allow on the premises any person 18 years of age or older who possesses a valid identification card under Section 11362.71 of the Health and Safety Code and a valid government-issued identification card;

(2) Sell marijuana, marijuana products, and marijuana accessories to a person 18 years of age or older who possesses a valid identification card under Section 11362.71 of the Health and Safety Code and a valid government-issued identification card.

Chapter 15. Advertising and Marketing Restrictions

26150.

For purposes of this chapter:

(a) "Advertise" means the publication or dissemination of an advertisement.

(b) "Advertisement" includes any written or verbal statement, illustration, or depiction which is calculated to induce sales of marijuana or marijuana products, including any written, printed, graphic, or other material, billboard, sign, or other outdoor display, public transit card, other periodical literature, publication, or in a radio or television broadcast, or in any other media; except that such term shall not include:

(1) Any label affixed to any marijuana or marijuana products, or any individual covering, carton, or other wrapper of such container that constitutes a part of the labeling under provisions of this division.

(2) Any editorial or other reading material (e.g., news release) in any periodical or publication or newspaper for the publication of which no money or valuable consideration is paid or promised, directly or indirectly, by any licensee, and which is not written by or at the direction of the licensee.

(c) "Advertising sign" is any sign, poster, display, billboard, or any other stationary or permanently-affixed advertisement promoting the sale of marijuana or marijuana products which are not cultivated, manufactured, distributed, or sold on the same lot.

(d) "Health-related statement" means any statement related to health, and includes statements of a curative or therapeutic nature that, expressly or by implication, suggest a relationship between the consumption of marijuana or marijuana products and health benefits, or effects on health.

(e) "Market" or "Marketing" means any act or process of promoting or selling marijuana or marijuana products, including but not limited to, sponsorship of sporting events, point of sale advertising, development of products specifically designed to appeal to certain demographics, etc.

26151.

(a) All advertisements and marketing shall accurately and legibly identify the licensee responsible for its content.

(b) Any advertising or marketing placed in broadcast, cable, radio, print and digital communications shall only be displayed where at least 71.6 percent of the audience is reasonably expected to be 21 years of age or older, as determined by reliable, up-to-date audience composition data.

- (c) Any advertising or marketing involving direct, individualized communication or dialogue controlled by the licensee shall utilize a method of age affirmation to verify that the recipient is 21 years of age or older prior to engaging in such communication or dialogue controlled by the licensee. For purposes of this section, such method of age affirmation may include user confirmation, birth date disclosure, or other similar registration method.
- (d) All advertising shall be truthful and appropriately substantiated.

26152.

No licensee shall:

- (a) Advertise or market in a manner that is false or untrue in any material particular, or that, irrespective of falsity, directly, or by ambiguity, omission, or inference, or by the addition of irrelevant, scientific or technical matter tends to create a misleading impression;
- (b) Publish or disseminate advertising or marketing containing any statement concerning a brand or product that is inconsistent with any statement on the labeling thereof;
- (c) Publish or disseminate advertising or marketing containing any statement, design, device, or representation which tends to create the impression that the marijuana originated in a particular place or region, unless the label of the advertised product bears an appellation of origin, and such appellation of origin appears in the advertisement;
- (d) Advertise or market on a billboard or similar advertising device located on an Interstate Highway or State Highway which crosses the border of any other state;
- (e) Advertise or market marijuana or marijuana products in a manner intended to encourage persons under the age of 21 years to consume marijuana or marijuana products;
- (f) Publish or disseminate advertising or marketing containing symbols, language, music, gestures, cartoon characters or other content elements known to appeal primarily to persons below the legal age of consumption; or
- (g) Advertise or market marijuana or marijuana products on an advertising sign within 1,000 feet of a day care center, school providing instruction in kindergarten or any grades 1 through 12, playground, or youth center.

26153.

No licensee shall give away any amount of marijuana or marijuana products, or any marijuana accessories, as part of a business promotion or other commercial activity.

26154.

No licensee shall publish or disseminate advertising or marketing containing any health-related statement that is untrue in any particular manner or tends to create a misleading impression as to the effects on health of marijuana consumption.

26155.

- (a) The provisions of subsection (g) of section 26152 shall not apply to the placement of advertising signs inside a licensed premises and which are not visible by normal unaided vision from a public place, provided that such advertising signs do not advertise marijuana or marijuana products in a manner intended to encourage persons under the age of 21 years to consume marijuana or marijuana products.
- (b) This chapter does not apply to any noncommercial speech.

Chapter 16. Records

26160.

- (a) A licensee shall keep accurate records of commercial marijuana activity.*
- (b) All records related to commercial marijuana activity as defined by the licensing authorities shall be maintained for a minimum of seven years.*
- (c) The bureau may examine the books and records of a licensee and inspect the premises of a licensee as the licensing authority, or a state or local agency, deems necessary to perform its duties under this division. All inspections shall be conducted during standard business hours of the licensed facility or at any other reasonable time.*
- (d) Licensees shall keep records identified by the licensing authorities on the premises of the location licensed. The licensing authorities may make any examination of the records of any licensee. Licensees shall also provide and deliver copies of documents to the licensing agency upon request.*
- (e) A licensee, or its agent or employee, that refuses, impedes, obstructs, or interferes with an inspection of the premises or records of the licensee pursuant to this section, has engaged in a violation of this division.*
- (f) If a licensee, or an agent or employee of a licensee, fails to maintain or provide the records required pursuant to this section, the licensee shall be subject to a citation and fine of up to thirty thousand dollars (\$30,000) per individual violation.*

26161.

- (a) Every sale or transport of marijuana or marijuana products from one licensee to another licensee must be recorded on a sales invoice or receipt. Sales invoices and receipts may be maintained electronically and must be filed in such manner as to be readily accessible for examination by employees of the bureau or Board of Equalization and shall not be commingled with invoices covering other commodities.*
- (b) Each sales invoice required by subdivision (a) shall include the name and address of the seller and shall include the following information:*
 - (1) Name and address of the purchaser.*
 - (2) Date of sale and invoice number.*
 - (3) Kind, quantity, size, and capacity of packages of marijuana or marijuana products sold.*
 - (4) The cost to the purchaser, together with any discount applied to the price as shown on the invoice.*
 - (5) The place from which transport of the marijuana or marijuana product was made unless transport was made from the premises of the licensee.*
 - (6) Any other information specified by the bureau or the licensing authority.*

Chapter 17. Track and Trace System

26170.

- (a) The Department of Food and Agriculture, in consultation with the bureau and the State Board of Equalization, shall expand the track and trace program provided for under Article 7.5 to include the reporting of the movement of marijuana and marijuana products throughout the distribution chain and provide, at a minimum, the same level of information for marijuana and marijuana products as required to be reported for medical cannabis and medical cannabis*

products, and in addition, the amount of the cultivation tax due pursuant to Part 14.5 of the Revenue and Taxation Code. The expanded track and trace program shall include an electronic seed to sale software tracking system with data points for the different stages of commercial activity including, but not limited to, cultivation, harvest, processing, distribution, inventory, and sale.

(b) The Department, in consultation with the bureau, shall ensure that licensees under this division are allowed to use third-party applications, programs and information technology systems to comply with the requirements of the expanded track and trace program described in subdivision (a) to report the movement of marijuana and marijuana products throughout the distribution chain and communicate such information to licensing agencies as required by law.

(c) Any software, database or other information technology system utilized by the Department to implement the expanded track and trace program shall support interoperability with third-party cannabis business software applications and allow all licensee-facing system activities to be performed through a secure application programming interface (API) or comparable technology which is well documented, bi-directional, and accessible to any third-party application that has been validated and has appropriate credentials. The API or comparable technology shall have version control and provide adequate notice of updates to third-party applications. The system should provide a test environment for third-party applications to access that mirrors the production environment.

Chapter 18. License Fees

26180.

Each licensing authority shall establish a scale of application, licensing, and renewal fees, based upon the cost of enforcing this division, as follows:

(a) Each licensing authority shall charge each licensee a licensure and renewal fee, as applicable. The licensure and renewal fee shall be calculated to cover the costs of administering this division. The licensure fee may vary depending upon the varying costs associated with administering the various regulatory requirements of this division as they relate to the nature and scope of the different licensure activities, including, but not limited to, the track and trace program required pursuant to Section 26170, but shall not exceed the reasonable regulatory costs to the licensing authority.

(b) The total fees assessed pursuant to this division shall be set at an amount that will fairly and proportionately generate sufficient total revenue to fully cover the total costs of administering this division.

(c) All license fees shall be set on a scaled basis by the licensing authority, dependent on the size of the business.

(d) The licensing authority shall deposit all fees collected in a fee account specific to that licensing authority, to be established in the Marijuana Control Fund. Moneys in the licensing authority fee accounts shall be used, upon appropriation by the Legislature, by the designated licensing authority for the administration of this division.

26181.

The State Water Resources Control Board, the Department of Fish and Wildlife, and other agencies may establish fees to cover the costs of their marijuana regulatory programs.

Chapter 19. Annual Reports; Performance Audit

26190.

Beginning on March 1, 2020, and on or before March 1 of each year thereafter, each licensing authority shall prepare and submit to the Legislature an annual report on the authority's activities concerning commercial marijuana activities and post the report on the authority's website. The report shall include, but not be limited to, the same type of information specified in Section 19353, and a detailed list of the petitions for regulatory relief or rulemaking changes received by the office from licensees requesting modifications of the enforcement of rules under this division.

26191.

(a) Commencing January 1, 2019, and by January 1 of each year thereafter, the Bureau of State Audits shall conduct a performance audit of the bureau's activities under this division, and shall report its findings to the bureau and the Legislature by July 1 of that same year. The report shall include, but not be limited to, the following:

(1) The actual costs of the program.

(2) The overall effectiveness of enforcement programs.

(3) Any report submitted pursuant to this section shall be submitted in compliance with Section 9795 of the Government Code.

(b) The Legislature shall provide sufficient funds to the Bureau of State Audits to conduct the annual audit required by this section.

Chapter 20. Local Control

26200.

(a) Nothing in this division shall be interpreted to supersede or limit the authority of a local jurisdiction to adopt and enforce local ordinances to regulate businesses licensed under this division, including, but not limited to, local zoning and land use requirements, business license requirements, and requirements related to reducing exposure to second hand smoke, or to completely prohibit the establishment or operation of one or more types of businesses licensed under this division within the local jurisdiction.

(b) Nothing in this division shall be interpreted to require a licensing authority to undertake local law enforcement responsibilities, enforce local zoning requirements, or enforce local licensing requirements.

(c) A local jurisdiction shall notify the bureau upon revocation of any local license, permit, or authorization for a licensee to engage in commercial marijuana activity within the local jurisdiction. Within ten (10) days of notification, the bureau shall inform the relevant licensing authorities. Within ten (10) days of being so informed by the bureau, the relevant licensing authorities shall commence proceedings under Chapter 3 of this Division to determine whether a license issued to the licensee should be suspended or revoked.

(d) Notwithstanding paragraph (1) of subdivision (a) of Section 11362.3 of the Health and Safety Code, a local jurisdiction may allow for the smoking, vaporizing, and ingesting of marijuana or marijuana products on the premises of a retailer or microbusiness licensed under this division if:

(1) Access to the area where marijuana consumption is allowed is restricted to persons 21 years of age and older;

- (2) Marijuana consumption is not visible from any public place or non-age restricted area; and*
- (3) Sale or consumption of alcohol or tobacco is not allowed on the premises.*

26201.

Any standards, requirements, and regulations regarding health and safety, environmental protection, testing, security, food safety, and worker protections established by the state shall be the minimum standards for all licensees under this division statewide. A local jurisdiction may establish additional standards, requirements, and regulations.

26202.

- (a) A local jurisdiction may enforce this division and the regulations promulgated by the bureau or any licensing authority if delegated the power to do so by the bureau or a licensing authority.*
- (b) The bureau or any licensing authority shall implement the delegation of enforcement authority in subdivision (a) through a memorandum of understanding between the bureau or licensing authority and the local jurisdiction to which enforcement authority is to be delegated.*

Chapter 21. Funding

26210.

- (a) The Medical Marijuana Regulation and Safety Act Fund established in Section 19351 of Chapter 3.5 of Division 8 is hereby renamed the Marijuana Control Fund.*
- (b) Upon the effective date of this section, whenever "Medical Marijuana Regulation and Safety Act Fund" appears in any statute, regulation, or contract, or in any other code, it shall be construed to refer to the Marijuana Control Fund.*

26211.

(a) Funds for the initial establishment and support of the regulatory activities under this division, including the public information program described in subdivision (c), and for the activities of the Board of Equalization under Part 14.5 of Division 2 of the Revenue and Taxation Code until July 1, 2017, or until the 2017 Budget Act is enacted, whichever occurs later, shall be advanced from the General Fund and shall be repaid by the initial proceeds from fees collected pursuant to this division, any rule or regulation adopted pursuant to this division, or revenues collected from the tax imposed by Sections 34011 and 34012 of the Revenue and Taxation Code, by January 1, 2025.

(1) Funds advanced pursuant to this subdivision shall be appropriated to the bureau, which shall distribute the moneys to the appropriate licensing authorities, as necessary to implement the provisions of this division, and to the Board of Equalization, as necessary, to implement the provisions of Part 14.5 of Division 2 of the Revenue and Taxation Code.

(2) Within 45 days of this section becoming operative:

(A) The Director of Finance shall determine an amount of the initial advance from the General Fund to the Marijuana Control Fund that does not exceed thirty million dollars (\$30,000,000); and

(B) There shall be advanced a sum of five million dollars (\$5,000,000) from the General Fund to the Department of Health Care Services to provide for the public information program described in subdivision (c).

(b) Notwithstanding subdivision (a), the Legislature shall provide sufficient funds to the Marijuana Control Fund to support the activities of the bureau, state licensing authorities under this division, and the Board of Equalization to support its activities under Part 14.5 of Division 2 of the Revenue and Taxation Code. It is anticipated that this funding will be provided annually beginning on July 1, 2017.

(c) The Department of Health Care Services shall establish and implement a public information program no later than September 1, 2017. This public information program shall, at a minimum, describe the provisions of the Control, Regulate, and Tax Adult Use of Marijuana Act of 2016, the scientific basis for restricting access of marijuana and marijuana products to persons under the age of 21 years, describe the penalties for providing access to marijuana and marijuana products to persons under the age of 21 years, provide information regarding the dangers of driving a motor vehicle, boat, vessel, aircraft, or other vehicle used for transportation while impaired from marijuana use, the potential harms of using marijuana while pregnant or breastfeeding, and the potential harms of overusing marijuana or marijuana products.

Section 147.6 of the Labor Code is hereby added as follows:

147.6.

(a) By March 1, 2018, the Division of Occupational Safety and Health shall convene an advisory committee to evaluate whether there is a need to develop industry-specific regulations related to the activities of licensees under Division 10 of the Business and Professions Code, including but not limited to, whether specific requirements are needed to address exposure to second-hand marijuana smoke by employees at facilities where on-site consumption of marijuana is permitted under subdivision (d) of Section 26200 of the Business and Professions Code, and whether specific requirements are needed to address the potential risks of combustion, inhalation, armed robberies or repetitive strain injuries.

(b) By October 1, 2018, the advisory committee shall present to the board its findings and recommendations for consideration by the board. By October 1, 2018, the board shall render a decision regarding the adoption of industry-specific regulations pursuant to this section.

Section 13276 of the Water Code is amended to read:

13276.

(a) The multiagency task force, the Department of Fish and Wildlife and State Water Resources Control Board pilot project to address the Environmental Impacts of Cannabis Cultivation, assigned to respond to the damages caused by marijuana cultivation on public and private lands in California, shall continue its enforcement efforts on a permanent basis and expand them to a statewide level to ensure the reduction of adverse impacts of marijuana cultivation on water quality and on fish and wildlife throughout the state.

(b) Each regional board shall, and the State Water Resources Control Board may, address discharges of waste resulting from medical marijuana cultivation and commercial marijuana cultivation under Division 10 of the Business and Profession Code and associated activities, including by adopting a general permit, establishing waste discharge requirements, or taking action pursuant to Section 13269. In addressing these discharges, each regional board shall include conditions to address items that include, but are not limited to, all of the following:

(1) Site development and maintenance, erosion control, and drainage features.

- (2) Stream crossing installation and maintenance.
- (3) Riparian and wetland protection and management.
- (4) Soil disposal.
- (5) Water storage and use.
- (6) Irrigation runoff.
- (7) Fertilizers and soil.
- (8) Pesticides and herbicides.
- (9) Petroleum products and other chemicals.
- (10) Cultivation-related waste.
- (11) Refuse and human waste.
- (12) Cleanup, restoration, and mitigation.

SECTION 7. MARIJUANA TAX.

Part 14.5 (commencing with Section 34010) is added to Division 2 of the Revenue and Taxation Code, to read:

Part 14.5. Marijuana Tax

34010.

For purposes of this part:

- (a) "Board" shall mean the Board of Equalization or its successor agency.
- (b) "Bureau" shall mean the Bureau of Marijuana Control within the Department of Consumer Affairs.
- (c) "Tax Fund" means the California Marijuana Tax Fund created by Section 34018.
- (d) "Marijuana" shall have the same meaning as set forth in Section 11018 of the Health and Safety Code and shall also mean medical cannabis.
- (e) "Marijuana products" shall have the same meaning as set forth in Section 11018.1 of the Health and Safety Code and shall also mean medical concentrates and medical cannabis products.
- (f) "Marijuana flowers" shall mean the dried flowers of the marijuana plant as defined by the Board.
- (g) "Marijuana leaves" shall mean all parts of the marijuana plant other than marijuana flowers that are sold or consumed.
- (h) "Gross receipts" shall have the same meaning as set forth in Section 6012.
- (i) "Retail sale" shall have the same meaning as set forth in Section 6007.
- (j) "Person" shall have the same meaning as set for in section 6005.
- (k) "Microbusiness" shall have the same meaning as set for in Section 26070(a)(3) of the Business and Professions Code.
- (l) "Nonprofit" shall have the same meaning as set for in Section 26070.5 of the Business and Professions Code.

34011.

- (a) Effective January 1, 2018, a marijuana excise tax shall be imposed upon purchasers of marijuana or marijuana products sold in this state at the rate of fifteen percent (15%) of the gross receipts of any retail sale by a dispensary or other person required to be licensed pursuant to Chapter 3.5 of Division 8 of the Business and Professions Code or a retailer, microbusiness,

nonprofit, or other person required to be licensed pursuant to Division 10 of the Business and Professions Code to sell marijuana and marijuana products directly to a purchaser.

(b) Except as otherwise provided by regulation, the tax levied under this section shall apply to the full price, if non-itemized, of any transaction involving both marijuana or marijuana products and any other otherwise distinct and identifiable goods or services, and the price of any goods or services, if a reduction in the price of marijuana or marijuana products is contingent on purchase of those goods or services.

(c) A dispensary or other person required to be licensed pursuant to Chapter 3.5 of Division 8 of the Business and Professions Code or a retailer, microbusiness, nonprofit, or other person required to be licensed pursuant to Division 10 of the Business and Professions Code shall be responsible for collecting this tax and remitting it to the board in accordance with rules and procedures established under law and any regulations adopted by the board.

(d) The excise tax imposed by this section shall be in addition to the sales and use tax imposed by the state and local governments.

(e) Gross receipts from the sale of marijuana or marijuana products for purposes of assessing the sales and use tax under Part 1 of this division shall include the tax levied pursuant to this section.

(f) No marijuana or marijuana products may be sold to a purchaser unless the excise tax required by law has been paid by the purchaser at the time of sale.

(g) The sales and use tax imposed by Part 1 of this division shall not apply to retail sales of medical cannabis, medical cannabis concentrate, edible medical cannabis products or topical cannabis as those terms are defined in Chapter 3.5 of Division 8 of the Business and Professions Code when a qualified patient (or primary caregiver for a qualified patient) provides his or her card issued under Section 11362.71 of the Health and Safety Code and a valid government-issued identification card.

34012.

(a) Effective January 1, 2018, there is hereby imposed a cultivation tax on all harvested marijuana that enters the commercial market upon all persons required to be licensed to cultivate marijuana pursuant to Chapter 3.5 of Division 8 of the Business and Professions Code or Division 10 of the Business and Professions Code. The tax shall be due after the marijuana is harvested.

(1) The tax for marijuana flowers shall be nine dollars and twenty five cents (\$9.25) per dry-weight ounce.

(2) The tax for marijuana leaves shall be set at two dollars and seventy five cents (\$2.75) per dry-weight ounce.

(b) The board may adjust the tax rate for marijuana leaves annually to reflect fluctuations in the relative price of marijuana flowers to marijuana leaves.

(c) The board may from time to time establish other categories of harvested marijuana, categories for unprocessed or frozen marijuana or immature plants, or marijuana that is shipped directly to manufacturers. These categories shall be taxed at their relative value compared with marijuana flowers.

(d) The board may prescribe by regulation a method and manner for payment of the cultivation tax that utilizes tax stamps or state-issued product bags that indicate that all required tax has been paid on the product to which the tax stamp is affixed or in which the marijuana is packaged.

(e) The tax stamps and product bags shall be of the designs, specifications and denominations as may be prescribed by the board and may be purchased by any licensee under Chapter 3.5 of Division 8 of the Business and Professions Code or under Division 10 of the Business and Professions Code.

(f) Subsequent to the establishment of a tax stamp program, the board may by regulation provide that no marijuana may be removed from a licensed cultivation facility or transported on a public highway unless in a state-issued product bag bearing a tax stamp in the proper denomination.

(g) The tax stamps and product bags shall be capable of being read by a scanning or similar device and must be traceable utilizing the track and trace system pursuant to Section 26170 of the Business and Professions Code.

(h) Persons required to be licensed to cultivate marijuana pursuant to Chapter 3.5 of Division 8 of the Business and Professions Code or Division 10 of the Business and Professions Code shall be responsible for payment of the tax pursuant to regulations adopted by the board. No marijuana may be sold unless the tax has been paid as provided in this part.

(i) All marijuana removed from a cultivator's premises, except for plant waste, shall be presumed to be sold and thereby taxable under this section.

(j) The tax imposed by this section shall be imposed on all marijuana cultivated in the state pursuant to rules and regulations promulgated by the board, but shall not apply to marijuana cultivated for personal use under Section 11362.1 of the Health and Safety Code or cultivated by a qualified patient or primary caregiver in accordance with the Compassionate Use Act.

(k) Beginning January 1, 2020, the rates set forth in subdivisions (a), (b), and (c) shall be adjusted by the board annually thereafter for inflation.

34013.

(a) The board shall administer and collect the taxes imposed by this part pursuant to the Fee Collection Procedures Law (Part 30 (commencing with Section 55001) of Division 2 of the Revenue and Taxation Code). For purposes of this part, the references in the Fee Collection Procedures Law to "fee" shall include the tax imposed by this part, and references to "feepayer" shall include a person required to pay or collect the tax imposed by this part.

(b) The board may prescribe, adopt, and enforce regulations relating to the administration and enforcement of this part, including, but not limited to, collections, reporting, refunds, and appeals.

(c) The board shall adopt necessary rules and regulations to administer the taxes in this part. Such rules and regulations may include methods or procedures to tag marijuana or marijuana products, or the packages thereof, to designate prior tax payment.

(d) The board may prescribe, adopt, and enforce any emergency regulations as necessary to implement, administer and enforce its duties under this division. Any emergency regulation prescribed, adopted, or enforced pursuant to this section shall be adopted in accordance with Chapter 3.5 (commencing with section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, and, for purposes of that chapter, including Section 11349.6 of the Government Code, the adoption of the regulation is an emergency and shall be considered by the Office of Administrative Law as necessary for the immediate preservation of the public peace, health and safety, and general welfare. Notwithstanding any other provision of law, the emergency regulations adopted by the board may remain in effect for two years from adoption.

(e) Any person who fails to pay the taxes imposed under this part shall, in addition to owing the taxes not paid, be subject to a penalty of at least one-half the amount of the taxes not paid, and

shall be subject to having its license revoked pursuant to Section 26031 of the Business and Professions Code or pursuant to Chapter 3.5 of Division 8 of the Business and Professions Code. (f) The board may bring such legal actions as are necessary to collect any deficiency in the tax required to be paid, and, upon the board's request, the Attorney General shall bring the actions.

34014.

(a) All persons required to be licensed involved in the cultivation and retail sale of marijuana or marijuana products must obtain a separate permit from the board pursuant to regulations adopted by the board. No fee shall be charged to any person for issuance of the permit. Any person required to obtain a permit who engages in business as a cultivator, dispensary, retailer, microbusiness or nonprofit pursuant to Chapter 3.5 of Division 8 of the Business and Professions Code or Division 10 of the Business and Professions Code without a permit or after a permit has been canceled, suspended, or revoked, and each officer of any corporation which so engages in business, is guilty of a misdemeanor.

(b) The board may require every licensed dispensary, cultivator, microbusiness, nonprofit, or other person required to be licensed, to provide security to cover the liability for taxes imposed by state law on marijuana produced or received by the cultivator, microbusiness, nonprofit, or other person required to be licensed in accordance with procedures to be established by the board. Notwithstanding anything herein to the contrary, the board may waive any security requirement it imposes for good cause, as determined by the board. "Good cause" includes, but is not limited to, the inability of a cultivator, microbusiness, nonprofit, or other person required to be licensed to obtain security due to a lack of service providers or the policies of service providers that prohibit service to a marijuana business. A person may not commence or continue any business or operation relating to marijuana cultivation until any surety required by the board with respect to the business or operation have been properly prepared, executed and submitted under this part.

(c) In fixing the amount of any security required by the board, the board shall give consideration to the financial hardship that may be imposed on licensees as a result of any shortage of available surety providers.

34015.

(a) The marijuana excise tax and cultivation tax imposed by this part is due and payable to the board quarterly on or before the last day of the month following each quarterly period of three months. On or before the last day of the month following each quarterly period, a return for the preceding quarterly period shall be filed with the board by each person required to be licensed for cultivation or retail sale under Divisions 8 or 10 of the Business and Professions Code using electronic media. Returns shall be authenticated in a form or pursuant to methods as may be prescribed by the board. If the cultivation tax is paid by stamp pursuant to section 34012(d) the board may by regulation determine when and how the tax shall be paid.

