

AGENDA
REGULAR MEETING OF THE
CITY OF KING CITY COUNCIL
AND
Sitting as SUCCESSOR AGENCY OF
THE RDA FOR THE CITY OF KING

TUESDAY APRIL 11, 2017
6:00 P.M.

CITY HALL
212 S. VANDERHURST AVENUE
KING CITY, CALIFORNIA 93930

**Spanish interpretation services will be available at meeting*

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in a City meeting, Please contact the City Clerk's Office (831-386-5925) at least 48 hours prior to the Meeting to ensure that reasonable arrangements can be made to provide accessibility to the meeting.

** Please submit all correspondence for City Council PRIOR to the meeting with a copy to the City Clerk.*

- 1. CALL TO ORDER**
- 2. ROLL CALL:** Council Members Darlene Acosta, Robert Cullen, Carlos DeLeon, Mayor Pro Tem Carlos Victoria, and Mayor Mike LeBarre
- 3. FLAG SALUTE**
- 4. CLOSED SESSION ANNOUNCEMENTS**
- 5. SPECIAL PRESENTATIONS**
 - A. Recognition of Outgoing Commissioners
- 6. PUBLIC COMMENT**

Any member of the public may address the Council for a period not to exceed *three minutes'* total on any item of interest within the jurisdiction of this Council that is not on the agenda. The Council will listen to all communications; however, in compliance with the Brown Act, the Council cannot act on items not on the agenda. Comments should be directed to the Council as a whole and not to any individual Council Member. Slanderous, profane or personal remarks against any Council Member, staff member or member of the audience is not permitted.
- 7. COUNCIL COMMUNICATIONS & COMMITTEE REPORTS**

Individual Council Members may comment on Council business, his or her Council activities, City operations, projects or other items of community interest. Council Members may also request staff to report back at a subsequent meeting on any matter or take action to direct staff to prepare a staff report for a future agenda.
- 8. STAFF COMMUNICATIONS**

Comments presented by the City Manager, City Attorney or other staff on City business and/or announcements.

9. CONSENT AGENDA

The following items listed below are scheduled for consideration as a group. The recommendations for each item are noted. Members of the audience may speak on any item(s) listed on the Consent Agenda. Any Council Member, the City Manager, or the City Attorney may request that an item be withdrawn from the Consent Agenda to allow for full discussion. The Council may approve the remainder of the Consent Agenda on one motion. Items withdrawn from the Consent Agenda may be considered by separate motions at the conclusion of the discussion of each item.

- A. Meeting Minutes of March 28, 2017 Council Meeting
Recommendation: approve and file.
- B. City Check Register
Recommendation: approve and file.
- C. Successor Agency Check Register
Recommendation: approve and file.
- D. Consideration: Commission and Board Appointments
Recommendation: 1) re-appoint Margaret Raschella, Michael Barbree, and David Mendez to the Planning Commission; 2) re-appoint Jeff Francis to the Airport Advisory Committee; and 3) appoint Susanna Rodriguez to the Parks and Recreation Commission.
- E. Consideration: Resolution Adopting a Ticket and Pass Distribution Policy
Recommendation: adopt a Resolution establishing a ticket and pass distribution policy
- F. Consideration: Purchase and Installation of City Hall Carpet
Recommendation: award a contract for purchase and installation of new carpet and flooring in City Hall to Conklin Bros Flooring 2250 at a cost of \$26,259.
- G. Consideration: Agreement with the Transportation Agency for Monterey County for the Allocation of Funding Approved by the Transportation Agency Board of Directors
Recommendation: approve and authorize the City Manager to execute an Agreement with the Transportation Agency for Monterey County (TAMC) for the allocation of funding approved by the TAMC Board of Directors.

10. PUBLIC HEARINGS

None

11. REGULAR BUSINESS

- A. Consideration: Options for Regulation of Commercial Recreational Cannabis and Update of Medical Cannabis Regulations
Recommendation: provide direction to staff regarding preparation of commercial recreational cannabis regulations and updates to the current commercial medical cannabis regulations.

12. CITY COUNCIL CLOSED SESSION

Announcement(s) of any reportable action(s) taken in Closed Session will be made in open session, and repeated at the beginning of the next Regular City Council meeting as this portion of the meeting is not recorded.

1. Liability Claims, by Lydia Ordonez
Claim against City of King
Gov. Code Section: 54956.95

13. ADJOURNMENT



City of King

Certificate of Appreciation
to
Victor Cortez

For your commitment to serving the community as a member of the City's Parks and Recreation Commission, volunteering many hours of time for 5 years, from 2012 through March 2017.

On behalf of the City of King, the Parks and Recreation Commission, and the community, we sincerely appreciate and thank you for your years of service.



Mike LeBarre, Mayor



City of King

Certificate of Appreciation

to

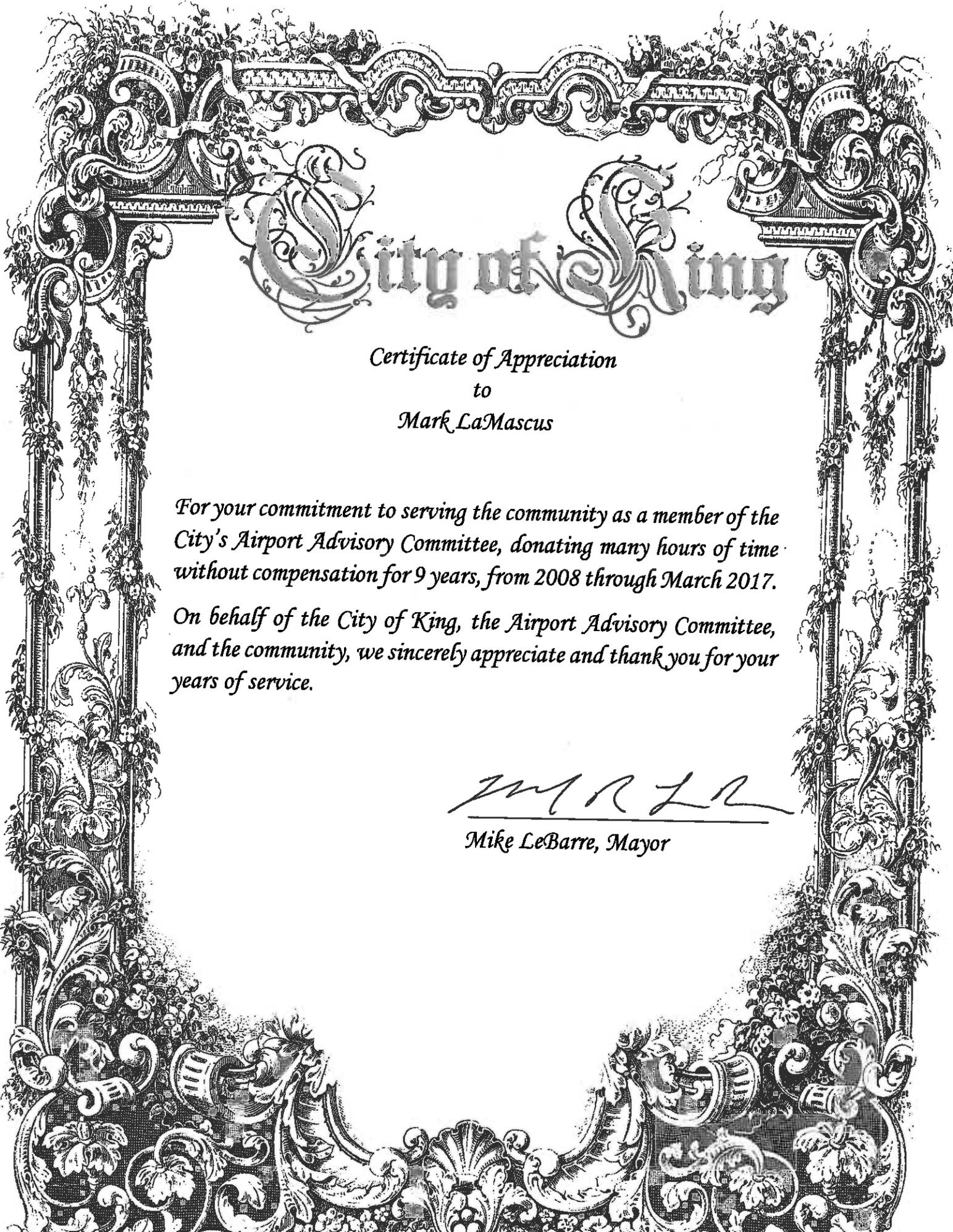
Ken Kline

For your commitment to serving the community as a member of the City's Parks and Recreation Commission, volunteering many hours of time for 5 years, from 2012 through March 2017.