(b) The board may require every person engaged in the cultivation, distribution or retail sale of marijuana and marijuana products required to be licensed pursuant to Chapter 3.5 of Division 8 of the Business or Professions Code or Division 10 of the Business and Professions Code to file, on or before the 25th day of each month, a report using electronic media respecting the person's inventory, purchases, and sales during the preceding month and any other information as the board may require to carry out the purposes of this part. Reports shall be authenticated in a form or pursuant to methods as may be prescribed by the board.

34016.

(a) Any peace officer, or board employee granted limited peace officer status pursuant to paragraph (6) of subdivision (a) of Section 830.11 of the Penal Code, upon presenting appropriate credentials, is authorized to enter any place as described in paragraph (3) and to conduct inspections in accordance with the following paragraphs, inclusive.

(1) Inspections shall be performed in a reasonable manner and at times that are reasonable under the circumstances, taking into consideration the normal business hours of the place to be entered.

(2) Inspections may be at any place at which marijuana or marijuana products are sold to purchasers, cultivated, or stored, or at any site where evidence of activities involving evasion of tax may be discovered.

(3) Inspections shall be requested or conducted no more than once in a 24-hour period.

(b) Any person who fails or refuses to allow an inspection shall be subject to a misdemeanor. Each offense shall be punished by a fine not to exceed five thousand dollars (\$5,000), or imprisonment not exceeding one year in a county jail, or both the fine and imprisonment. The court shall order any fines assessed be deposited in the California Marijuana Tax Fund.

(c) Upon discovery by the board or a law enforcement agency that a licensee or any other person possesses, stores, owns, or has made a retail sale of marijuana or marijuana products, without evidence of tax payment or not contained in secure packaging, the board or the law enforcement agency shall be authorized to seize the marijuana or marijuana products. Any marijuana or marijuana products seized by a law enforcement agency or the board shall within seven days be deemed forfeited and the board shall comply with the procedures set forth in Sections 30436 through 30449, inclusive.

(d) Any person who renders a false or fraudulent report is guilty of a misdemeanor and subject to a fine not to exceed one thousand dollars (\$1,000) for each offense.

(e) Any violation of any provisions of this part, except as otherwise provided, is a misdemeanor and is punishable as such.

(f) All moneys remitted to the board under this part shall be credited to the California Marijuana Tax Fund.

34017.

The Legislative Analyst's Office shall submit a report to the Legislature by January 1, 2020, with recommendations to the Legislature for adjustments to the tax rate to achieve the goals of undercutting illicit market prices and discouraging use by persons younger than 21 years of age while ensuring sufficient revenues are generated for the programs identified in Section 34019.

34018.

(a) The California Marijuana Tax Fund is hereby created in the State Treasury. The Tax Fund shall consist of all taxes, interest, penalties, and other amounts collected and paid to the board pursuant to this part, less payment of refunds.

(b) Notwithstanding any other law, the California Marijuana Tax Fund is a special trust fund established solely to carry out the purposes of the Control, Regulate and Tax Adult Use of Marijuana Act and all revenues deposited into the Tax Fund, together with interest or dividends earned by the fund, are hereby continuously appropriated for the purposes of the Control,

Regulate and Tax Adult Use of Marijuana Act without regard to fiscal year and shall be expended only in accordance with the provisions of this part and its purposes.

(c) Notwithstanding any other law, the taxes imposed by this part and the revenue derived therefrom, including investment interest, shall not be considered to be part of the General Fund, as that term is used in Chapter 1 (commencing with section 16300) of Part 2 of Division 4 of the Government Code, shall not be considered General Fund revenue for purposes of Section 8 of Article XVI of the California Constitution and its implementing statutes, and shall not be considered "moneys" for purposes of subdivisions (a) and (b) of Section 8 of Article XVI of the California Constitution and its implementing statutes.

34019.

(a) Beginning with fiscal year 2017-2018 the Department of Finance shall estimate revenues to be received pursuant to sections 34011 and 34012 and provide those estimates to the Controller no later than June 15 of each year. The Controller shall use these estimates when disbursing funds pursuant to this section. Before any funds are disbursed pursuant to subdivisions (b), (c), (d), and (e) of this section the Controller shall disburse from the Tax Fund to the appropriate account, without regard to fiscal year, the following:

(1) Reasonable costs incurred by the board for administering and collecting the taxes imposed by this part; provided, however, such costs shall not exceed four percent (4%) of tax revenues received.

(2) Reasonable costs incurred by the Bureau, the Department of Consumer Affairs, the Department of Food and Agriculture, and the Department of Public Health for implementing, administering, and enforcing Chapter 3.5 of Division 8 of the Business and Professions Code and Division 10 of the Business and Professions Code to the extent those costs are not reimbursed pursuant to Section 26180 of the Business and Professions Code or pursuant to Chapter 3.5 of Division 8 of the Business and Professions Code. This paragraph shall remain operative through fiscal year 2022-2023.

(3) Reasonable costs incurred by the Department of Fish and Wildlife, the State Water Resources Control Board, and the Department of Pesticide Regulation for carrying out their respective duties under Chapter 3.5 of Division 8 of the Business and Professions Code or Division 10 of the Business and Professions Code to the extent those costs are not otherwise reimbursed.

(4) Reasonable costs incurred by the Controller for performing duties imposed by the Control, Regulate and Tax Adult Use of Marijuana Act, including the audit required by Section 34020.

(5) Reasonable costs incurred by the State Auditor for conducting the performance audit pursuant to Section 26191 of the Business and Professions Code.

(6) Reasonable costs incurred by the Legislative Analyst's Office for performing duties imposed by Section 34017.

(7) Sufficient funds to reimburse the Division of Labor Standards Enforcement and Occupational Safety and Health within the Department of Industrial Relations and the Employment Development Department for the costs of applying and enforcing state labor laws to licensees under Chapter 3.5 of Division 8 of the Business and Professions Code and Division 10 of the Business and Professions Code.

(b) The Controller shall next disburse the sum of ten million dollars (\$10,000,000) to a public university or universities in California annually beginning with fiscal year 2018-2019 until fiscal year 2028-2029 to research and evaluate the implementation and effect of the Control, Regulate and Tax Adult Use of Marijuana Act, and shall, if appropriate, make recommendations to the

Legislature and Governor regarding possible amendments to the Control, Regulate and Tax Adult Use of Marijuana Act. The recipients of these funds shall publish reports on their findings at a minimum of every two years and shall make the reports available to the public. The Bureau shall select the universities to be funded. The research funded pursuant to this subdivision shall include but not necessarily be limited to:

- (1) Impacts on public health, including health costs associated with marijuana use, as well as whether marijuana use is associated with an increase or decrease in use of alcohol or other drugs.
 - (2) The impact of treatment for maladaptive marijuana use and the effectiveness of different treatment programs.
 - (3) Public safety issues related to marijuana use, including studying the effectiveness of the packaging and labeling requirements and advertising and marketing restrictions contained in the Act at preventing underage access to and use of marijuana and marijuana products, and studying the health-related effects among users of varying potency levels of marijuana and marijuana products.
 - (4) Marijuana use rates, maladaptive use rates for adults and youth, and diagnosis rates of marijuana-related substance use disorders.
 - (5) Marijuana market prices, illicit market prices, tax structures and rates, including an evaluation of how to best tax marijuana based on potency, and the structure and function of licensed marijuana businesses.
 - (6) Whether additional protections are needed to prevent unlawful monopolies or anti-competitive behavior from occurring in the nonmedical marijuana industry and, if so, recommendations as to the most effective measures for preventing such behavior.
 - (7) The economic impacts in the private and public sectors, including but not necessarily limited to, job creation, workplace safety, revenues, taxes generated for state and local budgets, and criminal justice impacts, including, but not necessarily limited to, impacts on law enforcement and public resources, short and long term consequences of involvement in the criminal justice system, and state and local government agency administrative costs and revenue.
 - (8) Whether the regulatory agencies tasked with implementing and enforcing the Control, Regulate and Tax Adult Use of Marijuana Act are doing so consistent with the purposes of the Act, and whether different agencies might do so more effectively.
 - (9) Environmental issues related to marijuana production and the criminal prohibition of marijuana production.
 - (10) The geographic location, structure, and function of licensed marijuana businesses, and demographic data, including race, ethnicity, and gender, of license holders.
 - (11) The outcomes achieved by the changes in criminal penalties made under the Control, Regulate, and Tax Adult Use of Marijuana Act for marijuana-related offenses, and the outcomes of the juvenile justice system, in particular, probation-based treatments and the frequency of up-charging illegal possession of marijuana or marijuana products to a more serious offense.
- (c) The Controller shall next disburse the sum of three million dollars (\$3,000,000) annually to the Department of the California Highway Patrol beginning fiscal year 2018-2019 until fiscal year 2022-2023 to establish and adopt protocols to determine whether a driver is operating a vehicle while impaired, including impairment by the use of marijuana or marijuana products, and to establish and adopt protocols setting forth best practices to assist law enforcement agencies. The department may hire personnel to establish the protocols specified in this subdivision. In addition, the department may make grants to public and private research

institutions for the purpose of developing technology for determining when a driver is operating a vehicle while impaired, including impairment by the use of marijuana or marijuana products.

(d) The Controller shall next disburse the sum of ten million dollars (\$10,000,000) beginning fiscal year 2018-2019 and increasing ten million dollars (\$10,000,000) each fiscal year thereafter until fiscal year 2022-2023, at which time the disbursement shall be fifty million dollars (\$50,000,000) each year thereafter, to the Governor's Office of Business and Economic Development, in consultation with the Labor and Workforce Development Agency and the Department of Social Services, to administer a Community Reinvestments grants program to local health departments and at least fifty-percent to qualified community-based nonprofit organizations to support job placement, mental health treatment, substance use disorder treatment, system navigation services, legal services to address barriers to reentry, and linkages to medical care for communities disproportionately affected by past federal and state drug policies. The Office shall solicit input from community-based job skills, job placement, and legal service providers with relevant expertise as to the administration of the grants program. In addition, the Office shall periodically evaluate the programs it is funding to determine the effectiveness of the programs, shall not spend more than four percent (4%) for administrative costs related to implementation, evaluation and oversight of the programs, and shall award grants annually, beginning no later than January 1, 2020.

(e) The Controller shall next disburse the sum of two million dollars (\$2,000,000) annually to the University of California San Diego Center for Medicinal Cannabis Research to further the objectives of the Center including the enhanced understanding of the efficacy and adverse effects of marijuana as a pharmacological agent.

(f) By July 15 of each fiscal year beginning in fiscal year 2018-2019, the Controller shall, after disbursing funds pursuant to subdivisions (a), (b), (c), (d), and (e), disburse funds deposited in the Tax Fund during the prior fiscal year into sub-trust accounts, which are hereby created, as follows:

(1) Sixty percent (60%) shall be deposited in the Youth Education, Prevention, Early Intervention and Treatment Account, and disbursed by the Controller to the Department of Health Care Services for programs for youth that are designed to educate about and to prevent substance use disorders and to prevent harm from substance use. The Department of Health Care services shall enter into inter-agency agreements with the Department of Public Health and the Department of Education to implement and administer these programs. The programs shall emphasize accurate education, effective prevention, early intervention, school retention, and timely treatment services for youth, their families and caregivers. The programs may include, but are not limited to, the following components:

(A) Prevention and early intervention services including outreach, risk survey and education to youth, families, caregivers, schools, primary care health providers, behavioral health and substance use disorder service providers, community and faith-based organizations, foster care providers, juvenile and family courts, and others to recognize and reduce risks related to substance use, and the early signs of problematic use and of substance use disorders.

(B) Grants to schools to develop and support Student Assistance Programs, or other similar programs, designed to prevent and reduce substance use, and improve school retention and performance, by supporting students who are at risk of dropping out of school and promoting alternatives to suspension or expulsion that focus on school retention, remediation, and professional care. Schools with higher than average dropout rates should be prioritized for grants.

(C) Grants to programs for outreach, education and treatment for homeless youth and out-of-school youth with substance use disorders.

(D) Access and linkage to care provided by county behavioral health programs for youth, and their families and caregivers, who have a substance use disorder or who are at risk for developing a substance use disorder.

(E) Youth-focused substance use disorder treatment programs that are culturally and gender competent, trauma-informed, evidence-based and provide a continuum of care that includes screening and assessment (substance use disorder as well as mental health), early intervention, active treatment, family involvement, case management, overdose prevention, prevention of communicable diseases related to substance use, relapse management for substance use and other co-occurring behavioral health disorders, vocational services, literacy services, parenting classes, family therapy and counseling services, medication-assisted treatments, psychiatric medication and psychotherapy. When indicated, referrals must be made to other providers.

(F) To the extent permitted by law and where indicated, interventions shall utilize a two-generation approach to addressing substance use disorders with the capacity to treat youth and adults together. This would include supporting the development of family-based interventions that address substance use disorders and related problems within the context of families, including parents, foster parents, caregivers and all their children.

(G) Programs to assist individuals, as well as families and friends of drug using young people, to reduce the stigma associated with substance use including being diagnosed with a substance use disorder or seeking substance use disorder services. This includes peer-run outreach and education to reduce stigma, anti-stigma campaigns, and community recovery networks.

(H) Workforce training and wage structures that increase the hiring pool of behavioral health staff with substance use disorder prevention and treatment expertise. Provide ongoing education and coaching that increases substance use treatment providers' core competencies and trains providers on promising and evidenced-based practices.

(I) Construction of community-based youth treatment facilities.

(J) The departments may contract with each county behavioral health program for the provision of services.

(K) Funds shall be allocated to counties based on demonstrated need, including the number of youth in the county, the prevalence of substance use disorders among adults, and confirmed through statistical data, validated assessments or submitted reports prepared by the applicable county to demonstrate and validate need.

(L) The departments shall periodically evaluate the programs they are funding to determine the effectiveness of the programs.

(M) The departments may use up to four percent (4%) of the moneys allocated to the Youth Education, Prevention, Early Intervention and Treatment Account for administrative costs related to implementation, evaluation and oversight of the programs.

(N) If the Department of Finance ever determines that funding pursuant to marijuana taxation exceeds demand for youth prevention and treatment services in the state, the departments shall provide a plan to the Department of Finance to provide treatment services to adults as well as youth using these funds.

(O) The departments shall solicit input from volunteer health organizations, physicians who treat addiction, treatment researchers, family therapy and counseling providers, and professional education associations with relevant expertise as to the administration of any grants made pursuant to this paragraph.

(2) Twenty percent (20%) shall be deposited in the Environmental Restoration and Protection Account, and disbursed by the Controller as follows:

(A) To the Department of Fish and Wildlife and the Department of Parks and Recreation for the cleanup, remediation, and restoration of environmental damage in watersheds affected by marijuana cultivation and related activities including, but not limited to, damage that occurred prior to enactment of this part, and to support local partnerships for this purpose. The Department of Fish and Wildlife and the Department of Parks and Recreation may distribute a portion of the funds they receive from the Environmental Restoration and Protection Account through grants for purposes specified in this paragraph.

(B) To the Department of Fish and Wildlife and the Department of Parks and Recreation for the stewardship and operation of state-owned wildlife habitat areas and state park units in a manner that discourages and prevents the illegal cultivation, production, sale and use of marijuana and marijuana products on public lands, and to facilitate the investigation, enforcement and prosecution of illegal cultivation, production, sale, and use of marijuana or marijuana products on public lands.

(C) To the Department of Fish and Wildlife to assist in funding the watershed enforcement program and multiagency task force established pursuant to subdivisions (b) and (c) of Section 12029 of the Fish and Game Code to facilitate the investigation, enforcement, and prosecution of these offenses and to ensure the reduction of adverse impacts of marijuana cultivation, production, sale, and use on fish and wildlife habitats throughout the state.

(D) For purposes of this paragraph, the Secretary of the Natural Resources Agency shall determine the allocation of revenues between the departments. During the first five years of implementation, first consideration should be given to funding purposes specified in subparagraph (A).

(E) Funds allocated pursuant to this paragraph shall be used to increase and enhance activities described in subparagraphs (A), (B), and (C), and not replace allocation of other funding for these purposes. Accordingly, annual General Fund appropriations to the Department of Fish and Wildlife and the Department of Parks and Recreation shall not be reduced below the levels provided in the Budget Act of 2014 (Chapter 25 of Statutes of 2014).

(3) Twenty percent (20%) shall be deposited into the State and Local Government Law Enforcement Account and disbursed by the Controller as follows:

(A) To the Department of the California Highway Patrol for conducting training programs for detecting, testing and enforcing laws against driving under the influence of alcohol and other drugs, including driving under the influence of marijuana. The Department may hire personnel to conduct the training programs specified in this subparagraph.

(B) To the Department of the California Highway Patrol to fund internal California Highway Patrol programs and grants to qualified nonprofit organizations and local governments for education, prevention and enforcement of laws related to driving under the influence of alcohol and other drugs, including marijuana; programs that help enforce traffic laws, educate the public in traffic safety, provide varied and effective means of reducing fatalities, injuries and economic losses from collisions; and for the purchase of equipment related to enforcement of laws related to driving under the influence of alcohol and other drugs, including marijuana.

(C) To the Board of State and Community Corrections for making grants to local governments to assist with law enforcement, fire protection, or other local programs addressing public health and safety associated with the implementation of the Control, Regulate and Tax Adult Use of Marijuana Act. The Board shall not make any grants to local governments which have banned

the cultivation, including personal cultivation under Section 11362.2(b)(3) of the Health and Safety Code, or retail sale of marijuana or marijuana products pursuant to Section 26200 of the Business and Professions Code or as otherwise provided by law.

(D) For purposes of this paragraph the Department of Finance shall determine the allocation of revenues between the agencies; provided, however, beginning in fiscal year 2022-2023 the amount allocated pursuant to subparagraph (A) shall not be less than ten million dollars (\$10,000,000) annually and the amount allocated pursuant to subparagraph (B) shall not be less than forty million dollars (\$40,000,000) annually. In determining the amount to be allocated before fiscal year 2022-2023 pursuant to this paragraph, the Department of Finance shall give initial priority to subparagraph (A).

(g) Funds allocated pursuant to subdivision (f) shall be used to increase the funding of programs and purposes identified and shall not be used to replace allocation of other funding for these purposes.

(h) Effective July 1, 2028, the Legislature may amend this section by majority vote to further the purposes of the Control, Regulate and Tax Adult Use of Marijuana Act, including allocating funds to programs other than those specified in subdivisions (d) and (f) of this section. Any revisions pursuant to this subdivision shall not result in a reduction of funds to accounts established pursuant to subdivisions (d) and (f) in any subsequent year from the amount allocated to each account in fiscal year 2027-2028. Prior to July 1, 2028, the Legislature may not change the allocations to programs specified in subdivisions (d) and (f) of this section.

34020.

The Controller shall periodically audit the Tax Fund to ensure that those funds are used and accounted for in a manner consistent with this part and as otherwise required by law.

34021.

(a) The taxes imposed by this Part shall be in addition to any other tax imposed by a city, county, or city and county.

34021.5

(a) (1) A county may impose a tax on the privilege of cultivating, manufacturing, producing, processing, preparing, storing, providing, donating, selling, or distributing marijuana or marijuana products by a licensee operating under Chapter 3.5 of Division 8 of the Business and Professions Code or Division 10 of the Business and Professions Code.

(2) The board of supervisors shall specify in the ordinance proposing the tax the activities subject to the tax, the applicable rate or rates, the method of apportionment, if necessary, and the manner of collection of the tax. The tax may be imposed for general governmental purposes or for purposes specified in the ordinance by the board of supervisors.

(3) In addition to any other method of collection authorized by law, the board of supervisors may provide for the collection of the tax imposed pursuant to this section in the same manner, and subject to the same penalties and priority of lien, as other charges and taxes fixed and collected by the county. A tax imposed pursuant to this section is a tax and not a fee or special assessment. The board of supervisors shall specify whether the tax applies throughout the entire county or within the unincorporated area of the county.

(4) The tax authorized by this section may be imposed upon any or all of the activities set forth in paragraph (1), as specified in the ordinance, regardless of whether the activity is undertaken

individually, collectively, or cooperatively, and regardless of whether the activity is for compensation or gratuitous, as determined by the board of supervisors.

(b) A tax imposed pursuant to this section shall be subject to applicable voter approval requirements imposed by law.

(c) This section is declaratory of existing law and does not limit or prohibit the levy or collection of any other fee, charge, or tax, or a license or service fee or charge upon, or related to, the activities set forth in subdivision (a) as otherwise provided by law. This section shall not be construed as a limitation upon the taxing authority of a county as provided by law.

(d) This section shall not be construed to authorize a county to impose a sales or use tax in addition to the sales and use tax imposed under an ordinance conforming to the provisions of Sections 7202 and 7203 of the Revenue and Taxation Code.

SECTION 8. CRIMINAL OFFENSES, RECORDS, AND RESENTENCING.

Sections 11357, 11358, 11359, 11360 and 11361.5 of the Health and Safety Code are amended, and Sections 11361.1 and 11361.8 are added to read as follows:

11357. Possession

~~(a) Except as authorized by law, every person who possesses any concentrated cannabis shall be punished by imprisonment in the county jail for a period of not more than one year or by a fine of not more than five hundred dollars (\$500), or by both such fine and imprisonment, except that such person may instead be punished pursuant to subdivision (h) of Section 1170 of the Penal Code if that person has one or more prior convictions for an offense specified in clause (iv) of subparagraph (C) of paragraph (2) of subdivision (e) of Section 667 of the Penal Code or for an offense requiring registration pursuant to subdivision (c) of Section 290 of the Penal Code.~~

~~(ba) Except as authorized by law, every person who possesses of not more than 28.5 grams of marijuana, other than or not more than four grams of concentrated cannabis, is guilty of an infraction punishable by a fine of not more than one hundred dollars (\$100); or both, shall be punished or adjudicated as follows:~~

~~(1) Persons under the age of 18 shall be guilty of an infraction and shall be required to:~~

~~(A) Upon a finding that a first offense has been committed, complete four hours of drug education or counseling and up to 10 hours of community service over a period not to exceed 60 days.~~

~~(B) Upon a finding that a second offense or subsequent offense has been committed, complete six hours of drug education or counseling and up to 20 hours of community service over a period not to exceed 90 days.~~

~~(2) Persons at least 18 years of age but less than 21 years of age shall be guilty of an infraction and punishable by a fine of not more than one hundred dollars (\$100).~~

~~(eb) Except as authorized by law, every person who possesses of more than 28.5 grams of marijuana, or more than four grams of other than concentrated cannabis, shall be punished as follows:~~

~~(1) Persons under the age of 18 who possess more than 28.5 grams of marijuana or more than four grams of concentrated cannabis, or both, shall be guilty of an infraction and shall be required to:~~

(A) Upon a finding that a first offense has been committed, complete eight hours of drug education or counseling and up to 40 hours of community service over a period not to exceed 90 days.

(B) Upon a finding that a second or subsequent offense has been committed, complete 10 hours of drug education or counseling and up to 60 hours of community service over a period not to exceed 120 days.

(2) Persons 18 years of age or over who possess more than 28.5 grams of marijuana, or more than four grams of concentrated cannabis, or both, shall be punished by imprisonment in a county jail for a period of not more than six months or by a fine of not more than five hundred dollars (\$500), or by both such fine and imprisonment.

(dc) Except as authorized by law, every person 18 years of age or over who possesses not more than 28.5 grams of marijuana, or not more than four grams of other than concentrated cannabis, upon the grounds of, or within, any school providing instruction in kindergarten or any of grades 1 through 12 during hours the school is open for classes or school-related programs is guilty of a misdemeanor and shall be punished by a as follows:

(1) A fine of not more than two hundred fifty dollars (\$250), upon a finding that a first offense has been committed.

(2) A fine of not more than five hundred dollars (\$500), or by imprisonment in a county jail for a period of not more than 10 days, or both, upon a finding that a second or subsequent offense has been committed.

(ed) Except as authorized by law, every person under the age of 18 who possesses not more than 28.5 grams of marijuana, or not more than four grams of other than concentrated cannabis, upon the grounds of, or within, any school providing instruction in kindergarten or any of grades 1 through 12 during hours the school is open for classes or school-related programs is guilty of a ~~misdemeanor~~ *an infraction* and shall be punished in the same manner provided in paragraph (1) of subdivision (b) of this section. subject to the following dispositions:

(1) ~~A fine of not more than two hundred fifty dollars (\$250), upon a finding that a first offense has been committed.~~

(2) ~~A fine of not more than five hundred dollars (\$500), or commitment to a juvenile hall, ranch, camp, forestry camp, or secure juvenile home for a period of not more than 10 days, or both, upon a finding that a second or subsequent offense has been committed.~~

11358. Planting, harvesting, or processing

Every person who plants, cultivates, harvests, dries, or processes any marijuana plants, or any part thereof, except as otherwise provided by law, shall be punished as follows:

(a) Every person under the age of 18 who plants, cultivates, harvests, dries, or processes any marijuana plants shall be punished in the same manner provided in paragraph (1) of subdivision (b) of section 11357.

(b) Every person at least 18 years of age but less than 21 years of age who plants, cultivates, harvests, dries, or processes not more than six living marijuana plants shall be guilty of an infraction and a fine of not more than one hundred dollars (\$100).

(c) Every person 18 years of age or over who plants, cultivates, harvests, dries, or processes more than six living marijuana plants shall be punished by imprisonment in a county jail for a period of not more than six months or by a fine of not more than five hundred dollars (\$500), or by both such fine and imprisonment.

(d) Notwithstanding subdivision (c), a person 18 years of age or over who plants, cultivates, harvests, dries, or processes more than six living marijuana plants, or any part thereof, except as otherwise provided by law, shall may be punished by imprisonment pursuant to subdivision (h) of Section 1170 of the Penal Code if:

(1) the person has one or more prior convictions for an offense specified in clause (iv) of subparagraph (C) of paragraph (2) of subdivision (e) of Section 667 of the Penal Code or for an offense requiring registration pursuant to subdivision (c) of Section 290 of the Penal Code;

(2) the person has two or more prior convictions under subdivision (c); or

(3) the offense resulted in any of the following:

(A) violation of Section 1052 of the Water Code relating to illegal diversion of water;

(B) violation of Section 13260, 13264, 13272, or 13387 of the Water Code relating to discharge of waste;

(C) violation of Fish and Game Code Section 5650 or Section 5652 of the Fish and Game Code relating to waters of the state;

(D) violation of Section 1602 of the Fish and Game Code relating to rivers, streams and lakes;

(E) violation of Section 374.8 of the Penal Code relating to hazardous substances or Sections 25189.5, 25189.6, or 25189.7 of the Health and Safety Code relating to hazardous waste;

(F) violation of Section 2080 of the Fish and Game Code relating to endangered and threatened species or Section 3513 of the Fish and Game Code relating to the Migratory Bird Treaty Act; or

(G) intentionally or with gross negligence causing substantial environmental harm to public lands or other public resources.

11359. Possession for sale

Every person who possesses for sale any marijuana, except as otherwise provided by law, shall be punished as follows:

(a) Every person under the age of 18 who possesses marijuana for sale shall be punished in the same manner provided in paragraph (1) of subdivision (b) of section 11357.

(b) Every person 18 years of age or over who possesses marijuana for sale shall be punished by imprisonment in a county jail for a period of not more than six months or by a fine of not more than five hundred dollars (\$500), or by both such fine and imprisonment.

(c) Notwithstanding subdivision (b), a person 18 years of age or over who possesses marijuana for sale may be punished by imprisonment pursuant to subdivision (h) of Section 1170 of the Penal Code if:

(1) the person has one or more prior convictions for an offense specified in clause (iv) of subparagraph (C) of paragraph (2) of subdivision (e) of Section 667 of the Penal Code or for an offense requiring registration pursuant to subdivision (c) of Section 290 of the Penal Code;

(2) the person has two or more prior convictions under subdivision (b); or

(3) the offense occurred in connection with the knowing sale or attempted sale of marijuana to a person under the age of 18 years.

(d) Notwithstanding subdivision (b), a person 21 years of age or over who possesses marijuana for sale may be punished by imprisonment pursuant to subdivision (h) of Section 1170 of the Penal Code if the offense involves knowingly hiring, employing, or using a person 20 years of age or younger in unlawfully cultivating, transporting, carrying, selling, offering to sell, giving away, preparing for sale, or peddling any marijuana.

11360. Unlawful transportation, importation, sale, or gift

(a) Except as otherwise provided by this section or as authorized by law, every person who transports, imports into this state, sells, furnishes, administers, or gives away, or offers to transport, import into this state, sell, furnish, administer, or give away, or attempts to import into this state or transport any marijuana shall be punished *as follows*:

(1) Persons under the age of 18 years shall be punished in the same manner as provided in paragraph (1) of subdivision (b) of section 11357.

(2) Persons 18 years of age or over shall be punished by imprisonment in a county jail for a period of not more than six months or by a fine of not more than five hundred dollars (\$500), or by both such fine and imprisonment.

(3) Notwithstanding paragraph (2), a person 18 years of age or over may be punished by imprisonment pursuant to subdivision (h) of Section 1170 of the Penal Code for a period two, three, or four years if:

(A) the person has one or more prior convictions for an offense specified in clause (iv) of subparagraph (C) of paragraph (2) of subdivision (e) of Section 667 of the Penal Code or for an offense requiring registration pursuant to subdivision (c) of Section 290 of the Penal Code;

(B) the person has two or more prior convictions under paragraph (2);

(C) the offense involved the knowing sale, attempted sale, or the knowing offer to sell, furnish, administer or give away marijuana to a person under the age of 18 years; or

(D) the offense involved the import, offer to import, or attempted import into this state, or the transport for sale, offer to transport for sale, or attempted transport for sale out of this state, of more than 28.5 grams of marijuana or more than four grams of concentrated cannabis.

(b) Except as authorized by law, every person who gives away, offers to give away, transports, offers to transport, or attempts to transport not more than 28.5 grams of marijuana, other than concentrated cannabis, is guilty of an ~~infraction-misdemeanor~~ and shall be punished by a fine of not more than one hundred dollars (\$100). In any case in which a person is arrested for a violation of this subdivision and does not demand to be taken before a magistrate, such person shall be released by the arresting officer upon presentation of satisfactory evidence of identity and giving his or her written promise to appear in court, as provided in Section 853.6 of the Penal Code, and shall not be subjected to booking.

(c) For purposes of this section, "transport" means to transport for sale.

(d) This section does not preclude or limit prosecution for any aiding and abetting or conspiracy offenses.

11361.1.

(a) The drug education and counseling requirements under sections 11357, 11358, 11359, and 11360 shall be:

(1) mandatory, unless the court finds that such drug education or counseling is unnecessary for the person, or that a drug education or counseling program is unavailable;

(2) free to participants, and the drug education provide at least four hours of group discussion or instruction based on science and evidence-based principles and practices specific to the use and abuse of marijuana and other controlled substances.

(b) For good cause, the court may grant an extension of time not to exceed 30 days for a person to complete the drug education and counseling required under sections 11357, 11358, 11359, and 11360.

Subdivision (a) of Section 11361.5 of the Health and Safety Code is amended to read:

11361.5. Destruction of arrest and conviction records; Procedure; Exceptions

(a) Records of any court of this state, any public or private agency that provides services upon referral under Section 1000.2 of the Penal Code, or of any state agency pertaining to the arrest or conviction of any person for a violation of ~~subdivision (b), (c), (d), or (e) of Section 11357 or subdivision (b) of Section 11360, or pertaining to the arrest or conviction of any person under the age of 18 for a violation of any provision of this article except Section 11357.5,~~ shall not be kept beyond two years from the date of the conviction, or from the date of the arrest if there was no conviction, except with respect to a violation of subdivision (ed) of Section 11357, *or any other violation by a person under the age of 18 occurring upon the grounds of, or within, any school providing instruction in kindergarten or any of grades 1 through 12 during hours the school is open for classes or school-related programs,* the records shall be retained until the offender attains the age of 18 years at which time the records shall be destroyed as provided in this section. Any court or agency having custody of the records, *including the statewide criminal databases,* shall provide for the timely destruction of the records in accordance with subdivision (c), *and such records must also be purged from the statewide criminal databases. As used in this subdivision, "records pertaining to the arrest or conviction" shall include records of arrests resulting in the criminal proceeding and records relating to other offenses charged in the accusatory pleading, whether defendant was acquitted or charges were dismissed. The two-year period beyond which records shall not be kept pursuant to this subdivision shall not apply to any person who is, at the time at which this subdivision would otherwise require record destruction, incarcerated for an offense subject to this subdivision. For such persons, the two-year period shall begin to run from the date the person is released from custody.* The requirements of this subdivision do not apply to records of any conviction occurring prior to January 1, 1976, or records of any arrest not followed by a conviction occurring prior to that date, *or records of any arrest for an offense specified in subdivision (c) of Section 1192.7, or subdivision (c) of Section 667.5 of the Penal Code.*

Section 11361.8 is added to the Health and Safety Code to read:

11361.8

(a) *A person currently serving a sentence for a conviction, whether by trial or by open or negotiated plea, who would not have been guilty of an offense or who would have been guilty of a lesser offense under the Control, Regulate and Tax Adult Use of Marijuana Act had that Act been in effect at the time of the offense may petition for a recall or dismissal of sentence before the trial court that entered the judgment of conviction in his or her case to request resentencing or dismissal in accordance with Sections 11357, 11358, 11359, 11360, 11362.1, 11362.2, 11362.3, and 11362.4 as those sections have been amended or added by this Act.*

(b) *Upon receiving a petition under subdivision (a), the court shall presume the petitioner satisfies the criteria in subdivision (a) unless the party opposing the petition proves by clear and convincing evidence that the petitioner does not satisfy the criteria. If the petitioner satisfies the criteria in subdivision (a), the court shall grant the petition to recall the sentence or dismiss the sentence because it is legally invalid unless the court determines that granting the petition would pose an unreasonable risk of danger to public safety.*

- (1) In exercising its discretion, the court may consider, but shall not be limited to evidence provided for in subdivision (b) of Section 1170.18 of the Penal Code.
- (2) As used in this section, "unreasonable risk of danger to public safety" has the same meaning as provided in subdivision (c) of Section 1170.18 of the Penal Code.
- (c) A person who is serving a sentence and resentenced pursuant to subdivision (b) shall be given credit for any time already served and shall be subject to supervision for one year following completion of his or her time in custody or shall be subject to whatever supervision time he or she would have otherwise been subject to after release, whichever is shorter, unless the court, in its discretion, as part of its resentencing order, releases the person from supervision. Such person is subject to parole supervision under Penal Code Section 3000.08 or post-release community supervision under subdivision (a) of Section 3451 of the Penal Code by the designated agency and the jurisdiction of the court in the county in which the offender is released or resides, or in which an alleged violation of supervision has occurred, for the purpose of hearing petitions to revoke supervision and impose a term of custody.
- (d) Under no circumstances may resentencing under this section result in the imposition of a term longer than the original sentence, or the reinstatement of charges dismissed pursuant to a negotiated plea agreement.
- (e) A person who has completed his or her sentence for a conviction under Sections 11357, 11358, 11359, and 11360, whether by trial or open or negotiated plea, who would not have been guilty of an offense or who would have been guilty of a lesser offense under the Control, Regulate and Tax Adult Use of Marijuana Act had that Act been in effect at the time of the offense, may file an application before the trial court that entered the judgment of conviction in his or her case to have the conviction dismissed and sealed because the prior conviction is now legally invalid or redesignated as a misdemeanor or infraction in accordance with Sections 11357, 11358, 11359, 11360, 11362.1, 11362.2, 11362.3, and 11362.4 as those sections have been amended or added by this Act.
- (f) The court shall presume the petitioner satisfies the criteria in subdivision (e) unless the party opposing the application proves by clear and convincing evidence that the petitioner does not satisfy the criteria in subdivision (e). Once the applicant satisfies the criteria in subdivision (e), the court shall redesignate the conviction as a misdemeanor or infraction or dismiss and seal the conviction as legally invalid as now established under the Control, Regulate and Tax Adult Use of Marijuana Act.
- (g) Unless requested by the applicant, no hearing is necessary to grant or deny an application filed under subdivision (e).
- (h) Any felony conviction that is recalled and resentenced under subdivision (b) or designated as a misdemeanor or infraction under subdivision (f) shall be considered a misdemeanor or infraction for all purposes. Any misdemeanor conviction that is recalled and resentenced under subdivision (b) or designated as an infraction under subdivision (f) shall be considered an infraction for all purposes.
- (i) If the court that originally sentenced the petitioner is not available, the presiding judge shall designate another judge to rule on the petition or application.
- (j) Nothing in this section is intended to diminish or abrogate any rights or remedies otherwise available to the petitioner or applicant.
- (k) Nothing in this and related sections is intended to diminish or abrogate the finality of judgments in any case not falling within the purview of the Control, Regulate and Tax Adult Use of Marijuana Act.

(l) A resentencing hearing ordered under this act shall constitute a "post-conviction release proceeding" under paragraph (7) of subdivision (b) of Section 28 of Article I of the California Constitution (Marsy's Law).

(m) The provisions of this section shall apply equally to juvenile delinquency adjudications and dispositions under Section 602 of the Welfare and Institutions Code if the juvenile would not have been guilty of an offense or would have been guilty of a lesser offense under the Control, Regulate and Tax Adult Use of Marijuana Act.

(l) The Judicial Council shall promulgate and make available all necessary forms to enable the filing of the petitions and applications provided in this section.

SECTION 9. INDUSTRIAL HEMP.

Section 11018.5 of the Health and Safety Code is amended to read as follows:

11018.5. Industrial hemp

(a) "Industrial hemp" means a fiber or oilseed crop, or both, that is limited to nonpsychoactive types of the plant Cannabis sativa L. and the seed produced therefrom, having no more than three-tenths of 1 percent tetrahydrocannabinol (THC) contained in the dried flowering tops, whether growing or not; and that is cultivated and processed exclusively for the purpose of producing the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant; the resin extracted from any part of the plant; and or any other every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or mature stalks, except the resin or flowering tops extracted produced therefrom, fiber, oil, or cake, or the sterilized seed, or any component of the seed, of the plant that is incapable of germination.

(b) The possession, use, purchase, sale, cultivation, processing, manufacture, packaging, labeling, transporting, storage, distribution, use and transfer of industrial hemp shall not be subject to the provisions of this Division or of Division 10 of the Business and Professions Code, but instead shall be regulated by the Department of Food and Agriculture in accordance with the provisions of Division 24 of the Food and Agricultural Code, inclusive.

Sections 81000, 81006, 81008, and 81010 of the Food and Agricultural Code are amended to read, and Section 81007 of the Food and Agricultural Code is repealed as follows:

81000. Definitions

For purposes of this division, the following terms have the following meanings:

(a) "Board" means the Industrial Hemp Advisory Board.

(b) "Commissioner" means the county agricultural commissioner.

*(c) "Established agricultural research institution" means a public or private institution or organization that maintains land for agricultural research, including colleges, universities, agricultural research centers, and conservation research centers.
any institution that is either:*

(1) a public or private institution or organization that maintains land or facilities for agricultural research, including colleges, universities, agricultural research centers, and conservation research centers; or

(2) an institution of higher education (as defined in Section 1001 of the Higher Education Act of 1965 (20 U.S.C. 1001)) that grows, cultivates or manufactures industrial hemp for

purposes of research conducted under an agricultural pilot program or other agricultural or academic research.

(d) "Industrial hemp" has the same meaning as that term is defined in Section 11018.5 of the Health and Safety Code.

(e) "Secretary" means the Secretary of Food and Agriculture.

(f) "Seed breeder" means an individual or public or private institution or organization that is registered with the commissioner to develop seed cultivars intended for sale or research.

(g) "Seed cultivar" means a variety of industrial hemp.

(h) "Seed development plan" means a strategy devised by a seed breeder, or applicant seed breeder, detailing his or her planned approach to growing and developing a new seed cultivar for industrial hemp.

81006. Industrial hemp growth limitations; Prohibitions; Imports; Laboratory testing

(a)(1) Except when grown by an established agricultural research institution or a registered seed breeder, industrial hemp shall be grown only as a densely planted fiber or oilseed crop, or both, in acreages of not less than ~~five acres~~ *one-tenth of an acre* at the same time, ~~and no portion of an acreage of industrial hemp shall include plots of less than one contiguous acre.~~

(2) Registered seed breeders, for purposes of seed production, shall only grow industrial hemp as a densely planted crop in acreages of not less than *one-tenth of an acre* at the same time, ~~and no portion of the acreage of industrial hemp shall include plots of less than one contiguous acre.~~

(3) Registered seed breeders, for purposes of developing a new California seed cultivar, shall grow industrial hemp as densely as possible in dedicated acreage of not less than *one-tenth of an acre* and in accordance with the seed development plan. The entire area of the dedicated acreage is not required to be used for the cultivation of the particular seed cultivar.

(b) Ornamental and clandestine cultivation of industrial hemp is prohibited. All plots shall have adequate signage indicating they are industrial hemp.

(c) Pruning and tending of individual industrial hemp plants is prohibited, except when grown by an established agricultural research institution or when the action is necessary to perform the tetrahydrocannabinol (THC) testing described in this section.

(d) Culling of industrial hemp is prohibited, except when grown by an established agricultural research institution, when the action is necessary to perform the THC testing described in this section, or for purposes of seed production and development by a registered seed breeder.

(e) Industrial hemp shall include products imported under the Harmonized Tariff Schedule of the United States (2013) of the United States International Trade Commission, including, but not limited to, hemp seed, per subheading 1207.99.03, hemp oil, per subheading 1515.90.80, oilcake, per subheading 2306.90.01, true hemp, per heading 5302, true hemp yarn, per subheading 5308.20.00, and woven fabrics of true hemp fibers, per subheading 5311.00.40.

(f) Except when industrial hemp is grown by an established agricultural research institution, a registrant that grows industrial hemp under this section shall, before the harvest of each crop and as provided below, obtain a laboratory test report indicating the THC levels of a random sampling of the dried flowering tops of the industrial hemp grown.

(1) Sampling shall occur as soon as practicable when the THC content of the leaves surrounding the seeds is at its peak and shall commence as the seeds begin to mature, when the first seeds of approximately 50 percent of the plants are resistant to compression.

- (2) The entire fruit-bearing part of the plant including the seeds shall be used as a sample. The sample cut shall be made directly underneath the inflorescence found in the top one-third of the plant.
- (3) The sample collected for THC testing shall be accompanied by the following documentation:
- (A) The registrant's proof of registration.
 - (B) Seed certification documentation for the seed cultivar used.
 - (C) The THC testing report for each certified seed cultivar used.
- (4) The laboratory test report shall be issued by a laboratory registered with the federal Drug Enforcement Administration, shall state the percentage content of THC, shall indicate the date and location of samples taken, and shall state the Global Positioning System coordinates and total acreage of the crop. If the laboratory test report indicates a percentage content of THC that is equal to or less than three-tenths of 1 percent, the words "PASSED AS CALIFORNIA INDUSTRIAL HEMP" shall appear at or near the top of the laboratory test report. If the laboratory test report indicates a percentage content of THC that is greater than three-tenths of 1 percent, the words "FAILED AS CALIFORNIA INDUSTRIAL HEMP" shall appear at or near the top of the laboratory test report.
- (5) If the laboratory test report indicates a percentage content of THC that is equal to or less than three-tenths of 1 percent, the laboratory shall provide the person who requested the testing not less than 10 original copies signed by an employee authorized by the laboratory and shall retain one or more original copies of the laboratory test report for a minimum of two years from its date of sampling.
- (6) If the laboratory test report indicates a percentage content of THC that is greater than three-tenths of 1 percent and does not exceed 1 percent, the registrant that grows industrial hemp shall submit additional samples for testing of the industrial hemp grown.
- (7) A registrant that grows industrial hemp shall destroy the industrial hemp grown upon receipt of a first laboratory test report indicating a percentage content of THC that exceeds 1 percent or a second laboratory test report pursuant to paragraph (6) indicating a percentage content of THC that exceeds three-tenths of 1 percent but is less than 1 percent. If the percentage content of THC exceeds 1 percent, the destruction shall take place within 48 hours after receipt of the laboratory test report. If the percentage content of THC in the second laboratory test report exceeds three-tenths of 1 percent but is less than 1 percent, the destruction shall take place as soon as practicable, but no later than 45 days after receipt of the second test report.
- (8) A registrant that intends to grow industrial hemp and who complies with this section shall not be prosecuted for the cultivation or possession of marijuana as a result of a laboratory test report that indicates a percentage content of THC that is greater than three-tenths of 1 percent but does not exceed 1 percent.
- (9) Established agricultural research institutions shall be permitted to cultivate or possess industrial hemp with a laboratory test report that indicates a percentage content of THC that is greater than three-tenths of 1 percent if that cultivation or possession contributes to the development of types of industrial hemp that will comply with the three-tenths of 1 percent THC limit established in this division.
- (10) Except for an established agricultural research institution, a registrant that grows industrial hemp shall retain an original signed copy of the laboratory test report for two years from its date of sampling, make an original signed copy of the laboratory test report available to the department, the commissioner, or law enforcement officials or their designees upon request, and shall provide an original copy of the laboratory test report to each person purchasing,

transporting, or otherwise obtaining from the registrant that grows industrial hemp the fiber, oil, cake, or seed, or any component of the seed, of the plant.

(g) If, in the Attorney General's opinion issued pursuant to Section 8 of the act that added this division, it is determined that the provisions of this section are not sufficient to comply with federal law, the department, in consultation with the board, shall establish procedures for this section that meet the requirements of federal law.

81007. Prohibitions; De minimis considerations

~~(a) Except as provided in subdivision (b) or as necessary to perform testing pursuant to subdivision (f) of Section 81006, the possession, outside of a field of lawful cultivation, of resin, flowering tops, or leaves that have been removed from the hemp plant is prohibited.~~

~~(b) The presence of a de minimis amount, or insignificant number, of hemp leaves or flowering tops in hemp bales that result from the normal and appropriate processing of industrial hemp shall not constitute possession of marijuana.~~

81008. Attorney General reports; Requirements

~~(a) Not later than January 1, 2019, or five years after the provisions of this division are authorized under federal law, whichever is later, the Attorney General shall report to the Assembly and Senate Committees on Agriculture and the Assembly and Senate Committees on Public Safety the reported incidents, if any, of the following:~~

~~(1) A field of industrial hemp being used to disguise marijuana cultivation.~~

~~(2) Claims in a court hearing by persons other than those exempted in subdivision (f) of Section 81006 that marijuana is industrial hemp.~~

~~(b) A report submitted pursuant to subdivision (a) shall be submitted in compliance with Section 9795 of the Government Code.~~

~~(c) Pursuant to Section 10231.5 of the Government Code, this section is repealed on January 1, 2023, or four years after the date that the report is due, whichever is later.~~

81010. Operation of division

~~(a) This division, and Section 221 of the Food and Agricultural Code, shall not become operative unless authorized under federal law on January 1, 2017.~~

~~(b) The possession, use, purchase, sale, production, manufacture, packaging, labeling, transporting, storage, distribution, use, and transfer of industrial hemp shall be regulated in accordance with this division. The Bureau of Marijuana Control has authority to regulate and control plants and products that fit within the definition of industrial hemp but that are produced, processed, manufactured, tested, delivered, or otherwise handled pursuant to a license issued under Division 10 of the Business and Professions Code.~~

SECTION 10. AMENDMENT.

This Act shall be broadly construed to accomplish its purposes and intent as stated in Section 3. The Legislature may by majority vote amend the provisions of this Act contained in Sections 5 and 6 to implement the substantive provisions of those sections, provided that such amendments are consistent with and further the purposes and intent of this Act as stated in Section 3.

Amendments to this Act that enact protections for employees and other workers of licensees under Section 6 of this Act that are in addition to the protections provided for in this Act or that

otherwise expand the legal rights of such employees or workers of licensees under Section 6 of this Act shall be deemed to be consistent with and further the purposes and intent of this Act. The Legislature may by majority vote amend, add, or repeal any provisions to further reduce the penalties for any of the offenses addressed by this Act. Except as otherwise provided, the provisions of the Act may be amended by a two-thirds vote of the Legislature to further the purposes and intent of the Act.

SECTION 11. CONSTRUCTION AND INTERPRETATION.

The provisions of this Act shall be liberally construed to effectuate the purposes and intent of the Control, Regulate and Tax the Adult Use of Marijuana Act; provided, however, no provision or provisions of this Act shall be interpreted or construed in a manner to create a positive conflict with federal law, including the federal Controlled Substances Act, such that the provision or provisions of this Act and federal law cannot consistently stand together.

SECTION 12. SEVERABILITY.

If any provision in this Act, or part thereof, or the application of any provision or part to any person or circumstance is held for any reason to be invalid or unconstitutional, the remaining provisions and parts shall not be affected, but shall remain in full force and effect, and to this end the provisions of this Act are severable.

SECTION 13. CONFLICTING INITIATIVES.

In the event that this measure and another measure or measures concerning the control, regulation, and taxation of marijuana, medical marijuana, or industrial hemp appear on the same statewide election ballot, the provisions of the other measure or measures shall be deemed to be in conflict with this measure. In the event that this measure receives a greater number of affirmative votes, the provisions of this measure shall prevail in their entirety, and the provisions of the other measure shall be null and void.

September 12, 2016



Frequently Asked Questions (FAQs)

Adult Use of Marijuana Act¹

Proposition 64

Question #1: If passed, when will the AUMA take effect?

Answer: The AUMA will take effect November 9, 2016, the day after the election. But note, the AUMA requires a state license to engage in commercial nonmedical marijuana activity. Licensing authorities are required to begin issuing licenses by January 1, 2018 and the League anticipates that the issuance of licenses will not occur much in advance of January 1, 2018. Thus, the AUMA provisions legalizing commercial nonmedical marijuana activity will not become operational until the state begins issuing licenses (likely in late-2017). The AUMA provisions legalizing personal use and cultivation of nonmedical marijuana take effect November 9, 2016.

Question #2: Assuming the AUMA passes, can private individuals cultivate nonmedical marijuana at home beginning November 9, 2016?

Answer: Yes, within a residence by a person 21 years and older for personal use. The AUMA provides that local governments can reasonably regulate, but cannot prohibit personal indoor cultivation of up to six marijuana plants. This includes cultivation in a greenhouse that is on the property of the residence but not physically part of the home, as long as it is fully enclosed, secure, and not visible from a public space. Because this activity is not subject to state licensing requirements, private individuals may cultivate up to six living marijuana plants indoors beginning November 9, 2016—unless a city enacts an ordinance imposing a reasonable regulatory scheme that would preclude them from doing so before complying with the city's regulatory requirements. Cities cannot adopt or enforce bans on private indoor cultivation of six living nonmedical marijuana plants on or after November 9, 2016.

Local governments may regulate or ban all outdoor personal cultivation. However, the AUMA includes language purporting to repeal any ordinance that bans personal outdoor

¹ Please consult your City Attorney before taking action to implement the AUMA. The answers to these FAQs may be different in your city based upon your municipal code, regulations, and policies. The answers do not constitute legal advice from the League of California Cities®.

cultivation upon the California Attorney General's determination that nonmedical use of marijuana is lawful under federal law.

Question #3: What does the AUMA say about possession, transporting, purchasing or giving away of non-medical marijuana?

Answer: A person 21 years of age or older may possess, process, transport, purchase or give away to persons 21 years of age or older not more than 28.5 grams of marijuana in the non-concentrated form and not more than 8 grams of marijuana in a concentrated form including marijuana products. If the AUMA passes, these activities will be lawful under state law and cannot be prohibited under local law.