On behalf of the City of King, the Parks and Recreation Commission, and the community, we sincerely appreciate and thank you for your years of service.



Mike LeBarre, Mayor



City of King

Certificate of Appreciation

to

Mark LaMascus

For your commitment to serving the community as a member of the City's Airport Advisory Committee, donating many hours of time without compensation for 9 years, from 2008 through March 2017.

On behalf of the City of King, the Airport Advisory Committee, and the community, we sincerely appreciate and thank you for your years of service.



Mike LeBarre, Mayor

City Council Meeting
March 28, 2017

1. CALL TO ORDER:

Regular Meeting was called to order at 6:01PM by Mayor LeBarre.

2. FLAG SALUTE:

The flag salute was led by Joanne Banuelos.

3. ROLL CALL:

City Manager Adams conducted roll call.

City Council: Darlene Acosta, Robert Cullen, Carlos DeLeon, Mayor Pro Tem Carlos Victoria,
Mayor Michael LeBarre.

City Staff: City Manager Steven Adams, Attorney Shannon Chaffin

4. CLOSED SESSION ANNOUNCEMENTS:

Urgency item came to staff's attention. Motion to add item 11(B) by Mayor Pro Tem Victoria and seconded by Councilmember Cullen. Motion carried 5-0.

5. PRESENTATIONS:

Mayor LeBarre presented Mr. John Miller with a Proclamation congratulating him on his Teacher of the Year award for Monterey County and nomination for California Teacher of the Year.

Mayor LeBarre recognized Mayor Pendergrass from Sand City on his 39 years of service with a proclamation. Mayor Pendergrass is retiring in April.

Mayor LeBarre recognized Sol Treasures with a Proclamation and Sol Treasures - Betsy Oltmann, Barbara Pekema and Sonia Chapa gave a presentation on what is happening at Sol Treasures. They feel they can help fulfill the part of the Comprehensive Plan to End Youth Violence program that expands Youth Activities and would like to contract with the City to do so.

6. PUBLIC COMMUNICATIONS:

Karen Jernigan thanked and appreciated the Council for connecting with the community through the Public Safety meetings. She also encouraged Council to participate in the League of California Cities conferences in June and September.

7. COUNCIL COMMUNICATIONS:

Council Member Cullen stated Mee Memorial has their week of wellness and 5K color run this weekend, performances by Monterey County Dance theatre on Friday, Saturday and Sunday. The next council meeting is spring break and he will be absent. Junior Achievement is in town this week for 2nd and 3rd graders at Santa Lucia Elementary they need volunteers from 8am-1pm Thursday.

Mayor Pro Tem Victoria stated High School district is still searching for a Superintendent. High School District is partnering with the City on the Immigration forum this weekend April 2nd.

Council Member Acosta stated that the Victim's Services is coming to King City and they have been busy cleaning up down at the old court house. YWCA received a grant that part of it will be used to aid with Child and Human trafficking and provide a bus to get the women to the shelters.

Council Member DeLeon stated that he attended the school board meeting and they have a new program called School Dashboard. He also spoke on the Public Safety Meetings he attended 3 of them including his own. He stated we need community involvement and to catch these criminals. He was a ½ a block away from the last shooting and witnessed it. He further stated that the public can e-mail their district officer.

Mayor LeBarre enjoyed reading at Arts Magnet School last week. He met with Bishop Garcia today and the Bishop is happy with what King City is doing down here. He is going to visit King City soon.

8. CITY STAFF REPORTS AND COMMENTS:

City Manager Adams stated that there is going to be an Immigration forum this Sunday April 2nd from 2:00p.m. to 4:00p.m. He also stated that there was around 200 in attendance at the Public Safety Meetings. He thanked the school district for helping with the meetings.

Attorney Chaffin stated none at this time.