Question #4: Do cities that ban or regulate medical marijuana businesses need to update their ordinances to include nonmedical marijuana?

Answer: Yes. The AUMA prohibits state licensing authorities from issuing a license to a commercial nonmedical marijuana business if operation of the business violates a local ordinance of the jurisdiction in which the business will operate. This means that a city wishing to adopt business or land use regulations prohibiting or regulating commercial nonmedical marijuana businesses must adopt an ordinance prior to the date the state begins issuing licenses, which the League anticipates will be in late 2017.²

Question #5: Can cities be confident that a permissive zoning code, by itself, provides sufficient protection against nonmedical marijuana businesses setting up shop without local approval?

Answer: No. It is unlikely that cities will succeed in arguing that nonmedical marijuana land uses are prohibited by permissive zoning codes under the AUMA, because the AUMA does not contain the same protective language as the MMRSA with respect to permissive zoning. Therefore, cities that wish to ban all or some nonmedical marijuana activities should adopt express prohibitions, even if they operate under a permissive zoning code.

Question #6: Are cities at risk of losing the opportunity to impose bans on personal outdoor cultivation if they don't act until after the November election?

Answer: No. A city may adopt an ordinance banning or regulating personal outdoor cultivation at any time. However, if a city does not adopt a ban or regulatory scheme before November 9, 2016, individuals will be able to cultivate marijuana outdoors for personal use until such time as the city enacts a ban or regulatory scheme. Because the logistics of enforcing a ban after an individual's outdoor cultivation operations have begun, the best practice may be to adopt an ordinance before November 9, 2016.

Question #7: Are cities at risk of losing the opportunity to impose bans on nonmedical marijuana businesses, if they don't act until after the November election?

² Please see Question #8 regarding the use of public roads for transportation and delivery.

Answer: No. However, if a city does not adopt an ordinance expressly banning or regulating nonmedical marijuana businesses before the state begins issuing state licenses nonmedical businesses, a state-licensed nonmedical marijuana business will be able to operate within its jurisdiction without local permission or permitting. This is due to a provision in the AUMA that provides that state licenses cannot be issued where the activity would violate a local ordinance. If a jurisdiction has no ordinance regulating nonmedical marijuana businesses, then the local regulatory scheme is silent on that type of activity, and the state can unilaterally issue a license under terms fully compliant with the AUMA. Cities may adopt an ordinance expressly banning or regulating such operations after the state begins to issue licenses, but it will be difficult to terminate the state licensee's operations until the state license is up for renewal. Therefore, the best practice is to adopt an ordinance before the state begins issuing state licenses.

Question #8: Can cities ban deliveries under the AUMA?

Answer: Yes. Cities can ban deliveries within their territorial limits. However, cities cannot prevent the use of public roads for the delivery of marijuana. For example, if a licensed delivery company located in City A must travel on public roads through City B to make an authorized delivery in City C, City B cannot prohibit the licensed delivery company from travelling on public roads in City B to get to City C. In addition, cities may not prevent the use of public roads within its jurisdiction to transport nonmedical marijuana.

Question #9: What is the best way for cities to notify the state licensing agencies of their local ordinances that regulate and/or prohibit commercial non-medical marijuana activities within their jurisdictions?

Answer: Unless the state licensing agencies indicate otherwise, cities should mail copies of their local ordinances that regulate or prohibit commercial nonmedical marijuana activities within their jurisdictions to the Department of Consumer Affairs, the Department of Food and Agriculture, and the Department of Public Health. Cities should regularly check each Department's website to ensure that this practice complies with any regulations the Departments may pass regarding notice of local ordinances. In addition, Cities should ensure that any updates or amendments to local ordinances that regulate or prohibit commercial nonmedical marijuana activities are promptly submitted to each Department.



City of Carpinteria

COUNCIL AGENDA STAFF REPORT October 10, 2016

ITEM FOR COUNCIL CONSIDERATION

Contract with Avila and Associates, Inc. for professional engineering services for the Linden Avenue and Casitas Pass Road Interchanges Project.

STAFF RECOMMENDATION

Action Item X ; Non-Action Item

Authorize the execution of an agreement for professional engineering services with Avila and Associates, Inc. for additional engineering services necessary to prepare FEMA floodplain revision documents.

Motion: I move to authorize the City Manager to sign the agreement for professional engineering services with Avila and Associates, Inc. for the services described.

BACKGROUND

The Linden Avenue and Casitas Pass Road Interchanges Project (Project) consists of replacing both the Linden Avenue and Casitas Pass Road US 101 overcrossings, reconfiguring the northbound on- and off-ramps at Casitas Pass Road, extending the northbound Linden Avenue on-ramp, replacing the US 101 freeway bridges over Carpinteria Creek and extending Via Real to Casitas Pass Road and to Linden Avenue. The project will also include new retaining walls, sound walls, traffic signals and drainage structures.

On November 10, 2014, the Department of Public Works updated the City Council on the Project. The update included a detailed project description and project delivery status report. The update also included a detailed discussion of coordination efforts with FEMA to address project related floodplain issues.

On February 23, 2015, staff outlined a strategy for addressing FEMA's concerns regarding the Carpinteria Creek floodplain and received authorization from the City

Council to proceed with preparing a request to FEMA for a Letter of Map Revision (LOMR) for the Carpinteria Flood Insurance Rate Map (FIRM). The City Council authorized execution of a contract with Avila and Associates, Inc. on April 27, 2015, to complete the necessary hydrology and hydraulic engineering work and prepare the request for the FEMA LOMR.

In July 2015, Public Works submitted a LOMR to FEMA. After a lengthy review period, FEMA recently responded and required that the Franklin Creek reach be added to the map revision.

The purpose of this agenda matter is for the City Council to consider, and if determined appropriate, approve the contract with Avila and Associates, Inc. to perform hydraulic modeling and floodplain mapping for Franklin Creek and the Highway 101 Overflow Reach as part of the ongoing FEMA map revision for Carpinteria Creek.

DISCUSSION

The current FIRM for the City of Carpinteria shows a portion of the Carpinteria Creek flood waters in a 100-year flood being diverted by the US 101 Freeway bridges over Carpinteria Creek. The project includes replacement of the US 101 Freeway bridges over Carpinteria Creek. The diverted floodwater travels along the freeway to Franklin Creek where the combined floodwaters contribute to significant flooding in the Franklin Creek area of the City.

The project includes replacement of the US 101 freeway bridges over Carpinteria Creek. These proposed bridges would eliminate the diversion to Franklin Creek. Once the diversion is eliminated, all of the 100-year flood waters in Carpinteria Creek will flow down the Carpinteria Creek corridor to the Pacific Ocean. While the diversion of floodwaters from Carpinteria Creek to Franklin Creek watershed is shown on the FIRM, the risk of the freeway washing out, as happened in 1969, is not included in the FIRM. To meet Federal regulations regarding floodplain management, the risk of flooding downstream of US 101 must be identified on the FIRM prior to the replacement of the US 101 freeway bridges over Carpinteria Creek.

If approved by FEMA, the LOMR will change the FIRM to reflect the diversion flood risk and the risk of the freeway washing out. Once the LOMR is issued by FEMA, the US 101 Freeway bridges over Carpinteria Creek can be replaced. The replacement bridges will eliminate the diversion and, therefore, the 100-year flooding in the Franklin Creek area of the City will be significantly reduced.

The Project partners (Caltrans, Santa Barbara County Association of Governments, and the City) continue to work with FEMA on revising the FIRM for Carpinteria Creek. FEMA has requested that hydraulic engineering analysis for Franklin Creek be completed and the flood map updated as well. The LOMR also will be expanded to include the Franklin Creek reach.

To perform the additional analysis that FEMA requires, Avila and Associates, Inc. has prepared a scope of work to perform hydraulic modeling and floodplain mapping for Franklin Creek and the Highway 101 Overflow Reach as part of the ongoing FEMA map revision for Carpinteria Creek. In addition, the modeling effort will include a two-dimensional flow analysis for Carpinteria Creek at Highway 101. The proposed contract includes the scope of work and cost proposal and is shown in Attachment A of this report.

Avila and Associates, Inc. is currently under contract with the City for work on the Carpinteria Avenue Bridge Replacement project. Because it would be costly and time consuming to perform a new professional civil engineering service provider selection process, staff recommends contracting with Avila and Associates, Inc. for this additional scope-of-work. This work is proposed to be accomplished with a distinct and separate contract. This approach will enable Caltrans to fully reimburse the City for the contract work proposed herein.

The California Department of Transportation (Caltrans) has agreed that, as an applicant to the City of Carpinteria's development review process, Caltrans will reimburse the City for 100% of the Avila and Associates contract cost including City staff contract management cost and overhead. Public Works will return to the City Council with the separate professional civil engineering contract proposals to complete the project specific CLOMR/LOMRs requests to FEMA as the project preparation continues.

POLICY CONSISTENCY

The Linden Avenue and Casitas Pass Road Interchanges Project was envisioned through the policies and objectives adopted in the 2003 (current) City of Carpinteria General Plan. These project objectives are consistent with the City's Objective C-1 and Policy C-3f in the Circulation Element. The General Plan proposes the following for the Linden Avenue and Casitas Pass Road Interchanges:

- *Reconfiguration and reconstruction of the Linden Avenue/US 101 Interchanges, including the addition of southbound on-ramps and northbound off-ramps, installation of traffic signals and widening of the overpass.*
- *Reconfiguration and reconstruction of the Casitas Pass Road/US 101 Interchange, construction of turn lanes, installation of traffic signals and upgrades of the on- and off-ramps.*

Using the City's adopted policies, the City has been able to work with Caltrans to evolve the project design in a manner that ensures greater consistency with the goals and objectives of the General Plan. The Linden Avenue and Casitas Pass Road Interchanges Project and the Carpinteria Avenue Bridge Replacement Project are both included in the City's adopted Capital Improvement Plan.

FINANCIAL CONSIDERATIONS

The cost of the proposed contract with Avila and Associates is \$72,155. The City is reimbursed by Caltrans for all staff time and consultant costs associated with processing the subject project application. There will be no cost to the City with execution of this agreement.

LEGAL

This proposed City Council action is consistent with the California Public Contract Code.

OPTIONS

1. Authorize the execution of an agreement for professional engineering services with Avila and Associates, Inc.
2. Do not authorize the execution of the proposed agreement and provide further direction to staff.

PRINCIPAL PARTIES EXPECTED AT MEETING

There are no principal parties expected at the meeting.

ATTACHMENTS

Attachment A – Avila and Associates, Inc. Contract

Staff contact:
Charles W. Ebeling, P.E., T.E., Public Works Director
(805) 880-3402
cebeling@ci.carpinteria.ca.us

Reviewed by: Dave Durflinger, City Manager



Signature

Signature

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ATTACHMENT A

Avila and Associates, Inc. Contract

AGREEMENT FOR CONSULTANT SERVICES

THIS AGREEMENT FOR CONSULTANT SERVICES (“**Agreement**”) is made and effective as of the 10th day of October, 2016 by and between the City of Carpinteria, a municipal corporation (“**City**”), and Avila and Associates, Inc. (“**Consultant**”) (collectively, the “**Parties**”) at Carpinteria, California, with reference to the following facts:

- A. City has determined that it is necessary and appropriate to engage a design professional to carry out the services described herein; and
- B. Consultant has represented itself as being fully qualified and available to perform the consultant services necessary to complete the work in a timely manner; and
- C. City desires to contract with Consultant and Consultant is willing to perform the consultant services, subject to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and conditions set forth herein, the sufficiency of which is hereby acknowledged, the parties agree as follows:

1. SERVICES.

- 1.1 **Basic Services.** City hereby retains Consultant to perform the services described and set forth in the attached Exhibit A (“**Basic Services**”), which is incorporated by this reference as though set forth in full. Consultant hereby agrees to perform said services within the designated time frames and accepts this retention. Consultant shall complete the Basic Services according to a schedule of performance which is also set forth in Exhibit A. The Parties agree and acknowledge that time is of the essence in performance of this Agreement.
- 1.2 **Additional Services.** In addition to the Basic Services, City may elect to have Consultant perform additional services that are beyond the current scope of the Basic Services, but within the expertise of Consultant (“**Additional Services**”). Such Additional Services shall be mutually agreed to in advance and specified in a writing, which shall also specify the basis for the Consultant’s fee for such additional services. Basic Services and Additional Services are referenced collectively as “**Services.**”

2. PERFORMANCE.

- 2.1 **Standard of Performance.** Consultant shall faithfully, competently and diligently perform the obligations and responsibilities required by this Agreement, applying best management practices and the same standards of care utilized by persons commonly engaged in providing similar services as are required of Consultant hereunder in meeting its obligations under this Agreement. Consultant shall not engage the assistance of subcontractors for performance of the Services unless previously agreed to in writing by the City.

- 2.2 **Labor and Materials.** Consultant shall furnish, at its own expense, all labor, materials, equipment, tools, transportation and services necessary for the successful completion of the Services. Consultant shall give its attention and supervision to the fulfillment of the provisions of this Agreement by its employees and subcontractors and shall be responsible for the timely performance of the Services required by this Agreement.
- 2.3 **Review of Service.** Consultant shall furnish City with reasonable opportunities from time to time to ascertain whether the Services of Consultant are being performed in accordance with this Agreement. All work done and materials furnished shall be subject to final review and approval by City; Consultant is not providing final approval or review, which is solely City's function and role. City review and approval of such work and Services shall not, however, relieve Consultant of any of its obligations under this Agreement.
- 2.4 **Contract Administration.** The City Manager or his/her designee shall represent the City in all matters relating to the administration of this Agreement. The City Manager or his/her designee shall have the authority to act on the City's behalf to review and approve all products submitted by Consultant and may execute all necessary documents to authorize Consultant to perform Additional Services as provided for herein.
- 2.5 **Representations and Warranties.** Consultant represents and warrants to City that: (i) its fulfillment of its obligations and, as applicable, performance the Services under this Agreement, will not violate any applicable or breach any contracts with third parties and (ii) it has the right, power and authority to fulfill its obligations, and, as applicable perform the Services, and enter into this Agreement; (iii) the Services contemplated hereunder will be performed by adequately trained, competent personnel, in a professional manner, with such personnel having the requisite skill and expertise necessary to perform and complete the Services in accordance with industry standards and in accordance with the terms and conditions of this Agreement; and (iv) the Services and all deliverables provided hereunder will conform to the specifications agreed-to by the parties.
3. **TERM.** This Agreement shall be effective as of the date first above written and shall continue until all Services to be provided by Consultant are completed to the satisfaction of the City, but in no event later than the 31st day of December, 2017; unless terminated earlier as provided for herein.
4. **COMPENSATION.**
- 4.1 **Basic Services.** For Basic Services, City shall pay Consultant on a time and materials basis, not to exceed amount of Seventy Two Thousand One Hundred Fifty Five (\$72,155.00) as full compensation for all labor, materials, equipment, tools, transportation, and Services. This compensation shall be paid in accordance with the payment rates and schedule as set forth in Exhibit B, attached hereto and incorporated herein by this reference as though set forth in full, based on the actual time spent on the tasks and the actual price of the necessary materials.

- 4.2 **Additional Services.** Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement which are in addition to the Basic Services, unless such Additional Services are authorized in advance and in writing in the method provided for herein. Consultant will submit fee estimates for such Additional Services upon request of City.
- 4.3 **Invoices.** Each and every payment by City shall be subject to City's receipt of an invoice outlining the items for which payment is requested. Payment to Consultant as to any undisputed fees shall be made, after verification of Consultant's performance, within 30 (thirty) days of receipt of invoice. If City disputes any of Consultant's fees, it shall give written notice to Consultant within 30 (thirty) days of receipt of an invoice of such disputed fees.
- 4.4 **Withholding.** City reserves the right to withhold future payment to Consultant if any aspect of the Consultant's work is found to be substantially inadequate. City shall notify Consultant in writing of deficiencies believed to be substantially inadequate within thirty (30) days after receipt of product.
- 4.5 **Taxes/Insurance/Licenses.** Consultant shall be solely responsible for the payment of any federal, state, or local income tax, social security tax, workers' compensation insurance, state disability insurance, and any other taxes or insurance which Consultant is responsible for paying as an independent contractor under federal, state or local law. At all times during the term of this Agreement, Consultant and any approved subcontractors performing Services under this Agreement shall have in full force and effect all licenses necessary for the performance of Services hereunder, including without limitation, business licensing from City, all at the sole cost of Consultant.

5. **RECORDS.**

- 5.1 **Financial Records.** Consultant shall maintain complete and accurate records with respect to sales, costs, expenses, receipts and other such information required by City that relate to the performance of Services under this Agreement. Consultant shall also maintain adequate records of Services provided in sufficient detail to permit an evaluation of Services. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible.
- 5.2 **Access to Records.** Consultant shall provide free access to the representatives of City or its designees at reasonable times to books and records as set forth in section 5.1; shall give City the right to examine and audit said books and records; shall permit City to make transcripts therefrom as necessary; and shall allow inspection of all work, data, documents, proceedings and activities related to this Agreement. Such records, together with supporting documents, shall be maintained for a period of four (4) years after receipt of final payment.
- 5.3 **Original Records.** Upon completion of, or in the event of termination or suspension of this Agreement, all completed and incomplete original agreements, data, documents, designs, drawings, exhibits, maps, models, computer files, reports, studies, surveys,

notes, and other work, materials or documents prepared or used to prepare Consultant's work product in the course of providing the Services pursuant to this Agreement ("Consultant Work Product") shall become the sole property of City once the Consultant has received payment. City may duplicate, disclose, disseminate, use, reuse or otherwise dispose of Consultant Work Product in whole or in part in any manner it deems appropriate, without the permission of Consultant. With respect to computer files, Consultant shall make available to the City, at Consultant's office and upon reasonable written request by City, the necessary computer software and hardware for purposes of accessing, compiling, transferring and printing computer files. Consultant may retain copies of such Consultant Work Product as a part of its record of professional activity.

6. TERMINATION.

- 6.1 **Termination Without Cause.** This Agreement may be terminated by either party for any reason upon ten (10) days prior written notice by the terminating party to the other party. In the event of a termination, the date of termination shall be deemed to be the first business day occurring after the expiration of the notice period. Upon receipt of said notice, Consultant shall immediately cease all work under this Agreement, unless the notice provides otherwise.
- 6.2 **Termination With Cause.** Either party may terminate this Agreement with cause, effective immediately upon written notice of such termination to the other party and failure of the breaching party to correct within five (5) days of receiving such notice, based upon the occurrence of any of the following events:
- Material breach of this Agreement;
 - Cessation of Consultant to be licensed, as required;
 - Failure to substantially comply with any applicable federal, state or local law or regulation;
 - Filing by or against Consultant of any petition under any law for the relief of debtors; and,
 - Filing of a criminal complaint against Consultant for any crime, other than minor traffic offenses.
- 6.3 **Performance Upon Termination.** In the event this Agreement is terminated pursuant to this Section, City shall pay Consultant for the outstanding balance owed for work performed up to the time of termination. Upon termination of the Agreement, Consultant shall submit an invoice to City as provided for herein and shall submit to the City all of its files for any billable or non-billable matters in which the Consultant is involved under the scope of this Agreement.
- 6.4 **Termination Upon Mutual Consent.** This agreement may also be terminated by mutual consent of the parties and in accordance with the terms and conditions of any plan of termination established by the parties. In the event of a termination by mutual consent, the date of termination shall be such date as is agreed upon by the parties. The parties may agree to suspend or terminate a portion of this Agreement and such suspension or termination shall not make void or invalidate the remainder of this Agreement.

7. **DISPUTE RESOLUTION.** Except as explicitly provided in Exhibit E relating to claims by Consultant, if any dispute, claim or disagreement shall arise relative to the interpretation or enforcement of this Agreement, the parties shall use commercially reasonable efforts to settle the dispute, claim or disagreement. To this end, they shall consult and negotiate with each other in good faith and, recognizing their mutual interests, attempt to reach a just and equitable solution satisfactory to both parties. If they do not reach such a solution within a period of thirty (30) days, then, upon notice by either party to the other, the dispute, claim or disagreement shall be submitted to final, binding arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules. The arbitrator shall have the authority to assess arbitration costs and expenses against either or both parties. The decision in the arbitration shall be binding on all parties, and judgment on any arbitration award may be entered in any court of competent jurisdiction.
8. **INSURANCE.** Consultant shall maintain prior to the beginning of and for the duration of this Agreement insurance coverage as specified in the attached Exhibit C, which is incorporated by this reference as though set forth in full.
9. **INDEMNIFICATION.**

Indemnification for Professional Liability. To the fullest extent permitted by law, Consultant shall indemnify, protect, defend and hold harmless City and any of its officials, employees and agents ("**Indemnified Parties**") from and against any and all losses, liabilities, damages, costs, and expenses, including attorneys' fees and costs, which arise out of the negligence, recklessness or willful misconduct of Consultant.
10. **RELEASE OF INFORMATION.**
 - 10.1 **Confidentiality.** All information gained by Consultant in performance of this Agreement shall be considered confidential and shall not be released except to the City, directly or indirectly, by Consultant without City's prior written authorization. Consultant, its officers, employees, subcontractors or sub-consultants shall not voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the Services performed under this Agreement unless requested by the City Attorney or authorized in writing by the City Manager. Response to a subpoena or court order shall not be considered "voluntary" provided that Consultant shall give City prompt written notice of any such court order or subpoena. The provisions of this Paragraph shall survive the termination of this Agreement.
 - 10.2 **Notice and Cooperation.** Consultant shall promptly notify the City Manager and City Attorney in writing if Consultant, its officers, employees, agents, subcontractors or subconsultants are served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any person or party related to this Agreement and/or Consultant's related Services. City has no obligation to, but may exercise discretion to represent Consultant and/or be present at any deposition, hearing or similar proceeding. Consultant agrees to cooperate fully with City and to provide the City an opportunity to review any response to

discovery requests provided by Consultant. However, City's right to review any such response does not grant or imply a right of City to control, direct, dictate or rewrite said response.

11. **RELATIONSHIP TO CITY.**

- 11.1 **Independent Contractor.** Consultant is and shall at all times remain as to the City a wholly independent contractor. The personnel performing the services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Neither City nor any of its officers, employees or agents shall have control over the conduct of Consultant or any of Consultant's officers, employees or agents, except as set forth in this Agreement. Consultant shall not at any time or in any manner represent that it or any of its officers, employees or agents are in any manner officers, employees or agents of City. Consultant shall not incur or have the power to incur any debt, obligation or liability whatever against City, or bind City in any manner.
- 11.2 **No Employee Privileges.** No City employee benefits shall be available to Consultant in connection with the performance of this Agreement. Except for the fees paid to Consultant as provided in the Agreement, City shall not pay salaries, wages or other compensation to Consultant for performing Services hereunder for City. City shall not be liable for compensation or indemnification to Consultant for injury or sickness arising out of performing Services hereunder.
- 11.3 **Consultant Duty to City.** Consultant understands and agrees that its responsibility to provide complete and accurate Services is owed solely to City and that its accountability under this contract shall likewise be solely to City and not to any City applicants or any other third person or entity.
- 11.4 **Interest of Consultant.** Consultant represents and warrants to City that it presently has no interests, and covenants that it shall not acquire any interests, direct or indirect, financial or otherwise, which would conflict with the performance of the services to be provided by Consultant under this Agreement. Consultant further covenants that, in the performance of this Agreement, no subcontractor or employee having such an interest shall be employed by Consultant. Consultant certifies that no one who has or will have any financial interest under this Agreement is: (a) an officer or employee of City, or (b). an officer or employee of the applicant and any of its consultants. Consultant agrees to comply with any applicable conflict of interest code.
- 11.5 **Undue Influence.** Consultant declares and warrants that no undue influence or pressure is used against or in concert with any officer or employee of City in connection with the award, terms or implementation of this Agreement, including any method of coercion, confidential financial arrangement or financial inducement. No officer or employee of City will receive compensation, directly or indirectly, from Consultant or any officer, employee or agent of Consultant, in connection with the award of this Agreement or any work to be conducted as a result of this Agreement. Violation of this Section shall be a material breach of this Agreement entitling City to any and all remedies at law or in equity.

- 11.6 **Third Party Beneficiaries.** This Agreement is entered into solely for the benefit of the City and the Consultant and will not confer any rights upon any person not expressly a party to this Agreement.

12. **GENERAL PROVISIONS.**

- 12.1 **Assignment of Rights.** Contractor agrees to assign City all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act or under the Cartwright Act arising from purchases of goods, services, or materials pursuant to this Agreement.
- 12.2 **Further Assurances.** City and Consultant each agree to cooperate with one another, to use their best efforts, to act in good faith, and to promptly perform such acts and execute such documents or instruments as are reasonably necessary and proper to consummate the transactions contemplated by this Agreement.
- 12.3 **Notices.** All notices, requests, demands and other communications under this Agreement shall be in writing and shall be deemed to have been duly given on the date of service if personally served or on the second day after mailing if mailed by first-class mail, registered or certified, return receipt requested, postage prepaid and properly addressed as follows:

To City:

Dave Durlinger, City Manager
City of Carpinteria
5775 Carpinteria Avenue
Carpinteria, CA 93013-2698
P: (805) 684-5405
F: (805) 684-5304

To Consultant:

Cathy Avila, P.E.
Avila and Associates, Inc.
712 Bancroft Rod, #333
Walnut Creek, CA 94598
P:(925) 673-0549
P:(925) 673-0509

Any party may change their address for the purpose of this paragraph by giving the other party written notice of the new address in the above manner.

- 12.4 **Legal Responsibilities.** Consultant shall keep itself informed of state, federal and laws and regulations which in any manner affect those employed by it or in any way affect the performance of its Service pursuant to this Agreement. The Consultant shall reasonably observe and comply with such laws and regulations. The City and its officers and employees shall not be liable at law or in equity occasioned by failure of the Consultant to comply with this Section.
- 12.5 **Licenses.** At all times during the term of this Agreement, Consultant shall have in full force and effect, all licenses required by law for the performance of services described in this Agreement.
- 12.6 **Labor Conditions.** City is a public entity in the state of California, and therefore, City and Consultant are subject to the provisions of the Government Code and the Labor Code of the state of California. All provisions of law applicable to public contracts and/or this

Agreement are incorporated herein by this reference and are made a part of this Agreement to the same extent as if they were fully stated in the Agreement and shall be complied with by Consultant.