9. CONSENT AGENDA

- A. Meeting Minutes of February 14, 2017 Council Meeting
- B. City Monthly Treasurer's Report- February 2017
- C. Successor Agency Monthly Treasurer's Report- February 2017
- D. Public Financing Authority Monthly Treasurer's Report- February 2017
- E. City Check Register
- F. Successor Agency Check Register
- G. Public Financing Authority Check Register
- H. Consideration: A Resolution Authorizing the Submittal of an Application, Acceptance of Funds and Execution of grant Agreement with California Department of Transportation for the Airport Improvement Matching Grant Program.
- I. Consideration: Report on General Plan Annual Review
- J. Consideration: Resolution Designating the City Clerk to Maintain a Minute Book of Closed Session Item
- K. Consideration: Interagency Agreement with Salinas Valley Solid Waste Authority for Solid Waste/Recycling Contract Administration Services
- L. Consideration: Acceptance of Grant Offer in the Amount of \$138,521.00 from the AB2766 Motor Vehicle Emissions Reduction Program to Prepare a Project Study Report-Project Development Support (PSR/PDR) Project Initiation Document for a Proposed Roundabout at the Intersection of Broadway Street and San Antonio Drive/US 101 Northbound Ramp Terminals

City Attorney stated that item 9(I) General Plan Annual Review is not required for Charter Cities and will likely not be submitted to the state.

Action: Motion to approve consent agenda with clarifications made by City Attorney by Victoria and seconded by Cullen.

AYES: Council Members: Mayor LeBarre, Acosta, Cullen, DeLeon and Mayor Pro Tem Victoria

NOES: Council Members:

ABSENT: Council Members:

ABSTAIN: Council Members:

10. PUBLIC HEARINGS:

A. Consideration: Public Hearing on Unmet Transit Needs in Monterey County

Virginia Murillo from TAMC presented the item.

Mayor LeBarre opened the public hearing, seeing no one come forward closed the public hearing.

B. Consideration: Adoption of an Ordinance Authorizing Implementation of a Community Choice Aggregation Program, Adoption of a Resolution Approving the Joint Powers (MBCP) Authority, and Discussion of other Community Choice Energy Program Alternatives

City Manager Adams presented this item with his power point. Staff recommendation is to proceed with local Community Choice Energy Program.

Mayor LeBarre opened the public hearing.

Belinda Hendrickson, feels that the City should join the JPA and work as a team.

Chris Hernandez speaking on behalf of Saint John the Baptist Church that in favor of Monterey Bay Community Power.

Kelly Foley Pilot Power feels that Mr. Adams presentation is inspiring. CCE means Community and a Choice.

Dan Nelson, Romero Institute, they have no stake in this they just want to do what is right and go with Monterey Bay Community Power.

Shawn Marshal spoke on behalf of Monterey Bay Community Power.

Kelly Foley spoke to facts that have not been presented about CCE.

Domingo Uribe spoke in favor of Monterey Bay Community Power.

Juan Martinez, Gonzales, spoke in favor of Monterey Bay Community Power because of working together.

Brenan Jensen, Monterey Bay Climate Action Compact, applauded Greenfield for their consideration, she is in favor of Monterey Bay Community Power.

Monique Pips resident and teacher, she is trying to learn more to make a decision. She is confused why the City would not want to join something that is proven and do something on their own that is not proven.

Council Member Cullen stated he is a proponent of Monterey Bay Community Power.

Mayor Pro Tem Victoria is ready to make a motion.

Mayor LeBarre is a proponent for the CCE.

Council Member Acosta feels that the CCE gives more opportunity to give lower rates to our constituents. Council Member DeLeon is a proponent of CCE.

Mayor LeBarre closed the public hearing.

Action: Motion to approve 1) declining membership in the Monterey Bay Community Power Joint Powers Authority (JPA) at this time; and 2) direct staff to proceed with the recommended steps to further assess the feasibility of establishing an independent Community Choice Energy (CCE) program made by DeLeon and seconded by Acosta.

AYES: Council Members: Mayor LeBarre, Acosta, DeLeon and

NOES: Council Members: Cullen, Mayor Pro Tem Victoria

ABSENT: Council Members:

ABSTAIN: Council Members:

11. REGULAR BUSINESS:

A. Consideration: Alternatives to Address Issues Related to Long-term Stays in Transient Occupancy Businesses

City Manager Adams introduced this item going over the Measures for Consideration. Limit stays to 30 days so occupants need to check out and back in, limit occupants checking out and back in to 50% of rooms for up to a maximum of 6 months, limit number of adults per room, require a Temporary Use Permit for parking lots uses, and parking on the street. Tonight, staff is looking for direction on how to proceed in an ordinance if council would like an ordinance.