- 12.7 **Labor Requirements.** Consultant shall abide by all federal and California laws and regulations regarding wages, including, without limitation, the Fair Labor Standards Act and the California Labor Code, which, in part, mandate that 8 hours' labor constitutes a legal days' work, and require Consultant to pay the general prevailing wage rates. The California statutory provisions for penalties for failure to pay prevailing wages will be enforced and the statutory provisions for penalties for failure to comply with California's wage and hour laws will be enforced. In addition, Consultant is required to comply with the statutory requirements relating to employment of apprentices. Consultant also must secure the payment of workers' compensation to its employees as provided by California law. Consultant acknowledges its obligation to secure payment of Workers' Compensation before beginning work as set forth in the attached **Exhibit D** ("Acknowledgement of Workers' Compensation Obligation") which is incorporated by this reference as through set forth in full. Additionally, Consultant is required to comply with all statutory requirements relating to certified payroll records, including the maintenance of the records, their certification, and their availability for inspection.
- 12.8 **Discrimination.** No person shall be excluded from employment in the performance of this Agreement on the grounds of race, creed, color, sex, age, marital status, sexual orientation or place of national origin. Consultant shall comply with all local, state, and federal laws relating to equal employment opportunity rights.
- 12.9 **Assignment.** Consultant shall not assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, without prior written consent of City, which shall have the sole discretion to consent to any proposed assignment. Because of the personal nature of the Services to be rendered pursuant to this Agreement, only Consultant shall perform the services described in this Agreement.
- 12.10 **Waiver.** No waiver of a provision of this Agreement shall constitute a waiver of any other provision, whether or not similar. No waiver shall constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.
- 12.11 **Force Majeure.** Neither Consultant nor City shall be liable for any delays resulting from circumstances or causes beyond its reasonable control, including, without limitation, fire or other casualty, act of God, strike or labor dispute, war or other violence, or any law, order or requirement of any governmental agency or authority.
- 12.12 **Construction of Terms.** All parts of this Agreement shall in all cases be construed according to their plain meaning and shall not be construed in favor or against either of the parties. If any term, provision, covenant or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, in whole or in part, the remainder of this Agreement shall remain in full force and effect and shall not be affected, impaired or invalidated thereby. In the event of any provision shall be adjudged

invalid, void or unenforceable, the parties hereto agree to enter into a supplemental agreement to effectuate the intent of the parties and the purposes of this Agreement.

12.13 **Controlling Law.** The City and Consultant understand and agree that the laws of the State of California shall govern the rights, obligations, duties and liabilities of the parties to this Agreement and also govern the interpretation of this Agreement, with venue proper only in the County of Santa Barbara, State of California.

12.14 **Authorization.** All officers and individuals executing this and other documents on behalf of the respective parties hereby certify and warrant that they have the capacity and have been duly authorized to execute said documents on behalf of the entities indicated.

12.15 **Entire Agreement.** This Agreement, along with its attached exhibits, which are incorporated herein by this reference, constitutes the entire Agreement between the parties and supersedes all prior and contemporaneous agreements, representations and understandings of the parties. This Agreement may be altered, amended or modified only by a supplemental writing executed by the parties to this Agreement and by no other means. Each party waives any future right to claim, contest, or assert that this Agreement was modified, canceled, superseded, or changed by any oral agreement, course of conduct, waiver or estoppel.

12.16 **Counterparts.** This Agreement may be executed in counterparts, each of which shall remain in full force and effect as to each party.

12.17 **Severability.** In the event that any term or provision of this Agreement shall be held to be invalid, void or unenforceable, then the remainder of this Agreement shall not be affected, impaired or invalidated, and each such term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

IN WITNESS WHEREOF, the parties have executed this Agreement at the place and as of the date first written above.

"CITY"
City of Carpinteria

By: _____
David Durflinger, City Manager

APPROVED AS TO FORM:
City of Carpinteria

By: _____
Peter N. Brown, on behalf of
Brownstein Hyatt Farber Schreck, LLP
Acting as City Attorney of the City of Carpinteria

"CONSULTANT"
Avila and Associates, Consulting Engrs, Inc.

By: 
Catherine M.C. Avila, P.E.

EXHIBIT A

TASKS TO BE PERFORMED

Scope of Work

Franklin Creek and Highway 101 Overflow Reach Modeling/Mapping for Existing Conditions LOMR



This scope of work was prepared by River Focus, Inc. at the request of Avila and Associates Consulting Engineers, Inc. (Avila). The purpose of this study is to perform hydraulic modeling and floodplain mapping for Franklin Creek and the Highway 101 Overflow Reach as part of the ongoing FEMA map revision for Carpinteria Creek. In addition, this modeling effort includes a 2D split flow analysis for Carpinteria Creek at Highway 101. Described below are the anticipated project tasks to be performed by the Avila/River Focus team.

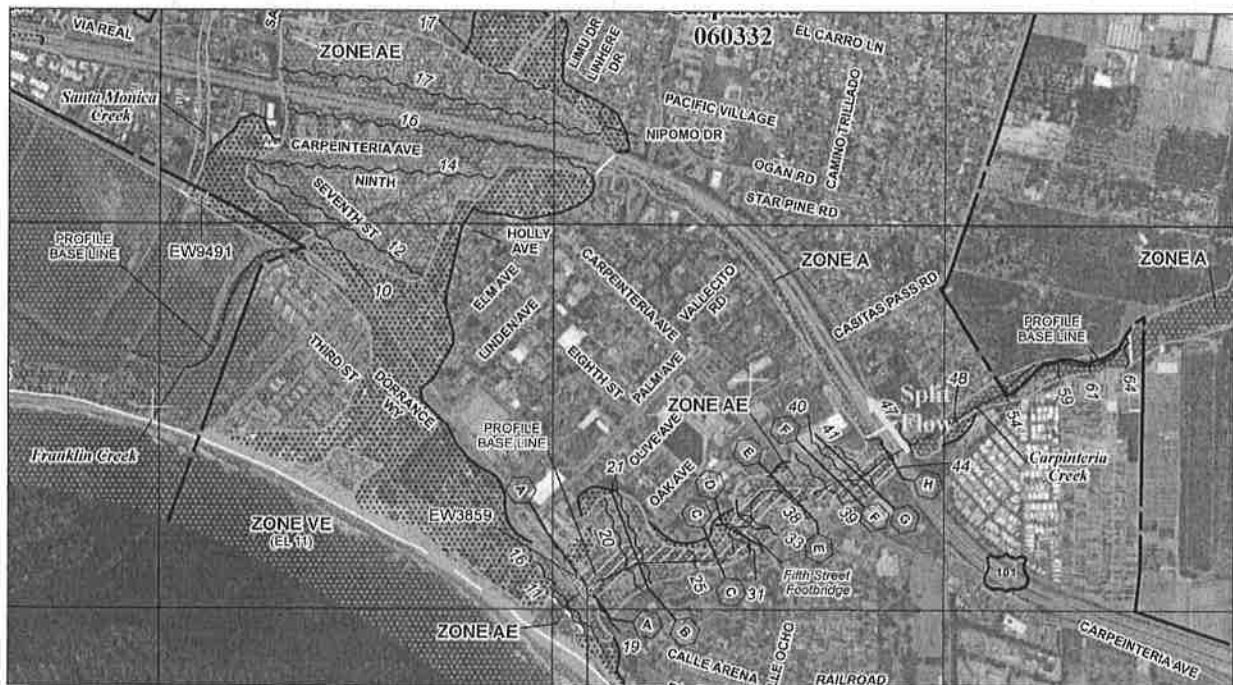


Figure 1. FEMA Flood Insurance Rate Map – Carpinteria and Franklin Creeks (Excerpt from Panel 06083C1420G)

Task 1. 2-D Split Flow Analysis – Carpinteria Creek at Highway 101

A 2-D split flow analysis for Carpinteria Creek existing conditions will be performed using the XP-STORM hydraulic model. The purpose of this analysis is to determine the peak discharge that splits from Carpinteria Creek to Highway 101, and subsequently reaching Franklin Creek. The 10-, 50-, 100-, and 500-year recurrence interval events will be run.

Deliverable: Summary of split flow peak discharges (to be included in LOMR report)

Assumptions: No pier debris will be modeled, per FEMA guidance.

Task 2. Hydraulic Modeling - Franklin Creek and Highway 101 Overflow Reach

Up to three hydraulic models will be developed and run for Franklin Creek per FEMA regulations for an existing conditions LOMR: a duplicate effective model, a corrected effective model, and an existing conditions model. In this case, the corrected effective and existing conditions models will be equivalent.

The 10-, 50-, 100-, and 500-year peak discharges will be modeled as required by FEMA for a detailed Zone AE map revision.

The Avila/River Focus team previously developed a georeferenced HEC-RAS (River Analysis System) hydraulic model for Franklin Creek, based on the un-georeferenced effective model and newer topographic data. This model was focused on a future conditions 100-year discharge; additional work will be required to model the full range of peak discharges for existing conditions. Due to the complexity of the overbank flow, the use of a 2D model for the area will be evaluated. In this case, the total cost will be equivalent whether a 1D or 2D model is selected.

In addition to Franklin Creek, the Highway 101 overflow reach will be modeled. The effective model for the overflow reach includes the 100-year discharge, so that will be modeled for existing conditions.

A field visit will be performed to evaluate hydraulic model assumptions, parameters, and results. The modeling will also be checked that it is consistent with FEMA's *Guidelines and Specifications for Flood Hazard Mapping Partners* and applicable National Flood Insurance Program (NFIP) regulations. FEMA's CHECK-RAS computer program will also be used as part of the review process.

Deliverable: HEC-RAS models

Assumptions: The downstream boundary from the effective FEMA model will be used for the corrected effective / existing conditions models.

Task 3. Floodplain Mapping - Franklin Creek and Highway 101 Overflow Reach

The Avila/River Focus team will delineate the Franklin Creek floodplain within the study area for the 100-year and 500-year flood events. The Highway 101 overflow floodplain will be delineated for the 100-year flood event. Floodplain workmaps will be developed and annotated/revised Digital Flood Insurance Rate Map (DFIRM) panels will be prepared. Digital files will be organized and submitted to FEMA.

Deliverables: Floodplain workmaps, annotated DFIRM, and GIS floodplain layers

Assumptions: New mapping procedures are currently under development by FEMA; however, it is not known when they will be implemented. This cost estimate assumes typical floodplain mapping, and does not include the preparation of flood depth grids.

Task 4. LOMR Application and Follow-up

The Avila/River Focus team will prepare a LOMR report/narrative describing the hydraulic modeling and floodplain mapping. River Focus will prepare CHECK-RAS comments and responses and flood profiles.

Public notice and/or individual property owner notification may be required by FEMA. Text will be prepared for the public notice and/or notification letter to be sent out by the community.

The Avila/River Focus team will coordinate with the FEMA, City of Carpinteria, and Caltrans, regarding the LOMR submittal.

Deliverables: LOMR report/narrative and flood profiles

Assumptions: The LOMR application will be submitted and processed through the Online LOMC. No hard copies of the LOMR application will be created.

Project Schedule

We expect that it will take approximately 4 to 6 weeks from notice to proceed and receipt of required data to complete the HEC-RAS modeling and mapping, and prepare the LOMR documentation.

EXHIBIT B
PAYMENT SCHEDULE



COST PROPOSAL

Labor Detail and Expense Summary

Franklin Creek and Highway 101 Overflow Reach
Modeling/Mapping for Existing Conditions LOMR

		Labor Category		Project Manager	GIS Lead	Avila Labor Price	Project Manager	Senior Hydraulic Engineer	Senior Hydrologist	Hydraulic Engineer	Admin/ Clerical	River Focus Labor Price	Total Cost
Hourly Billing Rate		\$179.44	\$165.70				\$144.38	\$131.05	\$122.16	\$105.50	\$57.75		
Task #	Task Name/Description												
1	2D Split Flow Analysis - Carpinteria Creek at Hwy 101											\$ -	
(a)	Extract Carpinteria Cr hydrographs from HEC-1			\$ -	2			8				\$ 1,266	\$ 1,266
(b)	Run 2D XPSTORM model (10-, 50-, 100-, 500-yr events)			\$ -	8			24				\$ 4,087	\$ 4,087
(c)	Combine split flow hydrographs with Franklin Cr hydrographs			\$ -	2			8				\$ 1,266	\$ 1,266
	Subtotal	0	0	\$ -	12	0	40	0	0	0	\$ 6,619	\$ 6,619	
2	Hydraulic Modeling - Franklin Cr, Hwy 101 Overflow Reach											\$ -	
(a)	Perform HEC-RAS modeling - Duplicate Effective Model			\$ -	2					6		\$ 922	\$ 922
(b)	Perform HEC-RAS modeling - Corrected Effective Model		8	\$ 1,326	18					60		\$ 8,929	\$ 10,255
(c)	Perform Franklin Creek field reconnaissance visit			\$ -	8					8		\$ 1,999	\$ 1,999
(d)	Run CHECK-RAS and prepare CHECK-RAS responses			\$ -	4					8		\$ 1,422	\$ 1,422
(e)	Analyze results; perform QA review, response & backcheck			\$ -	2	4				6		\$ 1,446	\$ 1,446
	Subtotal	0	8	\$ 1,326	34	4	0	88	0	\$ 14,717	\$ 16,043		
3	Floodplain Mapping - Franklin Cr, Hwy 101 Overflow Reach											\$ -	
(a)	Prepare floodplain workmaps		32	\$ 5,302	8					4		\$ 1,577	\$ 6,879
(b)	Prepare annotated FIRM panels		24	\$ 3,977	6							\$ 866	\$ 4,843
	Subtotal	0	56	\$ 9,279	14	0	0	4	0	\$ 2,443	\$ 11,722		
4	LOMR Application and Follow-up											\$ -	
(a)	Create FEMA flood profiles using RASLOT			\$ -	4	24						\$ 3,723	\$ 3,723
(b)	Prepare Franklin Creek LOMR report/narrative; QA review	8	8	\$ 2,761	16	4			24	2		\$ 5,482	\$ 8,243
(c)	Assist with property owner notification (if required)	8	16	\$ 4,087	6				8			\$ 1,710	\$ 5,797
(d)	Prepare LOMR submittal package; QA, provide to FEMA	8	4	\$ 2,098	8				8			\$ 1,999	\$ 4,097
(e)	Participate in conference calls; meeting preparation	8		\$ 1,436	6				6			\$ 1,499	\$ 2,935
(f)	Response to FEMA / STARR II comments; make revisions	8	16	\$ 4,087	24	8			32			\$ 7,890	\$ 11,976
	Subtotal	40	44	\$ 14,468	64	36	0	78	2	\$ 22,303	\$ 36,771		
Total Hours		40	108		124	40	40	170	2				
Subtotals - Labor Costs		\$ 7,178	\$ 17,896	\$ 25,073	\$ 17,903	\$ 5,242	\$ 4,887	\$ 17,936	\$ 116	\$ 46,082	\$ 71,155		

Total Labor Costs \$ 71,155

Non-Labor Expenses \$ 1,000

\$ -

Non-Labor Expenses \$ 1,000

TOTAL PROJECT PRICE

\$ 72,155

EXHIBIT C

INSURANCE REQUIREMENTS

Prior to the beginning of and throughout the duration of the Work, Consultant will maintain insurance in conformance with the requirements set forth below. Consultant will use existing coverage to comply with these requirements. If that existing coverage does not meet the requirements set forth here, Consultant agrees to amend, supplement or endorse the existing coverage to do so. Consultant acknowledges that the insurance coverage and policy limits set forth in this section constitute the minimum amount of coverage required. Any insurance proceeds available to City in excess of the limits and coverage required in this agreement and which is applicable to a given loss, will be available to City.

Consultant shall provide the following types and amounts of insurance:

Commercial General Liability Insurance using Insurance Services Office "Commercial General Liability" policy form CG 00 01 or the exact equivalent. Defense costs must be paid in addition to limits. There shall be no cross liability exclusion for claims or suits by one insured against another. Limits are subject to review but in no event less than \$1,000,000 per occurrence.

Business Auto Coverage on ISO Business Auto Coverage form CA 00 01 including symbol 1 (Any Auto) or the exact equivalent. Limits are subject to review, but in no event to be less than \$1,000,000 per accident. If Consultant owns no vehicles, this requirement may be satisfied by a non-owned auto endorsement to the general liability policy described above. If Consultant or Consultant's employees will use personal autos in any way on this project, Consultant shall provide evidence of personal auto liability coverage for each such person.

Workers Compensation on a state-approved policy form providing statutory benefits as required by law with employer's liability limits no less than \$1,000,000 per accident or disease.

Excess or Umbrella Liability Insurance (Over Primary) if used to meet limit requirements, shall provide coverage at least as broad as specified for the underlying coverages. Any such coverage provided under an umbrella liability policy shall include a drop down provision providing primary coverage above a maximum \$25,000 self-insured retention for liability not covered by primary but covered by the umbrella. Coverage shall be provided on a "pay on behalf" basis, with defense costs payable in addition to policy limits. Policy shall contain a provision obligating insurer at the time insured's liability is determined, not requiring actual payment by the insured first. There shall be no cross liability exclusion precluding coverage for claims or suits by one insured against another. Coverage shall be applicable to City for injury to employees of Consultant, subconsultants or others involved in the Work. The scope of coverage provided is subject to approval of City following receipt of proof of insurance as required herein. Limits are subject to review but in no event less than \$1,000,000 per occurrence.

Professional Liability or Errors and Omissions Insurance as appropriate shall be written on a policy form coverage specifically designed to protect against acts, errors or omissions of the consultant and "Covered Professional Services" as designated in the policy must specifically include work performed under this agreement. The policy limit shall be no less than \$1,000,000 per claim and in the aggregate. The policy must "pay on behalf of" the insured and must include a provision establishing the insurer's duty to defend. The policy retroactive date shall be on or before the effective date of this agreement.

Insurance procured pursuant to these requirements shall be written by insurers that are admitted carriers in the state of California and with an A.M. Bests rating of A- or better and a minimum financial size VII.

General conditions pertaining to provision of insurance coverage by Consultant. Consultant and City agree to the following with respect to insurance provided by Consultant:

1. Consultant agrees to have its insurer endorse the third party general liability coverage required herein to include as additional insureds City, its officials, employees, volunteers and agents, using standard ISO endorsement No. CG 2010 with an edition prior to 1992. Consultant also agrees to require all contractors and subcontractors to do likewise.
2. No liability insurance coverage provided to comply with this Agreement shall prohibit Consultant, or Consultant's employees or agents, from waiving the right of subrogation prior to a loss. Consultant agrees to waive subrogation rights against City regardless of the applicability of any insurance proceeds, and to require all contractors and subcontractors to do likewise.
3. All insurance coverage and limits provided by Contractor and available or applicable to this agreement are intended to apply to the full extent of the policies. Nothing contained in this Agreement or any other agreement relating to the City or its operations limits the application of such insurance coverage.
4. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to City and approved of in writing.
5. No liability policy shall contain any provision or definition that would serve to eliminate so-called "third party action over" claims, including any exclusion for bodily injury to an employee of the insured or of any contractor or subcontractor.
6. All coverage types and limits required are subject to approval, modification and additional requirements by the City, as the need arises. Consultant shall not make any reductions in scope of coverage (e.g., elimination of contractual liability or reduction of discovery period) that may affect City's protection without City's prior written consent.
7. Proof of compliance with these insurance requirements, consisting of certificates of insurance evidencing all of the coverages required and an additional insured endorsement to Consultant's general liability policy, shall be delivered to City at or prior to the execution of this Agreement. In the event such proof of any insurance is not delivered as required, or in the event such insurance is canceled at any time and no replacement coverage is provided, City has the right, but not the duty, to obtain any insurance it deems necessary to protect its interests under this or any other agreement and to pay the premium. Any premium so paid by City shall be charged to and promptly paid by Consultant or deducted from sums due Consultant, at City option.
8. Certificate(s) are to reflect that the insurer will provide 30 (thirty) days notice to City of any cancellation of coverage. Consultant agrees to require its insurer to modify such certificates to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, or that any party will "endeavor" (as opposed to being required) to comply with the requirements of the certificate.

9. It is acknowledged by the parties of this agreement that all insurance coverage required to be provided by Consultant or any subcontractor, is intended to apply first and on a primary, non-contributing basis in relation to any other insurance or self insurance available to City.
10. Consultant agrees to ensure that subcontractors, and any other party involved with the project who is brought onto or involved in the project by Consultant, provide the same minimum insurance coverage required of Consultant. Consultant agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Consultant agrees that upon request, all agreements with subcontractors and others engaged in the project will be submitted to City for review.
11. Consultant agrees not to self-insure or to use any self-insured retentions or deductibles on any portion of the insurance required herein and further agrees that it will not allow any contractor, subcontractor, Architect, Engineer or other entity or person in any way involved in the performance of work on the project contemplated by this agreement to self-insure its obligations to City. If Consultant's existing coverage includes a deductible or self-insured retention, the deductible or self-insured retention must be declared to the City. At that time the City shall review options with the Consultant, which may include reduction or elimination of the deductible or self-insured retention, substitution of other coverage, or other solutions.
12. The City reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the Consultant ninety (90) days advance written notice of such change. If such change results in substantial additional cost to the Consultant, the City will negotiate additional compensation proportional to the increased benefit to City.
13. For purposes of applying insurance coverage only, this Agreement will be deemed to have been executed immediately upon any party hereto taking any steps that can be deemed to be in furtherance of or towards performance of this Agreement.
14. Consultant acknowledges and agrees that any actual or alleged failure on the part of City to inform Consultant of non-compliance with any insurance requirement in no way imposes any additional obligations on City nor does it waive any rights hereunder in this or any other regard.
15. Consultant will renew the required coverage annually as long as City or its employees or agents face an exposure from operations of any type pursuant to this Agreement. This obligation applies whether or not the Agreement is canceled or terminated for any reason. Termination of this obligation is not effective until City executes a written statement to that effect.
16. Consultant shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Proof that such coverage has been ordered shall be submitted prior to expiration. A coverage binder or letter from Consultant's insurance agent to this effect is acceptable. A certificate of insurance and/or additional insured endorsement as required in these specifications applicable to the renewing or new coverage must be provided to City within five days of the expiration of the coverages.

17. The provisions of any workers' compensation or similar act will not limit the obligations of Consultant under this Agreement. Consultant expressly agrees not to use any statutory immunity defenses under such laws with respect to City, its employees, officials and agents.
18. Requirements of specific coverage features or limits contained in this section are not intended as limitations on coverage, limits or other requirements nor as a waiver of any coverage normally provided by any given policy. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be limiting or all-inclusive.
19. These insurance requirements are intended to be separate and distinct from any other provision in this agreement and are intended by the parties here to be interpreted as such.
20. The requirements in this Section supersede all other sections and provisions of this Agreement to the extent that any other section or provision conflicts with or impairs the provisions of this Section.
21. Consultant agrees to be responsible for ensuring that no contract used by any party involved in any way with the project reserves the right to charge City or Consultant for the cost of additional insurance coverage required by this agreement. Any such provisions are to be deleted with reference to City. It is not the intent of City to reimburse any third party for the cost of complying with these requirements. There shall be no recourse against City for payment of premiums or other amounts with respect thereto.
22. The City's failure to comply with reporting requirements should not affect coverage required under the Agreement.
23. The consultant's insurance is primary to that of any insurance claimed by the City.

Consultant agrees to provide immediate notice to City of any claim or loss against Consultant arising out of the work performed under this agreement. City assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve City.

ACORD TM **CERTIFICATE OF LIABILITY INSURANCE**Date (MM/DD/YR)
3/22/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER

SelectSolutions Insurance Services, LLC
License# 0127711
1350 Carlback Avenue
Walnut Creek, CA 94596

CONTACT
NAME:

Diana Chau

PHONE
(A/C, No, Ext):

866-500-6359

FAX
(A/C, No):

855-804-8449

EMAIL

dianac@ppibselect.com

ADDRESS:

INSURERS AFFORDING COVERAGE**NAIC #**

INSURER A:	Massachusetts Bay Insurance Company	22306
INSURER B:	The Hanover American Insurance Company	36064
INSURER C:	Travelers Casualty and Surety Company of Am	31194
INSURER D:	Allmerica Financial Benefit Insurance Company	41840
INSURER E:		
INSURER F:		

INSURED

Avila and Associates Consulting Engineers, Inc.
712 Bancroft Road, #333
Walnut Creek, CA 94598

COVERAGES**CERTIFICATE NUMBER:****REVISION NUMBER:**

THIS IS TO CERTIFY THAT POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE				ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS				
A	GENERAL LIABILITY				X	X	ODF899253405	02/20/2016	02/20/2017	EACH OCCURRENCE		\$2,000,000		
	X	COMMERCIAL GENERAL LIABILITY								DAMAGE TO RENTED PREMISES (Ea occurrence)		\$1,000,000		
		CLAIMS-MADE ☒ OCCUR								MED EXP (Any one person)		\$5,000		
										PERSONAL & ADV INJURY		\$2,000,000		
										GENERAL AGGREGATE		\$4,000,000		
										PRODUCTS - COMP/OP AGG		\$4,000,000		
	GEN'L AGGREGATE LIMIT APPLIES PER													
		POLICY	☒	PROJECT	☐	LOC						\$		
D	AUTOMOBILE LIABILITY						AWFA86589400	04/20/2016	04/20/2017	COMBINED SINGLE LIMIT (Ea accident)		\$1,000,000		
	X	ANY AUTO			BODILY INJURY (Per person)					\$				
	X	ALL OWNED AUTOS ☐ SCHEDULED AUTOS			BODILY INJURY (Per accident)					\$				
	X	HIRED AUTOS ☒ NON-OWNED AUTOS			PROPERTY DAMAGE (Per accident)					\$				
										\$				
										\$				
A	X	UMBRELLA LIAB ☒ OCCUR					ODF899253405	02/20/2016	02/20/2017	EACH OCCURRENCE		\$5,000,000		
		EXCESS LIAB ☐ CLAIMS-MADE			AGGREGATE					\$5,000,000				
		DED	☒	RETENTION	\$0					\$				
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N				N/A		WZF903627305	03/09/2016	03/09/2017	X	WC STATU-TORY LIMITS		OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE/OFFICER/MEMBER EXCLUDED? (Mandatory in N.H.) ☒ N									E.L. EACH ACCIDENT		\$1,000,000		
	If yes, describe under DESCRIPTION OF OPERATIONS below									E.L. DISEASE - EA EMPLOYEE		\$1,000,000		
										E.L. DISEASE - POLICY LIMIT		\$1,000,000		
C	PROFESSIONAL LIABILITY				N/A		106457580	02/20/2016	02/20/2017	PER CLAIM AGGREGATE		\$5,000,000 \$5,000,000		

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Re: Hydraulic Analysis. City of Carpinteria, its officials, employees, volunteers and agents are named as Additional Insured (primary/non-contributory) and waiver of subrogation applies to General Liability policy if required by written contract per attached endorsement.

CERTIFICATE HOLDER

City of Carpinteria
Department of Public Works
5775 Carpinteria Ave.
Carpinteria, CA 93013

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

GENERAL LIABILITY SUPPLEMENTARY ENDORSEMENT

This endorsement modifies insurance provided under the following:
BUSINESSOWNERS COVERAGE FORM

I. Additional Insured by Contract, Agreement or Permit

Under SECTION II - LIABILITY, C. Who Is An Insured, Paragraph 4. is added as follows:

- a. Any person or organization for whom you are performing operations when you and such person or organization have agreed in writing in a contract, agreement or permit that such person or organization be added as an additional insured on your policy. Such person or organization is an additional insured only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

- (1) Your acts or omissions; or
- (2) The acts or omissions of those acting on your behalf,

but only with respect to:

- (3) "Your work" for the additional insured(s) at the location designated in the contract, agreement or permit; or
- (4) Premises you own, rent, lease, control or occupy.

This insurance applies on a primary basis if that is required by the written contract, agreement or permit.

- b. This provision does not apply:

- (1) Unless the written contract or written agreement has been executed or permit has been issued prior to the "bodily injury", "property damage" or "personal and advertising injury";
- (2) To any person or organization included as an insured by an endorsement issued by us and made part of this Policy;
- (3) To any lessor of equipment:
 - (a) After the equipment lease expires; or
 - (b) If the "bodily injury", "property damage" or "personal and advertising injury" arises out of the sole negligence of the lessor;
- (4) To any:
 - (a) Owners or other interests from whom land has been leased which takes place after the lease for that land expires; or
 - (b) Managers or lessors of premises if:
 - (i) The occurrence takes place after you cease to be a tenant in that premises; or
 - (ii) The "bodily injury", "property damage" or "personal and advertising injury" arises out of structural alterations, new

construction or demolition operations performed by or on behalf of the manager or lessor; or

- (5) To "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or the failure to render any professional services. This includes but is not limited to any professional services as an architect or engineer arising out of any construction agreement or activities under which any insured or anyone acting on any insured's behalf provides or provided service, advice, expertise or work. Construction includes, but is not limited to, the plan, conception, design, build, construct, assembly, development, safety, erection, formation, reconstruct, rehabilitation, repair, or any improvement made to real property. Construction also includes the hiring, supervision or management of any of these activities. However, this exclusion does not apply to liability arising out of an insured's presence at a jobsite that was not caused by professional activities listed in the above paragraph.

- c. Additional insured coverage provided by this provision will not be broader than coverage provided to any other insured.

- d. All other insuring agreements, exclusions, and conditions of the policy apply.

II. Additional Insured by Contract, Agreement or Permit - Primary and Non-contributory

The following is added to SECTION III - COMMON POLICY CONDITIONS:

M. Other Insurance

1. Additional Insureds

If you agree in a written contract, written agreement or permit that the insurance provided to any person or organization included as an Additional Insured under SECTION II - LIABILITY, Part C - Who Is An Insured, is primary and non-contributory, the following applies:

If other valid and collectible insurance is available to the Additional Insured for a loss we cover under SECTION II - LIABILITY, Part A. Coverages, Paragraph 1., Business Liability our obligations are limited as follows:

a. Primary Insurance

This insurance is primary to other insurance that is available to the Additional Insured which covers the Additional Insured as a Named Insured.

We will not seek contribution from any other insurance available to the Additional Insured except:

- (1) For the sole negligence of the Additional Insured;
- (2) When the Additional Insured is an Additional Insured under another primary liability policy; or
- (3) When b.(2) below applies.
If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in b.(3) below.

b. Excess Insurance

This insurance is excess over:

- (1) Any of the other insurance, whether primary, excess, contingent or on any other basis:
 - (a) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";
 - (b) That is Fire Insurance for premises rented to the Additional Insured or temporarily occupied by the Additional Insured with permission of the owner;
 - (c) That is insurance purchased by the Additional Insured to cover the Additional Insured's liability as a tenant for "property damage" to premises rented to the Additional Insured or temporarily occupied by the Additional Insured with permission of the owner; or
 - (d) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion g. of SECTION II - LIABILITY, Part A. Coverages, 1. Business Liability.

When this insurance is excess, we will have no duty under SECTION II - LIABILITY, Part A. Coverages, 1. Business Liability to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

III. Aggregate Limit of Insurance (Per Project)

- a. For purposes of the coverage provided by this endorsement, D. Liability and Medical Expenses Limits of Insurance under Section II - Liability is amended by adding the following:

The General Aggregate Limit under D. Liability and Medical Expenses Limits of Insurance applies separately to each of "your projects" or each location listed in the Declarations.

- b. For purposes of the coverage provided by this endorsement F. Liability And Medical Expenses Definitions under Section II - Liability is amended by adding the following:

a. "Your project" means:

- I. Any premises, site or location at, on, or in which "your work" is not yet completed; and
- II. Does not include any location listed in the Declarations.

IV. Blanket Waiver of Subrogation

Paragraph K. Transfer Of Rights Of Recovery Against Others To Us in Section III - Common Policy Conditions is amended by the addition of the following:

We will waive any right of recovery we may have against any person or organization when you have agreed in a written contract, permit or agreement to waive any rights of recovery against such person or organization because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard".

EXHIBIT D

WORKERS' COMPENSATION REQUIREMENTS

The Consultant is required to sign and file a statement acknowledging its obligation to secure payment of Workers' Compensation before beginning work.

ACKNOWLEDGEMENT OF WORKERS' COMPENSATION OBLIGATION

I, Cathy Avila, hereby acknowledge my obligation to secure payment of Workers' Compensation before beginning work.

Avila and Associates, Inc.

By: 
Cathy Avila, P.E.

Dated: 10/3/16

EXHIBIT E

RESOLUTION OF CONSTRUCTION CLAIMS

The following pertains to Public Contract Code Sections 20104 through 20104.6 (Resolution of Construction Claims)

1. This article applies to all public works claims of three hundred seventy-five thousand dollars (\$375,000) or less which arise between a contractor and a local agency.
2. This article shall not apply to any claims resulting from a contract between a contractor and a public agency when the public agency has elected to resolve any disputes pursuant to Article 7.1 (commencing with Section 10240) of Chapter 1 of Part 2.
3. "Public work" means "public works contract" as defined in Section 1101 but does not include any work or improvement contracted for by the state or the Regents of the University of California.
4. "Claim" means a separate demand by the contractor for (a) a time extension, (b) payment of money or damages arising from work done by, or on behalf of, the contractor pursuant to the contract for a public work and payment of which is not otherwise expressly provided for or the claimant is not otherwise entitled to, or (c) an amount the payment of which is disputed by the local agency.
5. The provisions of this article or a summary thereof shall be set forth in the plans or specifications for any work which may give rise to a claim under this article.
6. This article applies only to contracts entered into on or after January 1, 1991.
7. For any claim subject to this Agreement, the following requirements apply:
 - a. The claim shall be in writing and include the documents necessary to substantiate the claim. Claims must be filed on or before the date of final payment. Nothing in this subdivision is intended to extend the time limit or supersede notice requirements otherwise provided by contract for the filing of claims.
 - b. (1) For claims of less than fifty thousand dollars (\$50,000), the City shall respond in writing to any written claim within 45 days of receipt of the claim, or may request, in writing, within 30 days of receipt of the claim, any additional documentation supporting the claim or relating to defenses to the claim the City may have against the claimant.

(2) If additional information is thereafter required, it shall be requested and provided pursuant to this subdivision, upon mutual agreement of the City and the claimant.

- (3) The City's written response to the claim, as further documented, shall be submitted to the claimant within 15 days after receipt of the further documentation or within a period of time no greater than that taken by the claimant in producing the additional information, whichever is greater.
- c. (1) For claims of over fifty thousand dollars (\$50,000) and less than or equal to three hundred seventy-five thousand dollars (\$375,000), the City shall respond in writing to all written claims within 60 days of receipt of the claim, or may request, in writing, within 30 days of receipt of the claim, any additional documentation supporting the claim or relating to defenses to the claim the City may have against the claimant.
- (2) If additional information is thereafter required, it shall be requested and provided pursuant to this subdivision, upon mutual agreement of the City and the claimant.
- (3) The City's written response to the claim, as further documented, shall be submitted to the claimant within 30 days after receipt of the further documentation, or within a period of time no greater than that taken by the claimant in producing the additional information or requested documentation, whichever is greater.
- d. If the claimant disputes the City's written response, or the City fails to respond within the time prescribed, the claimant may so notify the City, in writing, either within 15 days of receipt of the City's response or within 15 days of the City's failure to respond within the time prescribed, respectively, and demand an informal conference to meet and confer for settlement of the issues in dispute. Upon a demand, the City shall schedule a meet and confer conference within 30 days for settlement of the dispute.
- e. Following the meet and confer conference, if the claim or any portion remains in dispute, the claimant may file a claim as provided in Chapter 1 (commencing with Section 900) and Chapter 2 (commencing with Section 910) of Part 3 of Division 3.6 of Title 1 of the Government Code. For purposes of those provisions, the running of the period of time within which a claim must be filed shall be tolled from the time the claimant submits his or her written claim pursuant to subdivision (a) until the time that claim is denied as a result of the meet and confer process, including any period of time utilized by the meet and confer process.
- f. This article does not apply to tort claims and nothing in this article is intended nor shall be construed to change the time periods for filing tort claims or actions specified by Chapter 1 (commencing with Section 900) and Chapter 2 (commencing with Section 910) of Part 3 of Division 3.6 of Title 1 of the Government Code.

The following procedures are established for all civil actions filed to resolve claims subject to this article:

8. Within 60 days, but no earlier than 30 days, following the filing or responsive pleadings, the court shall submit the matter to nonbinding mediation unless waived by mutual stipulation of both parties. The mediation process shall provide for the selection within 15 days by both

parties of a disinterested third person as mediator, shall be commenced within 30 days of the submittal, and shall be concluded within 15 days from the commencement of the mediation unless a time requirement is extended upon a good cause showing to the court or by stipulation of both parties. If the parties fail to select a mediator within the 15-day period, any party may petition the court to appoint the mediator.

9. (a) If the matter remains in dispute, the case shall be submitted to judicial arbitration pursuant to Chapter 2.5 (commencing with Section 1141.10) of Title 3 of Part 3 of the Code of Civil Procedure, notwithstanding Section 1141.11 of that code. The Civil Discovery Act (Title 4 (commencing with Section 2016.010) of Part 4 of the Code of Civil Procedure) shall apply to any proceeding brought under this subdivision consistent with the rules pertaining to judicial arbitration.

(b) Notwithstanding any other provision of law, upon stipulation of the parties, arbitrators appointed for purposes of this article shall be experienced in construction law, and, upon stipulation of the parties, mediators and arbitrators shall be paid necessary and reasonable hourly rates of pay not to exceed their customary rate, and such fees and expenses shall be paid equally by the parties, except in the case of arbitration where the arbitrator, for good cause, determines a different division. In no event shall these fees or expenses be paid by state or county funds.

(c) In addition to Chapter 2.5 (commencing with Section 1141.10) of Title 3 of Part 3 of the Code of Civil Procedure, any party who after receiving an arbitration award requests a trial de novo but does not obtain a more favorable judgment shall, in addition to payment of costs and fees under that chapter, pay the attorney's fees of the other party arising out of the trial de novo.
10. The court may, upon request by any party, order any witnesses to participate in the mediation or arbitration process.
11. The City shall not fail to pay money as to any portion of a claim which is undisputed except as otherwise provided in the contract.
13. In any suit filed under Section 20104.4, the City shall pay interest at the legal rate on any arbitration award or judgment. The interest shall begin to accrue on the date the suit is filed in a court of law.
14. Pursuant to California Public Contract Code Section 7201, the City may not retain greater than five (5%) percent of contract price.



City of Carpinteria

COUNCIL AGENDA STAFF REPORT October 10, 2016

ITEM FOR COUNCIL CONSIDERATION

Amendment to the Measure A Cooperative Agreement for the Carpinteria Children's Project at Main School Sidewalk Infill Project.

STAFF RECOMMENDATION

Action Item X ; Non-Action Item

Approve and authorize the Mayor to sign the Amendment to the Measure A Cooperative Agreement for the Carpinteria Children's Project at Main School Sidewalk Infill Project.

Motion: I move to approve and authorize the Mayor to sign the Amendment to the Measure A Cooperative Agreement for the Carpinteria Children's Project at Main School Sidewalk Infill Project.

BACKGROUND

The sidewalk infill project is located immediately around the Carpinteria Children's Project campus where sidewalks previously did not exist. Many of the families using the campus rely on alternative modes of transportation to get to the site, with many arriving on foot and bringing toddlers to the day care center in strollers. Given the previous lack of sidewalks along Sixth Street and Walnut Avenue, some pedestrians were forced to walk on dirt surfaces or in the street. In addition to new sidewalks, the project included construction of curb ramps that meet current accessibility standards.

Since 2006, the City has participated in the Community Development Block Grant (CDBG) program as part of a consortium managed by the County of Santa Barbara. In 2014, the Department of Public Works submitted an application to the County to construct sidewalk and curb ramp improvements along the Sixth Street and Walnut Avenue street frontage of the Carpinteria Children's Project (formerly Main School). In February 2014, the City Council approved reserving 100% of the City of Carpinteria 2014-2015 CDBG capital fund for the project. The County prepared a funding agreement between the City and County and the City Council executed it on November 23, 2015 for \$147,921 for the project. To date, the City has expended all of the CDBG funds.

The City is also eligible to receive competitive grant funding under the Measure A Safe Routes to School and Bicycle and Pedestrian grant programs, which is managed by the Santa Barbara County Association of Governments (SBCAG). The Department of Public Works submitted seven project applications for the Measure A Cycle 3 Program and successfully obtained \$447,044 out of \$3.5 million available to South Coast agencies. The Carpinteria Children's Project at Main School Sidewalk Infill Project was one of the successful applications and received \$78,000 of Measure A Cycle 3 funding. The City approved entering into the Cycle 3 Measure A Cooperative Agreement with SBCAG on April 11, 2016.

On June 27, 2016 the City Council authorized awarding the project to Berry General Engineering with a construction budget of \$142,600. Construction began in early July 2016 and was completed in early August 2016. The City Council approved a Closeout Agreement and Release of Performance Bond for the project on September 12, 2016.

After completion of the sidewalk project there is a remaining balance of \$78,000 of the Measure A Grant. The purpose of this agenda matter is for the City Council to consider, and if determined appropriate, approve expanding the scope of the project.

DISCUSSION

The previously executed Measure A Cycle 3 Cooperative Agreement allows changes to a project description and scope if approved in writing by SCBAG prior to implementation, and on the condition that funding will not exceed the original award amount. The Department of Public Works has requested minor changes to the Carpinteria Children's Project at Main School Sidewalk Infill Project.

The changes will extend Americans with Disabilities (ADA) improvements to adjacent street corners and sidewalks as mandated by ADA regulations (see Attachment A). This will provide an important connection for disabled residents nearby. Public Works would like to spend the remaining Measure A Grant funds on directly adjacent sidewalk, curb and gutter, curb ramp, and driveway improvements to further improve access to the Downtown and surrounding areas of the City.

The SBCAG Board approved this Amendment at their meeting on September 15, 2016. Public Works recommends the City Council execute the Amendment to provide continued accessibility improvements to low-income and disabled residents.

POLICY CONSISTENCY

General Plan/Local Coastal Plan

General Plan Objective C-7: Build demand for alternative transportation use by increasing ease, effectiveness, and social acceptability, and through foresighted planning.

Circulation Element

Pedestrian Facilities: Walking to shopping and recreational sites promotes direct interface with the physical environment as well as ecologically benefitting the community. Safe well-maintained sidewalks, trails and other street improvements, as well as pedestrian-oriented design standards, encourage pedestrians transportation.

FINANCIAL CONSIDERATIONS

The City received a \$147,921 CDBG Grant and a \$78,000 Measure A Grant for design and construction of the project. Public Works has expended the CDBG Grant and has not yet spent the Measure A grant. Since the project has been designed and constructed using the CDBG grant, Public Works proposes to use the untouched \$78,000 Measure A Grant on additional ADA improvements to adjacent street corners and sidewalks. Public Works has also budgeted \$193,055 of Measure A funds for this project in addition to the awarded CDBG and Measure A Grants.

LEGAL

The Amendment to the Measure A Cycle 3 Cooperative Agreement is standard protocol to change the project description and scope.

OPTIONS

The City Council could choose not to execute the Amendment and direct staff as appropriate.

PRINCIPAL PARTIES EXPECTED AT MEETING

There are no principal parties expected at the meeting.

ATTACHMENTS

Attachment A: Amendment to the Measure A Cycle 3 Cooperative Agreement
Attachment B: Project Map

Staff contact:
Brian C. Barrett, Management Analyst
(805) 755-4446
brianb@ci.carpinteria.ca.us


Signature

Reviewed by:
Charles W. Ebeling, P.E., Public Works Director


Signature

Reviewed by: Dave Durlinger, City Manager


Signature

Attachment A

Amendment to the Measure A Cycle 3 Cooperative Agreement

AMENDMENT TO
MEASURE A
PROJECT COOPERATIVE AGREEMENT

For projects awarded to City of Carpinteria in Cycle 3 of the Measure A Bicycle and Pedestrian
and Safe Routes to School Programs

This Amended Cooperative Agreement ("Amended Agreement") is entered into by and between the City of Carpinteria ("Sponsor") and the SANTA BARBARA COUNTY ASSOCIATION OF GOVERNMENTS, acting as the Santa Barbara County Local Transportation Authority ("Authority") and collectively referred to as "the Parties."

Whereas on April 21, 2016, the parties entered into the Measure A Project Cooperative Agreement ("Cooperative Agreement") to facilitate Authority providing funds to Sponsor for eligible Measure A projects.

Whereas, Authority allows Scope and Description changes on the condition that the funding amount awarded remain the same per the cooperative agreement.

NOW, THEREFORE, in consideration of the mutual promises and undertakings herein made and the mutual benefits to be derived therefrom, the Parties hereto hereby agree to amend the Cooperative Agreement as follows:

1. Attachment C is Amended as follows:

Project Scope: Install infill curb, gutter, and sidewalk along northbound Walnut Ave. from Seventh St. to Sixth St. and westbound Sixth St. from Walnut Ave. to Palm Ave.
Includes ADA improvements to adjacent street corners and sidewalks per ADA requirements.

//

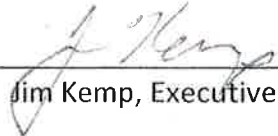
//

2. In all other respects, this Cooperative Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the undersigned parties have executed this Amended Agreement on the days and year written below.

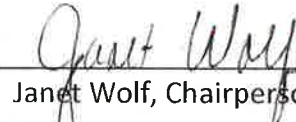
ATTEST:

By: _____


Jim Kemp, Executive Director

SBCAG, acting as the SANTA BARBARA COUNTY
LOCAL TRANSPORTATION AUTHORITY:

By: _____

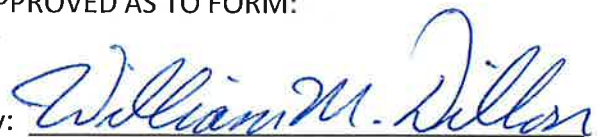

Janet Wolf, Chairperson

Date: _____

9/15/16

APPROVED AS TO FORM:

By: _____


William M. Dillon
Senior Deputy County Counsel
Counsel for SBCAG

ATTEST:

By: _____

City Clerk

CITY OF CARPINTERIA,
A Municipal Corporation

By: _____

Mayor

Date: _____

APPROVED AS TO FORM:

By: _____

Peter N. Brown, on behalf of
Brownstein Hyatt Farber Schreck, LLP
Acting as City Attorney of the City of
Carpinteria



ATTACHMENT C

PROJECT SCOPE, COST, SCHEDULE AND FUNDING PLAN



Project Sponsor: City of Carpinteria

Measure A Project ID #: MSA-16-3-3

Implemented by: City of Carpinteria

Project Name: Carpinteria Children's Project at Main Sidewalk Infill Project

Project Scope: Install infill curb, gutter, and sidewalk along northbound Walnut Ave. from Seventh St. to Sixth St. and westbound Sixth St. from Walnut Ave. to Palm Ave. **Includes ADA improvements to adjacent street corners and sidewalks per ADA requirements.**

Project Location: Main Elementary School, along the east side of Walnut Ave. from Seventh St. to Sixth St., and along the north side of Sixth St. from Walnut Ave. to Palm Ave.

Project Contact: Charlie Ebeling

Project Payment: Payment made from SBCAG to City of Carpinteria

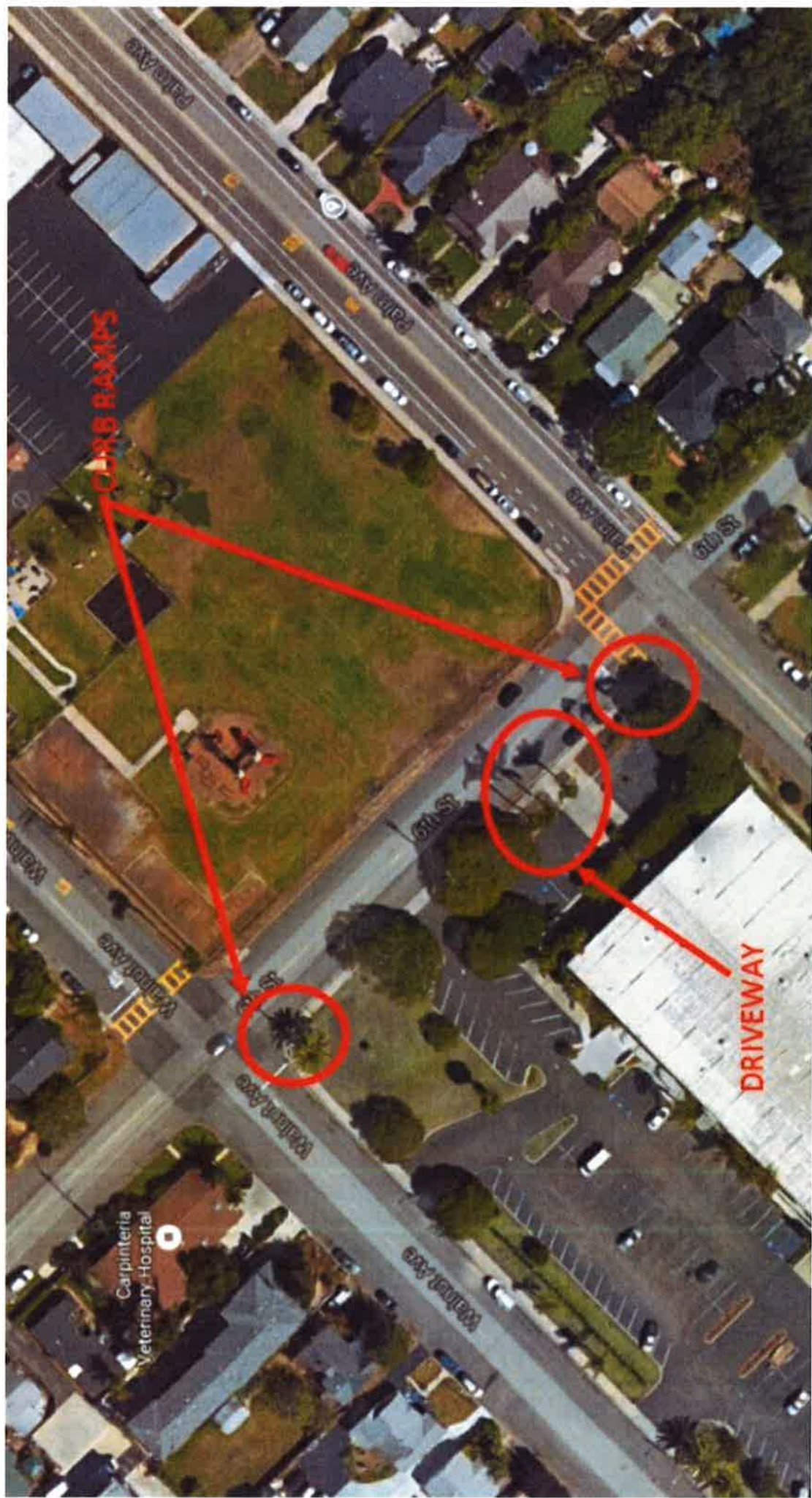
Funding Program: South Coast Safe Routes to School Program

							Project Schedule		Timely Use of Funds Deadline
Project Phase	Description	Total Project Cost Estimate	Measure A Amount	Measure A %	Sponsor funding amount	Sponsor funding %	Start	Finish	
PE	P&PD; PS&E	\$35,000	\$7,500	21%	\$27,500	79%	July 2016	August 2016	6/30/2018
Right of Way	n/a	\$0	\$0	0%	\$0	0%	n/a	n/a	n/a
Construction	Construction Engineering and Construction	\$212,055	\$63,500	30%	\$148,555	70%	July 2016	August 2016	6/30/2019
Contingency	Construction Contingency	\$24,000	\$7,000	29%	\$17,000	71%	July 2016	August 2016	6/30/2019
Totals:		\$271,055	\$78,000		\$193,055				

Attachment B

Project Map

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CURB RAMP

DRIVEWAY

Carpinteria
Veterinary Hospital

Sept. 23, 2016
Issue #82

IN THIS ISSUE:

Page 3: Preview of Local Revenue Measures on the Ballot in California this November

Page 4: California City Solutions: Menifee's Mayor's Roundtable Fosters Open Communication

SB 272 Compliance Deadline Passed with Many Agencies Out of Compliance *Free Resources Available to Make Compliance Easy*

The Legislature expanded the California Public Records Act in 2015 by requiring local agencies to create and make available online a catalog of enterprise systems. This catalog must be made public upon request and be posted in a prominent location on the local agency's website. SB 272 went into effect on July 1 and going forward cities will need to annually update the public data. Over 140 agencies missed the July 1, 2016 compliance date. The good news is that compliance can be simple using free and publicly available tools. *For more, see Page 2.*



Community Based Transitional Housing Grants Application Now Available

The Department of Finance (DOF) this week released the application for the community housing grants. Applications will be accepted on a first come basis over a two-year period that begins Oct. 1, 2016. DOF will stop accepting applications when the \$25 million appropriation is fully awarded even if that occurs prior to Oct. 1, 2018. The application is available on DOF's website. *For more, see Page 3.*



NLC Prescription Discount Card Program Webinar Will be Held Sept. 27

In partnership with the League of California Cities® and CVS Caremark, the National League of Cities (NLC) will host a free NLC Prescription Discount Card program webinar on Tuesday, Sept. 27 at 10 a.m. Participate and learn how city residents can save an average of 24 percent off the full retail cost of prescription medication. During this webinar the city of Cathedral City will share its experience with the Prescription Discount Card program and how the program helped save the city's residents more than \$100,000. *For more, see Page 3.*

Enterprise System Definition

Enterprise system refers to software application or a computer system that collects, stores, exchanges, and analyzes information that the agency uses that is both of the following:

- A multi-departmental system or a system that contains information collected about the public; and
- A system of record.

For example, an enterprise system could be a constituent management system, the city's council meeting management system, or a general financial management system used for budgeting and analytics by the finance department.

The city of Lancaster and Town of Apple Valley provide examples of how to be in compliance.

Resources on Enterprise System Catalogs

There are a variety of resources available to help local agencies comply including:

- A step-by-step guide on how to create an enterprise system catalog;
- A free tool provided by Streamline, a division of Digital Deployment, Inc.;
- Information on how to hyperlink the system catalog to your agency's website;
- SB 272 compliance FAQ; and
- Municipal Information Systems Association of California (MISAC) Tool and Instructions.
 - (For MISAC members only: please contact MISAC for your personalized log-in credentials).

Information on What to Upload and Link

A list or catalog (PDF document) describing each systems' purpose, product name and vendor, primary users (custodians) and frequency of collection and updates must be posted in a prominent location on a local agency's website, if the agency has a website. This list needs be updated annually.

Please note that the term "prominent location" is not defined in state law, so this is up to the individual city's judgment. That being said, it would be wise to err on the side of caution and place it somewhere very prominent on the agency homepage.

Items Excluded

Enterprise systems do not include cybersecurity systems, infrastructure and mechanical control systems, or information that would reveal vulnerabilities to, or otherwise increase the potential for an attack on, a public agency's IT system. Additionally, SB 272 does not automatically require disclosure of the specific records that the IT systems collect, store, exchange or analyze, however, the Public Records Act's other provisions pertaining to disclosure of such records still apply. If the public interest served by not disclosing the information described clearly outweighs the public interest served by disclosure, the local agency may instead provide a system name, brief title or identifier of the system.

Assistance

Digital Deployment is happy to answer questions on this process or provide other assistance.

If you need help or have additional questions, the Digital Deployment, Inc. team is a good resource.

MISAC has also developed a compliance tool for members. Questions about MISAC's tool can be directed to Anand Rao, IT manager with the city of Garden Grove.

Cities and counties will be eligible for grants under the new Community-Based Transitional-Housing Program. Established by [SB 837](#), a budget trailer bill approved in June, the program provides \$25 million in grants for cities or counties that agree to site transitional housing connected with support services for recently released offenders. Individual grants can be up to \$2 million, depending on the size of the facility, and priorities will be provided for applications with local matching contributions.

Key features include:

- The applying city or county must agree to issue a Conditional Use Permit (CUP) for a facility providing transitional housing and supportive services for ex-offenders released from county jail or state prison. While the measure is primarily directed at ex-offenders there is some additional flexibility on the types of individuals housed. The CUP must be for at least 10 years.
- An experienced facility operator must be identified.
- As part of application process, the local agency must include a list of "all permitted facilities ... that in a residential setting provide transitional housing services, psychological counseling, or cognitive behavioral therapy." This list must include the number of residents residing in each facility in their jurisdiction, including those on probation or parole. Presumably, state agencies must provide a local agency the information necessary to assemble this information.
- Sixty percent of the grant may be retained by the approving jurisdiction, and can be used for public safety enhancements, community outreach efforts, or any other community-based activities that the local agency believes will improve community relations or concerns with the facility.
- Forty percent of the funding must be shared by the local agency with nonprofit facility operators to support start-up costs, service provision, security improvements, rehabilitative services and community outreach.
- Participating local agencies and facility operators must submit annual reports, as specified.

Webinar Details

NLC Prescription Discount Program Webinar
Tuesday, Sept. 27, 10 to 11 a.m.
[Register Here](#)

About the NLC Prescription Discount Program

Co-sponsored by the League of California Cities and NLC, the Prescription Discount Card program, administered by CVS Caremark, helps residents within California cope with the high cost prescription medications. By participating in this no cost program, individuals and families within your city who are without health insurance, a traditional pharmacy benefit plan, or have prescriptions not covered by insurance can receive savings on their prescriptions. There is no enrollment form, no membership fee and no restrictions or limits on the frequency of use. Participating cities receive discount cards with their city name and marketing materials to distribute to residents.

For questions about this webinar, contact [Rasheeda Mitchell](#) at (202) 626-3135.

Preview of Local Revenue Measures on the Ballot in California this November

The Nov. 8, 2016 California gubernatorial election includes some 650 local measures including 427 seeking approval for taxes or bonds. [CaliforniaCityFinance.com](#) has prepared a [preview report](#) on these measures for the upcoming election.

School bonds and parcel tax measures make nearly half of the number. K-12 schools districts and community colleges are requesting a total of \$25.314 billion in 184 separate authorizations for bonds to construct facilities, acquire equipment and make repairs and upgrades. Six of these school bonds exceed the limits to qualify for a 55 percent vote and require two-thirds approval. There are 22 measures to increase or extend (renew) school parcel taxes.

Among the 221 non-school local revenue measures are four measures asking for a total of \$7.266 billion in bonds including the \$3.5 billion Bay Area Rapid Transit (BART) Measure RR covering three San Francisco bay area counties, the \$1.2 billion Los Angeles homeless housing and services Measure HHH, and Santa Clara County's \$950 million affordable housing Measure A.

There are 88 measures to increase or extend Transactions and Use Tax (sales tax) rates. Thirty of these are special (earmarked) taxes requiring two-thirds voter approval. These include 13 countywide measures for transportation improvements. There are 58 city and county majority vote general purpose tax proposals ranging from one-quarter percent to 1 percent.

There are 39 city, county and special district parcel taxes requiring two-thirds voter approval, including five street/road improvement measures, eight for parks/recreation/open space, 14 for fire/emergency medical response, four for hospitals, and four for police.

Coinciding with the statewide Proposition 64, which would legalize recreational marijuana in California, there are 37 measures to tax cannabis and three to tax sugary beverages (in Albany, Oakland and San Francisco).

Voters in 19 cities and two counties will consider increasing hotel occupancy taxes.

California City Solutions: Menifee's Mayor's Roundtable Fosters Open Communication

This story is part of an ongoing series featuring Helen Putnam Award entries. The 2015 entries are available on the League's website as a resource for cities in a searchable database called California City Solutions. Menifee's Mayors Business Roundtable Series was submitted in 2015 for the League Partners Award for Excellence in City-Business Relations award category.

The Menifee Mayor's Roundtable started in 2014 as a networking forum for business owners with common interests and the city government. The program was created after business leaders expressed concern that the city was not hearing their issues with communication largely limited to city council meetings.

The mayor and city staff worked to design a more informal communication process so the business community and the city had a way to exchange ideas critical to the city's growth and the service delivery systems. In addition, the city was looking for strategies to boost residential and commercial development to increase sales and property tax revenues and a way to address systemic failures that could be potentially hampering progress. One challenge was the divide between residents who had supported incorporation (urban community) and those against it (rural community).

The Mayor's Roundtable has been highly successful with 15-20 people attending each event. These meetings lead to Menifee's Business Incentive Program that has brought new businesses to the city. Menifee's revised sign ordinance is another example of the program's impact. The new ordinance provides greater signage options for businesses and made the signage permitting process more efficient. These roundtables also helped create the city's Rural Business License Registration Program, which was coined Land-Use and Business Registration Program.

Through the Mayor's Roundtable meetings, city staff started working on a program to assist these businesses and bring them into compliance to the city's regulations based on the health and safety codes requirements. This has proven to be a productive effort and has helped the city bridge the rural and urban communities, which has been difficult thing to do since incorporation until the roundtable program was created.

The Mayor's Roundtable has had a positive effect on the city and its relationship with its business community. The events are an important forum for this newly incorporated city to unify the city, local businesses and residents.

Sept. 28, 2016

Issue #83

IN THIS ISSUE:

Page 3: U.S. Communities Holding Summit on Oct. 26 in Anaheim to Educate Local Government Agency Officials on Program's Cost-Saving Benefits

League Educates its Members on the Adult Use of Marijuana Act

The League of California Cities® on Sept. 12 released two documents to its members explaining key elements of Proposition 64 (the Adult Use of Marijuana Act or AUMA). These documents examine how local authority over recreational marijuana would be affected should this proposition to legalize non-medical marijuana pass on Nov. 8. *For more, see Page 2.*

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California Cities Lead Small Business Innovation; Launch Open Source Startup in a Day Solutions

Los Angeles, San Francisco Launch Business Portals

State and local governments nationwide are actively harnessing the power of technology to simplify and streamline the path for entrepreneurs to start a business. Recognizing that small businesses are critical to economic infrastructure and community vitality, local governments are searching for ways to attract and retain innovators and investors. A new generation of entrepreneurs and city officials are looking to the 'internet of things' for solutions. *For more, see Page 2.*

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U.S. Communities Announces New Athletic Supplies and Physical Education Equipment Contract

U.S. Communities, the League of California Cities® and the California State Association of Counties sponsored government purchasing alliance, is excited to announce that Gopher has been awarded a multi-year contract for athletic supplies and physical education equipment. *For more, see Page 3.*

This information, which is primarily directed at city managers and city attorneys, but will be informative for everyone in local government, takes the form of a [Frequently Asked Questions](#) document and a more [detailed memo](#). The memo explains key differences between the AUMA and the Medical Marijuana Regulation and Safety Act, signed into law last year, and details aspects of the AUMA that will effect local regulation, including deliveries, permissive zoning, and taxes.

The memo has been updated twice in response to feedback from local governments, first to clarify that the AUMA provides that local governments can reasonably [regulate](#), but cannot ban, indoor cultivation for personal use of up to six plants per adult, and second to clarify that local ordinances enacted to ban indoor cultivation for personal use prior the November election will have no legal effect if the AUMA is approved by voters. The AUMA will supersede such local prohibitions.

In sum, cities should take note of four key points:

- 1) The AUMA, if it passes, will NOT pre-empt local control, except with respect to [indoor cultivation of up to six plants for personal use](#).
- 2) If voters approve the AUMA, local bans on [indoor cultivation for personal use](#) will automatically be invalid on their face. Local governments have no incentive to enact bans on indoor cultivation before the November election, unless the cultivation being targeted is commercial in nature. Reasonable local regulations on indoor cultivation for personal use will remain valid, and can be enacted even after the November election (examples are residential cultivation permits, inspection requirements, etc.).
- 3) If voters approve the AUMA, local bans or other regulations on [outdoor](#) cultivation will remain valid.
- 4) If voters approve the AUMA, local regulations, including bans, of non-medical marijuana businesses/commercial operations will remain valid.

'Business Portal' Continued from Page 1...

Making it easier to start a business is a state and local priority that is shared by the Obama Administration. Last week, the city of Los Angeles debuted its online business portal, created with the help of a \$250,000 grant from the U.S. Small Business Administration Startup in a Day competition. The [LA Business Portal](#) is an online resource that streamlines the process of starting a business in Los Angeles and assists businesses that are hoping to grow their operations.

With the portal, everything an entrepreneur and business owner needs to start, grow, and manage their business is available at one online location. The tools provided include a Resource Library, a Startup Guide, as well as Starter Kit how-to guides that map out best practices for starting and managing businesses. In contrast to several different locations and websites, the portal is a one-stop shop for new and current business owners. The website is simple and user-friendly and is available in ten major languages, representing and facilitating the city's diversity.

Los Angeles learned from San Francisco, which in 2011 launched the inaugural [San Francisco Business Portal](#). San Francisco worked with local business owners, city agencies, and promising entrepreneurs to craft a comprehensive one-stop shop setting the stage for cities like Los Angeles, Boston, Salt Lake City, and many others to develop similar solutions.

Sharing the Codes

Setting California apart, Los Angeles took it one-step further by making the website codes [free and available for download](#) — a practice known as Open Sourcing. By providing open source information, the portal is accessible for state and local governments to replicate and customize the design and purpose of the tool, making this powerful online tool a potential reality for cities of all sizes and resources.

[Seven additional California cities](#) have already made the pledge to create Startup in a Day online tools and develop streamlined, business-friendly, online permitting systems.

'Gopher' Continued from Page 1...

This contract was awarded through a competitive solicitation process and detailed evaluation conducted by lead public agency, Harford County Public Schools, Maryland. The contract term is for three years with a start date of Oct. 1, with the option to extend the contract for two additional two-year periods. To learn more about this new contract, register for one of the complimentary 30-minute webinars.

From athletics to fitness to physical education, Gopher offers over 7,000 products from 75 product categories, including 3,500 products that are unique to Gopher and you won't find anywhere else. Gopher's passion is to help professionals achieve better results in the gym, on the playground, and on the field by providing them the equipment they need and the service and support they deserve.

To learn more about this new contract with Gopher join one the 30-minute webinars. If you are unable to attend one of the webinar dates contact U.S. Communities for additional information.

Webinars

Tuesday, Oct. 4, 8 a.m.
Register online.

Wednesday, Oct. 5, 11 a.m.
Register online.

For additional information on Gopher or the U.S. Communities Government Purchasing Alliance visit www.uscommunities.org or you may contact Amanda Cadelago with the League at (916) 658-8226.

About U.S. Communities

The U.S. Communities Government Purchasing Alliance, a strategic partner of the League of California Cities, is a government purchasing cooperative that reduces the cost of goods and services by aggregating the purchasing power of public agencies nationwide. U.S. Communities provides world class procurement resources and solutions to local and state government agencies, school districts (K-12), higher education, and nonprofits. State and local governments have access to a broad line of competitively solicited contracts with best in class national suppliers.

U.S. Communities Holding Summit on Oct. 26 in Anaheim to Educate Local Government Agency Officials on Program's Cost-Saving Benefits

Additional Summit to be held in Marysville

U.S. Communities, the League of California Cities® and the California State Association of Counties sponsored government purchasing alliance, is hosting a free regional event on Oct. 26 at the Downtown Anaheim Community Center to help public agencies learn how to save time and money through the U.S. Communities program.

During this four hour event, you will be able to network, ask questions and share feedback:

- Learn when to use cooperative contracts;
- Connect with other local agencies currently using cooperative purchasing and find out what is working for their organization;
- Learn about the online e-commerce marketplace;
- Meet your local U.S. Communities program manager; and
- Connect with U.S. Communities suppliers to learn about and receive their lowest overall government pricing for these products and services:
 - Facilities
 - Office and school solutions
 - Technology

- Parks and recreation
- Specialty

This educational event will be of special interest to:

- Assistant city managers
- Public safety officials
- Parks and recreation officials
- Public works directors
- Facilities managers
- Fleet managers
- IT managers
- Procurement officers

Event Details

Wednesday, Oct. 26, 10 a.m. to 1:30 p.m.

Meeting will be held at the Downtown Anaheim Community Center, 250 E. Center Street in Anaheim.

[Register online.](#) Lunch will be provided.

Future Summits

U.S. Communities will be holding a summit in Northern California:

- November 16: Marysville. [Register online.](#)

About U.S. Communities

The U.S. Communities Government Purchasing Alliance, a strategic partner of the League of California Cities, is a government purchasing cooperative that reduces the cost of goods and services by aggregating the purchasing power of public agencies nationwide. U.S. Communities provides world class procurement resources and solutions to local and state government agencies, school districts (K-12), higher education, and nonprofits. State and local governments have access to a broad line of competitively solicited contracts with best in class national suppliers.

Learn more about U.S. Communities at www.uscommunities.org/lcc.

For more information about the summits, please contact [Rob Fiorilli](#) from U.S. Communities at (925) 588-5054 or [Norman Coppinger](#) from the League of California Cities at (916) 658-8277.

Sept. 30, 2016
Issue #84

IN THIS ISSUE:

- Page 4: Governor Upholds Local Control of Parking Regulation with AB 2586 Veto
- Page 5: Governor Upholds Local Control of Taxi Regulation with AB 650 Veto
League of California Cities® Health Benefits Marketplace™ Booth at Annual Conference
- Page 6: Submit Proposals Now for the 2017 Mayors & Council Members Executive Forum
League Submits Comments on Final Workshop on Development of the 2030 Target Scoping Plan Update
- Page 7: Clovis Council Member Harry Armstrong Retires after 46 Years in Office

Governor Brown Signs League-Supported Economic Development Measures; Vetoes Bill to Restore Funds to Recently Incorporated Cities

Earlier this week Gov. Jerry Brown took action on several bills important to cities. The good news is that he signed AB 2492 (Alejo and E. Garcia) and AB 806 (Dodd and Frazier), which strengthen local economic development tools. Regrettably, the Governor vetoed SB 817 (Roth), the latest effort to restore funding to recently incorporated cities. *For more, see Page 2.*

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Voting Rights Legislative Package Aimed at Curbing Frivolous Litigation Signed by Governor

Gov. Jerry Brown on Sept. 28 signed a series of California Voting Rights Act (CVRA) measures that streamline cities' conversion to district-based elections while simultaneously curbing a rash of serial and costly litigation. Since the enactment of CVRA, dozens of cities and additional local government entities have been sued for alleged violations. *For more, see Page 3.*

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Governor Brown Signs SB 807, Granting Immunity to Cities for Damage or Destruction of Drones Interfering with Emergency Operations

SB 807 (Gaines) was signed by Gov. Jerry Brown on Sept. 29, which provides local agency first responders with immunity should they damage or destroy a drone that is interfering with their emergency operations. The bill, co-sponsored by the League of California Cities® and the California Police Chiefs Association, is the only measure on drone regulation that the Governor has signed this year. He vetoed the others. *For more, see Page 4.*

AB 2492 makes several additional improvements to last year's AB 2 (Alejo and E. Garcia), which authorized the creation of Community Revitalization and Investment Authorities (CRIA), and restored redevelopment authority to local agencies to assist poor and deteriorated areas within a community.

AB 2492 makes the following improvements to CRIA law:

- Clarifies the ways to calculate employment and crime data, based on input from the Employment Development Department and Department of Justice;
- Authorizes CRIA's to access several additional forms of financing that are available to Enhanced Infrastructure Financing Districts;
- Allows countywide and citywide income data to be used when designating areas, in addition to statewide income data; and
- Allows census tracts and blocks within disadvantaged community identified by the state Cal Enviro Screen to use the tool.

AB 806 (Dodd and Frazier) provides additional flexibility to local communities seeking to expand economic development.

The measure:

- Clarifies that loan, lease and sale agreements and property acquisition are included in the range of options a community may employ to advance economic development.
- Clarifies that cities and counties may make loans to rehabilitate commercial buildings and structures when financial assistance is found to be necessary for the economically feasibility of a project, and clarifies that such decisions must be approved after a public hearing with appropriate loan repayment terms and other safeguards.
- Expands a provision that has operated well for the disposal of city/county-acquired property from former redevelopment properties for "fair reuse value," so that all other communities can use these options to acquire and dispose of other properties to create economic opportunities.

The League thanks Assembly Members Luis Alejo, Eduardo Garcia, Bill Dodd, Jim Frazier and Governor Brown for their support of these measures that will provide needed support to local governments undertaking economic development projects.

Governor Vetoes Latest Effort to Assist Recently Incorporated Cities

Governor Brown vetoed SB 817 (Roth), a repeated effort to restore funding stability to recently incorporated cities, citing concern for long-term general fund commitments. The veto continues the funding challenges for these cities created by SB 89 (2011), which diverted critical Vehicle License Fee (VLF) revenues away from newly incorporated cities-compounding the challenges facing new and future incorporations.

SB 817 sought to resolve this problem with a statutory formula that provides cities that incorporated between 2004 and 2012 with shares of property tax to offset the amount of VLF revenue they would have received.

Unresolved Policy Issues Affecting Future Incorporations

The issues raised by SB 817 also touch on larger policy issues for the state. When SB 89 was adopted as part of the response to the budget crisis in 2011, it also undermined the economic viability of incorporations in California.

The typical pattern of city formation in California has been for pockets of growth to begin in unincorporated areas, then — at some point — the residents explore city formation to better manage their community.

Neglecting this issue can have growth and climate impacts as well, because city formation has been a way to further compact growth. Once cities are established, their future growth tends to be

compact and is regulated by local agency formation commission (LAFCO) policies. In contrast, unincorporated development patterns are typically less dense and not regulated by LAFCO.

The League looks forward to establishing a dialogue with the Administration where the role of new city formation in the state's future, and their contributions to sustainable development patterns and local quality of life can be further explored.

'CVRA' Continued from Page 1...

CVRA provides generous recovery for attorney's fees. Consequently, cities have incurred extremely high legal costs — some as high as \$7 million. The League worked diligently this year to mitigate the out of control costs associated with CVRA litigation. Local agencies in recent years have paid an estimated \$20 million in legal fees to plaintiffs' attorneys. This estimate does not include internal costs expended by the agency during CVRA litigation.

Last year the Governor signed SB 493 (Canella), which allows cities with a population of under 100,000 to convert to by-district elections through the ordinance process — providing cities a faster way to convert and curb litigation costs. This week he signed AB 2220 (Cooper), which simply expands upon SB 493 to allow all cities regardless of population size to convert to district-based elections through the ordinance process.

Assembly Member Luis Alejo (D-Watsonville) worked on a companion measure to AB 2220 bringing together stakeholders from all spectrums. AB 350 (Alejo) achieves a balance of increased civic outreach with cost mitigation for cities attempting to switch from an at-large voting system to a by-district voting system.

Under AB 350, prospective plaintiffs are required to send a written demand letter alleging that the local government has violated provisions of CVRA. Upon receipt of the letter, a local government has an initial 45 days of safe harbor to assess their needs and make a determination if they wish to contest the alleged violation or convert to districts through the ordinance process. Should the city choose to convert to district through the ordinance process, the city is afforded an additional 90 days to comply before a lawsuit can be filed.

Key Provisions of AB 350 include:

- **If a city is complying with the provisions AB 350, it is safe harbored from litigation throughout the public hearing and ordinance process** (up to 135 days if a demand letter was received by the city, 90 days if no demand letter was received).
- **A city can be proactive** and voluntarily switch to district based elections (without receiving a formal demand letter). The city would pass a resolution of intent to switch to districts and from that point have 90 days of safe harbor (free from litigation) to comply with the provisions of AB 350 and go through the ordinance process.
- **Cities still have full local control.** They are not mandated to move to districts, as we have seen in previous bill attempts. If a city receives a demand letter they are given 45 days of protection from litigation to assess their liability (perhaps hire their own demographer to conduct an analysis, meet in closed session, etc.) and make a determination if they choose to contest the demand letter or pass a resolution of intent which buys them an additional 90 days of safe harbor and switch to districts by ordinance.
- **Legal fees capped.** A hard cap of total financial liability will now be set at \$30,000. Currently, a city can be sued by several different plaintiffs. Even if a city is in the process of converting to districts and have entered a pre-litigation settlement agreement with one plaintiff, they can still be sued by another plaintiff (as we have seen in several cities).
 - Moreover, settlements are much higher, typically in the six figure range (even seven figures). Under AB 350, a city is only liable for a *total* cost of up to \$30,000 and the plaintiff must show financial documentation that they in fact incurred those costs. Regardless if more than one plaintiff tried to file suit, if a city takes advantage of the AB 350 process their liability is limited up to \$30,000.
- **A city can avoid any cost** if it proactively switches to districts and utilize the safe harbor.

These measures are critically important to League member cities that have experienced a spike in frivolous and expensive litigation. These companion measures not only create a mechanism for cities to convert to districts quickly, but provide a fiscally responsible way for our cities to convert. Most importantly, these measures still allow cities to retain a degree of local control and make a decision that best suits the needs of their constituents while still complying with CVRA.

The League applauds Governor Brown, Assembly Members Luis Alejo and Jim Cooper, as well as the wide range of stakeholders who came together on these measures — ensuring that cities are protected from serial litigants whose only motive is financial.

'Drone bills' Continued from Page 1...

In 2015, the Governor vetoed a bill similar to SB 807. He also vetoed SB 168 last year, which was also by Sen. Ted Gaines (R-El Dorado Hills). The Governor in his veto measure cited his objection to the fact that it created a new misdemeanor offense, which he did not believe to be necessary.

SB 807 created no new criminal offenses of any kind, and was limited in scope to local agency first responders once objections were raised that stage agencies did not need any greater expression of immunity in statute.

Under the California Constitution, cities are independent sovereign entities independent of the state. While cities have immunity under current law, it is not the same immunity that the state enjoys. Municipal immunity is more limited, and must be affirmatively raised in court as a defense, after cities have already been sued. Courts will recognize that immunity, but only after cities have incurred significant expense in defending themselves in litigation against what in this instance are lawsuits without merit.

SB 807 helps local governments by eliminating the requirement that they incur the expense of legal fees for litigation, in the narrow instance of lawsuits arising for damage to drones that were interfering with first responder operations. The immunity conferred on local government does not extend to any secondary damage that may arise once the drone comes down.

Governor Upholds Local Control of Parking Regulation with AB 2586 Veto

Gov. Jerry Brown on Sept. 30 vetoed AB 2586 (Gatto), a League-opposed measure, which would have limited cities' ability to regulate their own parking regulations.

If the bill had been signed, it would have:

- Required cities to make parking promptly available once street sweeping and other maintenance activities have been provided, creating confusion for city officials and residents alike in when drivers can actually park in a given space;
- Prohibited cities from contracting with so-called "bounty hunters" when contracting out for parking enforcement by prohibiting cities from providing incentives for parking enforcement to simply fulfill their end of the bargain of enforcing city parking laws; and
- Permanently prohibited cities from ticketing cars at broken meters, even in cases of suspected vandalism, despite city efforts to adopt such policies voluntarily and a lack of evidence to demonstrate cities ticketing cars at broken meters is a widespread problem.

City streets are an essential part of overall infrastructure and provide much more than parking for residents. Urban forestry, undergrounded utilities, stormwater ways, and other essential infrastructure are inextricably linked to city streets. While cities do their best to accommodate their residents parking needs, residents also expect their cities to deliver other essential services, such as tree trimming, garbage collection, and debris removal.

The Governor's Veto of AB 2586 helps return local control over parking regulations to where it belongs, with local government.

Governor Upholds Local Control of Taxi Regulation with AB 650 Veto

Gov. Jerry Brown on Sept. 28 vetoed AB 650 (Low), a League-opposed measure that would have limited city and county ability to impose taxicab regulations, and instead shift authority over taxi regulation to an unknown state agency. The Governor's veto of AB 650 provides an opportunity for affected stakeholders to take a more thorough and thoughtful approach to addressing the issues facing the for-hire transportation industry.

The Legislature approved AB 650 in the final hours of the legislative session without any meaningful input from the public and affected stakeholders in a veiled attempt to level the playing field between the taxicab and transportation network company industries. Instead of taking concrete measures to actually bring both industries under a similar regulatory structure, the final version of the bill simply froze a city or county's ability to properly administer taxicab regulations.

If the bill had been signed, cities and counties would have no longer been able to:

- Impose any new service charges, fees, or assessments on taxicab transportation services even if taxicab companies are newly introduced into those jurisdictions;
- Impose fees for taxi driver permits in excess of \$75 in perpetuity, regardless of inflation, with no consideration of existing constitutional restrictions on permit fees or the real cost for taxi program administration; and
- Impose any additional regulations to help ensure adequate levels of service to all areas within the jurisdiction for individuals covered under the Americans with Disabilities Act of 1990, such as expansion or adoption of an ordinance similar to Los Angeles' requirement that 10 percent of its taxi fleet must be wheelchair accessible.

Cities throughout the state have been responsive to the challenges of the taxi industry by easing restrictions or creating uniform regulations. From waiving registration fees, to consolidating taxicab regulation to a regional entity, cities have been proactively trying to assist in addressing those challenges, while upholding proper safety measures.

League of California Cities[®] Health Benefits Marketplace[™] Booth at Annual Conference

Be sure to stop by the League's Health Benefits Marketplace (HBM) booth number 629 during the 2016 Annual Conference & Expo, Oct. 5–7, to discover the health care and OPEB solutions available to cities for their active employees and retirees coverage.

Launched on Aug. 1, 2016, the HBM is the League's health care platform designed to help cities address escalating OPEB liabilities while at the same time offer a greater flexibility in health care coverage to active employees and retirees. In addition to medical insurance coverage, valuable Affordable Care Act (ACA) compliance services, a wellness program along with ID Protection, life, dental, disability and pet insurance are through the HBM.

Visit booth number 629 during the annual conference to meet the League's HBM consultant Barry Eyre with Diversified Benefit Strategies. He will be joined by representatives from Connecture, Willis Towers Watson, Accord Systems and WellRight, which are partnering with the League to provide the active employee, retiree, ACA compliance and wellness program solutions respectively. This is a convenient opportunity to discover how the HBM's flexible solutions can offer solutions to meet your city's particular needs.

About the League's Health Benefits Marketplace

This League-sponsored marketplace is a consumer-driven platform that gives options to active employees and retirees, letting them select healthcare coverage that best suits their needs. Cities can choose from a variety of plan options from the best carriers in the state to offer their active employees, including HMO, PPO and consumer-directed plans. To reduce OPEB liabilities (along with implied subsidies to retirees), cities can transition their retirees to the individual market.

Eligible retirees also are able to maximize their coverage under the federal Medicare program, helping lower costs for their former employer and themselves.

For additional information on the Health Benefits Marketplace visit www.cacities.org/HBM or contact [Norman Coppinger](#) with the League at (916) 658-8277. To obtain a quote or receive an analysis on OPEB liability reduction, cities or their broker should contact [Barry Eyer](#) with Diversified Benefit Strategies.

Submit Proposals Now for the 2017 Mayors & Council Members Executive Forum *Deadline to Submit is Oct. 31*

The League of California Cities® is now accepting session proposals for the 2017 Mayors & Council Members Executive Forum taking place June 28–29 in Monterey.

This two-day conference is for California mayors and council members of all tenures and focuses on current issues and timely topics that will assist officials in their daily roles and operations within their city.

Submit proposals through the [online proposal form](#) by Monday, Oct. 31 to be considered by the Executive Forum Program Planning Committee. There are a limit to the amount of words allowed within the title and description of each proposal. It is recommended that proposals are written in a word-processing program first, then paste the final version into the online form.

Submissions, non-commercial in nature, from any individual, group, business or organization, on any topic are welcome. The committee will consider the educational value of each proposal and the extent to which it presents new or significant information. Sessions may not include sales, commercialism or product promotion of any kind.

If you have any question about this event, please contact [Caitlin Cole](#), conference program manager at (916) 658-8248.

Visit the [Mayors and Council Members Executive Forum](#) webpage for additional information.

League Submits Comments on Final Workshop on Development of the 2030 Target Scoping Plan Update

The California Air Resources Board (ARB) concluded the comment period for the final workshop to assist with the development of the Draft 2030 Target Scoping Plan Update. The League provided [comments](#) on a wide-range of issues including local land use authority, vehicle miles traveled (VMT), and infill development. City officials are encouraged to review the [Workshop Presentation](#), [Land Use White Paper](#), and the [Potential VMT Measures](#) document. These documents and the final 2030 Target Scoping Plan Update could negatively impact local land use authority.

Under existing law, the Scoping Plan must be updated at least every five years. The most recent update was issued in 2014. ARB initiated the current Scoping Plan Update in order to comply with [Executive Order B-30-15](#), which required the Scoping Plan to be updated to reflect the midterm greenhouse gas (GHG) emissions reduction target of 40 percent below 1990 levels by 2030. Gov. Jerry Brown signed SB 32 (Pavley) earlier this year to codify the executive order.

Important Next Steps

ARB will release the Draft 2030 Target Scoping Plan Update this fall. The public comment period will commence at that time. The League will closely review the document and provide extensive comments. We recommend cities take action as well.

Regional workshops hosted by ARB will begin in winter 2016 and spring 2017. Workshops are being planned for the Bay Area, Los Angeles, and Central Valley.

The final 2030 Target Scoping Plan Updated will be presented to ARB in spring 2017.

The League will continue to provide additional information once the Draft 2030 Target Scoping Plan Update is released and the workshops are scheduled.

Clovis Council Member Harry Armstrong Retires after 46 Years in Office

Former League President and Clovis City Council Member Harry Armstrong will retire on Oct. 17 after 46 years in office. That date will be Council Member Armstrong's last city council meeting, making him one of, if not the, longest serving elected city official in California.

The League last September recognized Council Member Armstrong for his decades of service to California cities during the organization's Annual Conference & Expo. His involvement in the Clovis city government dates back to 1966 when he was appointed to the Clovis Planning Commission. First elected to the Clovis City Council in 1970, he has been re-elected 11 times and has served his city as mayor five times.

Council Member Armstrong stepped down from the League of California Cities board of directors in September 2015, after having served a combined total of 27 years on the board. He has been a member of the League's Transportation, Communications and Public Works Policy Committee since 1984, and active in the South San Joaquin Valley Division.

League Executive Director Chris McKenzie honored Council Member Armstrong for his dedication, leadership and service to the League. "Harry's dedication to the cities of California is unsurpassed. He has brought incredible integrity and focus to his decades of service not only on the Clovis City Council but to the League of California Cities and all the other local government related organizations and agencies he has served," said McKenzie. "The League of California Cities is eternally grateful for Harry's 27 years of service on to our South San Joaquin Valley Division, our Transportation, Communications and Public Works Policy Committee, and countless task forces on important policy issues for cities."

Transportation and water have been his passion. Council Member Armstrong served as chair of the Fresno County Transportation Authority for 22 years, as well as chair of the Fresno County Water Advisory Board for 13 years, and the Association of Metropolitan Water Agencies for 21 years. In addition, he was instrumental in getting Freeways 180 East and 168 built.

Councilmember Armstrong has received numerous awards including the Rose Ann Vuich Ethical Leadership Award, League of California Cities' Award for Service and Contributions to the Board of Directors, 2015 Fresno Council of Governments Regional Forum — Lifetime Achievement Award for Excellence, Leadership & Commitment; he was inducted into the Clovis Hall of Fame in 2010, and was named the Grand Marshal of the Clovis Rodeo Association in 2015. The upcoming City of Clovis transit system hub will be named the William "Harry" Armstrong Transit Center.

Mayor Nathan Magsig stated: "Harry Armstrong has been a guiding force in Clovis for 50 years. No one person has had more of a positive impact on Clovis than Harry Armstrong. Clovis is today, and has been, the safest city in the Central Valley. It is a city of choice for young families. It is a community that is recognized nationally for excellence. Harry Armstrong has been a major part of making Clovis what it is for over 50 years, including serving on the Planning Commission. He has seen the community grow from a small farm town to a community with vast business, educational and recreational opportunities. Harry Armstrong has dedicated most of his life to bringing excellence to Clovis. This is a debt that can never be repaid."

Oct. 3, 2016
Issue #85

Governor's Action on League Priority Bills Mostly Positive

Governor Signs 25 of League's 31 Requested Signatures; Vetoes 7 of 11 Requests

Gov. Jerry Brown finished his work on Friday signing and vetoing legislation sent to him by the Legislature in 2016. Overall the news was mostly positive for cities, with the Governor agreeing with the League's position 76 percent of the time. *For more, see Page 2.*

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Governor Signs Legislation Expanding State Regulation over Medical Marijuana

Gov. Jerry Brown on Sept. 29 signed AB 2679 (Cooley), expanding the universe of state regulation on medical marijuana. This League-supported legislation is helpful as it addresses instances in which local governments have approved certain manufacturing activities, only to have them shut down by law enforcement. *For more, see Page 6.*

Major positives for the League this year were his signature on several bills helping improve implementation and reduce legal costs associated with implementation of the Voting Rights Act, including AB 2220 (Cooper) and AB 350 (Alejo); helpful economic development bills AB 2492 (Alejo and E. Garcia) and AB 806 (Dodd and Frazier). He also vetoed numerous bills that would have undermined local authority with parking in AB 2586 (Gatto), and taxis in AB 650 (Low), and other measures proposing to expand worker's compensation benefits. Disappointments included the Governor's signature on SB 1069 (Wieckowski) which restricts a local agency's ability to impose requirements on second units (now named "accessory dwelling units") and AB 626 (Chiu) regarding construction claim resolution processes.

The following is a list of bills on which the League asked the Governor to either sign or veto with the Governor's action listed. For more information on legislative language, the League's position letters and sample position letters for cities, please enter bill number in the League's bill search.

Requested Signature

AB 350 (Alejo) California Voting Rights Act: Notice and Cure

Governor's Action: Signed

Provides a 'notice and cure' provision for cities who are being sued under the California Voting Rights Act (CVRA). This measure would give cities 135 days to switch to district-based elections through the ordinance process without the fear of soaring legal fees.

AB 723 (Chiu) Housing: Finance

Governor's Action: Signed

Makes helpful changes to rules governing the allocation of Community Development Block Grant (CDBG) funds for small, "non-entitlement" cities, and expands eligibility requirements for affordable housing development loans awarded by the California Housing and Finance Agency.

AB 806 (Dodd and Frazier) Economic Development

Governor's Action: Signed

Clarifies loan, lease and sale agreements and property acquisition are included in the range of options a community may employ to advance economic development. Provides additional flexibility for local agencies to acquire and dispose of properties to create economic opportunities.

AB 1244 (Gray) Workers Compensation: Fraud

Governor's Action: Signed

Creates a suspension process for medical providers who commit serious crimes or are involved in fraudulent activity that is modeled after the suspension process for Medi-Cal. Currently, there is no suspension process for medical providers in the workers' compensation system beyond removal from the Qualified Medical Examiner list. This bill should decrease fraud in the workers' compensation system, thereby reducing costs to employers.

AB 1276 (Santiago) Child Witnesses: Human Trafficking

Governor's Action: Signed

Allows a minor age 15 or younger who is a victim of human trafficking to testify in court by means of closed-circuit television in criminal proceedings, if a court finds:

- Open court testimony would cause severe emotional distress;
- Defendant has issued threats of serious bodily injury against the minor or his/her family;
- Defendant caused great bodily injury to the minor during the commission of the offense;
- Defendant or his counsel behaved in a way that prevented completion of minor's testimony during a hearing or trial; and
- Defendant used a deadly weapon during the commission of the offense.

AB 1592 (Bonilla) Autonomous vehicles: pilot project

Governor's Action: Signed

Allows the Contra Costa Transportation Authority to conduct a pilot project to test the full range of autonomous vehicle technology, including vehicles without a steering wheel, gas/brake pedal, or driver.

AB 1719 (Rodriguez) CPR Training

Governor's Action: Signed

Requires school districts and charter schools that require a course in health education as a prerequisite to graduation from high school, to include within the curriculum instruction in cardiopulmonary resuscitation.

AB 1787 (Gomez) Local Government Translation Services

Governor's Action: Signed

Requires, for agencies that have a time limit on public comment, the legislative body to provide at least twice the allotted time to a member of the public who utilizes a translator to ensure that non-English speakers receive the same opportunity to directly address the legislative body, unless simultaneous translation equipment is used to allow the body to hear the translated public testimony simultaneously.

AB 1789 (Santiago) Personal Income Taxes: Voluntary Contributions: School Supplies for Homeless Children Fund

Governor's Action: Signed

Extends the voluntary tax contributions to the School Supplies for Homeless Children Fund until January 2022 or until the contribution by taxpayers does not meet the \$250,000 contribution amount.

AB 1952 (Gordon) Property Tax Postponement Program

Governor's Action: Vetoed

Makes several modifications to assist with the implementation of the recently reestablished Property Tax Postponement, a state loan program operated by the State Controller to help lower income seniors and disabled persons stay in their homes and reduce their risk of default and delinquency.

HOT AB 2220 (Cooper) District-Based Elections

Governor's Action: Signed

This is a simple expansion of SB 493 (Cannella, 2015) which will allow cities with a population threshold over 100K to switch to districts via the ordinance process versus the ballot process. Ballot initiatives are costly and do not insulate a city from CVRA litigation if the measure fails.

AB 2269 (Waldron) Animal Shelters

Governor's Action: Signed

Prohibits the sale or transfer of live animals from pounds and animal shelters to any animal dealer or research facility for purposes of research or experimentation.

AB 2406 (Thurmond) Junior Accessory Dwelling Units

Governor's Action: Signed

Allows a local agency to create an ordinance for junior accessory dwelling units (JADU) in single-family residential zones. JADUs are units that are no more than 500 square feet in size and contained entirely within a single-family residence. The unit may include separate sanitation facilities or may share the facilities with the existing structure.

AB 2491 (Nazarian) Vehicles: Stopping, Standing, and Parking

Governor's Action: Signed

Authorizes local governments to adopt an ordinance that prohibits a person from stopping, parking, or leaving a vehicle parked within 15 feet of driveways used by emergency vehicles to enter or exit a police station, ambulance service facility, or general acute care hospital.

AB 2492 (Alejo and E. Garcia) Cleanup to CRIA Law

Governor's Action: Signed

Includes helpful changes for implementation of last year's AB 2 Community Revitalization and Investment Authorities (CRIAs):

- Clarifies calculation of crime and unemployment data.
- Allows use of countywide and citywide income data.
- Allows access to financing options provided to EIFD's.
- Facilitates disadvantaged communities' use of the tool.

AB 2594 (Gordon) Stormwater Resources

Governor's Action: Signed

Clarifies that a public entity that captures stormwater, in accordance with a stormwater resource plan, before the water reaches a natural channel, may use the captured water.

AB 2679 (Cooley) Medical Marijuana: Regulation: Research

Governor's Action: Signed

Expands authorized research activities of the University of California's Marijuana Research Program to include motor skills. Provides interim guidance for what manufacturing processes are legal for marijuana-derived products under the Medical Cannabis Regulation and Safety Act, including legal forms of butane extraction. Sunsets once the state begins issuing manufacturing licenses.

AB 2693 (Dababneh) Property Assessed Clean Energy (PACE)

Governor's Action: Signed

Enhances existing consumer protections and disclosures associated with the PACE program.

AB 2722 (Burke) Transformative Climate Communities Program

Governor's Action: Signed

Creates the Transformative Climate Communities Program to award competitive grants to develop and implement neighborhood-level climate community plans that include greenhouse gas emissions reduction projects that provide local economic, environmental, and health benefits to disadvantaged communities.

AB 2724 (Gatto) Unmanned Aircraft/Drones

Governor's Action: Vetoed

Requires drone manufacturers to provide information for online access to Federal Aviation Administration (FAA) Safety regulations and the FAA registration requirement in their product packaging. Requires drone owners to procure liability insurance in an amount determined by the Department of Insurance.

AB 2728 (Atkins) California Organized Investment Network (COIN)

Governor's Action: Vetoed

Extends the sunset date on the COIN tax credit program to Jan. 1, 2018. Includes language that expands the definition of a "community development investment" to include reservation-based and rural communities (either up to 10,000, or up to 20,000 population, as defined).

AB 2821 (Chiu) Housing for a Healthy California Program

Governor's Action: Vetoed

Requires HCD to establish the Housing for a Healthy California Program, which would fund competitive grants to pay for interim and long-term rental assistance for homeless Medi-Cal recipients. Establishes criteria for an applicant to be eligible for a grant, including having identified a source of funding for housing transition services and tenancy sustaining services.

AB 2853 (Gatto) Public Records Internet Reports

Governor's Action: Signed

Allows a public agency to comply with certain disclosure requirements under the California Public Records Act by posting any public record on its internet website and, in response to a request for a public record posted on the internet website, directing a member of the public to the location on the internet website where the public record is posted.

SB 441 (Wolk) Public Records Act: Exemptions

Governor's Action: Signed

Exempts from disclosure any identification number, alphanumeric character, or other unique identifying code used by a public agency to identify a vendor or contractor, or an affiliate of a vendor or contractor, unless the identification number, alphanumeric character, or other unique identifying code is used in a public bidding or an audit involving the public agency.

SB 807 (Gaines) Unmanned Aircraft: Local Agency Immunity

Governor's Action: Signed

Provides stronger immunity for local agency first responders who damage or destroy a drone that interferes with their emergency operations.

SB 817 (Roth) Property Tax Allocation: Recently Incorporated Cities

Governor's Action: Vetoed

Assists four recently incorporated cities in Riverside County which were severely harmed in 2011 when the state swept all remaining shares of city vehicle license fee (VLF) revenues. These lost revenues would be replaced with shares of property tax in the same manner that all existing cities (under the 2004 VLF-property tax swap) received property tax to offset lost shares of the VLF. In short, these cities will be treated equally with all others.

SB 866 (Roth) Veterans Housing

Governor's Action: Signed

Allows Proposition 41 bond funding to be used to create supportive housing for female veterans and their children who have suffered sexual abuse.

SB 1046 (Hill) Ignition Interlock Devices

Governor's Action: Signed

Expands an existing four-county ignition interlock device program to be statewide in scope. Requires persons convicted of Driving Under the Influence offenses to install and maintain an Ignition Interlock Device, i.e. a breathalyzer, on their motor vehicle in order to obtain a restricted driver's license, or to have a driver's license reinstated.

SB 1108 (Allen) Local Redistricting Commissions

Governor's Action: Signed

Allows a general law city to establish their own citizen redistricting commission. Currently, charter cities already have that authority.

SB 1221 (Hertzberg) Firefighters: Interaction with Mentally Disabled

Governor's Action: Signed

Authorizes the Commission on Peace Officer Standards and Training to make its coursework on assessing, interacting with, and providing assistance to mentally disabled persons available to firefighters and fire departments.

SB 1288 (Leno) Rank Choice Voting

Governor's Action: Vetoed

Allows a general law city to change their voting methodology to rank choice voting but must be done through the vote of the people. Currently, charter cities already have that authority.

Request for Veto

HOT AB 626 (Chiu) Public contracts: claim resolution

Governor's Action: Signed

Establishes a claims resolution process that would require local governments to respond to every claim for disputed payment amounts from a contractor within 45 days; pay undisputed amounts within 60 days; meet and confer if claimant continues to dispute payment amounts or if the agency fails to respond to a claim; and force mediation when meet and confers don't resolve disputes.

AB 650 (Low) Taxicab Transportation Services

Governor's Action: Vetoed

Makes preemptory changes in anticipation of the expected reorganization of the California Public Utilities Commission (PUC) that would remove transportation companies from the PUC's regulatory authority. Except for the city and county of San Francisco, will limit city/county service fees, cap taxi driver permit fees at \$75, and prevent expansion or adoption of ordinances that help ensure adequate levels of disability access if those policies were not in place by July 1, 2016. Cities and counties would still have to perform all other regulatory functions that are required of them, such as background checks and drug and alcohol testing, until the PUC is reorganized.

AB 779 (C. Garcia) Local Government Compensation Reports

Governor's Action: Vetoed

Creates a duplicative compensation report that must be posted to an agencies' website for each elected official. Compensation is broken down into: salary; overtime; unused vacation; stipends; pension; retirement and health premium contributions; automobile, phone and technology allowances.

HOT AB 1217 (Daly) Orange County Fire Authority

Governor's Action: Signed

Establishes a legal precedent of state interference in the governance of local joint powers authorities by codifying a rule that members of the Orange County Fire Authority Board of Directors cannot appoint alternates.

AB 1505 (Hernández) Statute of Limitations: Public Contracts

Governor's Action: Vetoed

Increases the statutes of limitations on competitive bidding violations, specifically Public Contract Code Section 20163, that prohibits local governments from breaking up public works projects into smaller projects for purposes of evading competitive bidding requirements.

AB 1643 (Gonzalez) Workers Compensation: Apportionment

Governor's Action: Vetoed

Eliminates the 'apportionment' process for certain non-industrial work injuries. Apportionment is a key cost controller in the workers compensation system.

AB 1669 (Hernández) Displaced Employees: Service Contracts: Collection and Transportation of Solid Waste

Governor's Action: Signed

Requires local governments to give a 10 percent bidding preference to solid waste collection and transportation services contractors that agree to retain the employees from the previous such contractor for up to 90 days.

HOT AB 2586 (Gatto) Parking

Governor's Action: Vetoed

Permanently deletes the Jan. 1, 2017 sunset on AB 61 (Gatto, Chapter 71, 2013), which prohibits cities from ticketing cars at broken meters. Also requires that cities make parking promptly available once street sweeping and other maintenance activities have been provided and prohibits cities from providing incentives when contracting out for private parking enforcement

SB 654 (Jackson) Parental Leave

Governor's Action: Vetoed

Expands the current California Family Rights Act (CFRA) to public and private entities of 20 employees or more. Current law mandates CFRA applies to employers of 50 or more.

HOT SB 897 (Roth) Workers Compensation: '4850' Time Expansion

Governor's Action: Vetoed

Expands '4850' time for an additional year for first responders who suffer a catastrophic injury at the hands of another. Definitions within the bill will expand the applicability of the new law to allow for increased abuse of '4850' time.

HOT SB 1069 (Wieckowski) Land Use: Zoning

Governor's Action: Signed

Restricts a local agency's ability to impose requirements on second units (renamed "accessory dwelling units" or ADUs). Prohibits local agencies from imposing parking standards on units that are within one half mile of public transit, located within an architecturally and historically significant district, or when there is a car share vehicle within one block; among other conditions. Also places confusing restrictions on the water/sewer connection and capacity fees.

AB 2679 provides critical state guidance as to what manufacturing processes are legal for marijuana-derived products under the Medical Cannabis Regulation and Safety Act, including legal forms of butane extraction, in the interim period between now and the time more detailed state regulations are developed to govern this activity. It provides that its manufacturing provisions will expire one year after the Bureau of Medical Cannabis Regulation posts a notice on its website announcing that state licensing authorities have begun issuing licenses. In addition, AB 2679 authorizes the research activities of the University of California's Marijuana Research Program to include motor skills.

This bill went to the Governor's office with the support of the League and Police Chiefs Association, which worked with industry to develop the detailed language in the bill, then vetted it with the Fire Chiefs Association to ensure they were at least neutral.