Janet Buttgerreit spoke stating tonight the Council has a very important decision put before them. The issue of whether the local Motels can become Farm Labor Housing, and or any other type of long-term Boarding Houses in the ton of King City, will have an effect on our town monetarily, ethical and esthetically. Anything decided tonight that does not have timelines and consequences could prevent us from being the town we all want King City to be. Currently we have many wonderful plans for downtown revitalization and king city in Bloom. We also were well-informed in meetings this weekend that we have a pressing need for more youth programs and gang intervention. Agriculture is a key part of our community and the labor that goes with it is our blessing and our problem. We need the farm labor to keep the crops moving from our fields to our tables and to our economy. Housing for the vital element is a problem in our county and our city and our State. Recently the City approved housing at the East end of King City. This was done with strict guidelines and requirement as it should have bee. There are other areas of our town and the outskirts that will soon be working on the housing problem. They will have to adhere to and jump through many hoops in the process of creating this housing. If the Council does not put restrictions and requirements on the local motels concerning the housing of farm workers or boarding houses of any kind, what is the message you are giving to future developments of adequate hosing? As the current situation of long-term housing is continuing in motes., the biggest issue tonight is the Transient Occupancy Tax. We are told that people who stay over 30 days cannot be charged this tax. Yet this is money that is flying out of the City coffers. This funding could be used for gang intervention ad pro-youth programs. Although there are issues of how TOT can be charged for the State level, there might is a way to have these occupants check out and the heck back in every 30 days in order to be able to collect these important funds. Please remember also that the occupancy of multiple people in small motel rooms is also a stress on our wart and sewer systems. We need the TOT for many reasons when we have a high semi-permanent occupancy rate in these facilities. Finally, the issue that the Council needs to consider is the housing in motel rooms of multiple occupants with limited privacy and limited areas of recreation. Is

that the best we can do for our farm workers? Should you and we not be thing about better and more comfortable ways to house these workers? You already have, with your approval at the East end of Broadway. You may be hearing or have heard from the motel owners that we will be affecting their bottom lines, but they did in fact purchase Motels not Farm Labor Camps or Boarding Houses. While some of the motels are locally owned, and by the way, some of those are the most cooperative, most of the "motels" are subject to out-of-town owners who have no real vested interest in our attempts to improve our town. Please consider a compromise that will not institutionalize the motels as farm labor housing or boarding houses of any kind. This will gain our City access to the funding it so desperately needs to fight gangs, help our youth and keep our town moving in a positive manner.

Joel Panzer, Principal Planner, representing a neighboring property owner in the Broadway Circle area of King City. He is concerned about new places for farmworkers to live and fitting into the general plan and uses. Respectfully they would request the proposal by shelved. Motels and Hotels should be limited to transient uses of traveling public in the Broadway Circle/Broadway Avenue area. Moving forward they believe that he City should work within the context of City of King Hosing Element and focus on developing farmworker housing in the FSC and C-2 districts as the more appropriate sites for labor force housing. The Highway Service Commercial sites are appropriate for the travelling public. Placing farmworker housing in these areas, even if short-term is inconsistent with the City General Plan the Zoning Ordinance.

Deep Desai, (Super 8) stated the rooms are done by California law. TOT tax is the same as the last 20 years. State government and County came to inspect. Feels that the farmers should have been invited to this meeting.

Olivia Valle, V's Diner owner spoke to the fact that when the farmworkers are living in the hotels there is nowhere for people traveling through to stay and eat at her restaurant. The farmworkers bought cars and worked on them in the parking lot and left the left-over parts. They leave empty beer bottles. The few costumers she has the farmworkers are scaring her costumers away.

Clark Kodiak owner of Vi's Diner property spoke on the negative impacts on the restaurants of the farmworker housing in the motels. He also collected letters from McDonald's Owner Operator and Taco Bell President both in objection to using local motels for permanent farmworker housing. He presented the letters to Council as well as a picture of the workers eating in the parking lot of the Super 8.

Lance Bassetti, Elkhorn Packing, uses farmworker's, housing them in local motels, governed by Department of Labor, 50 sq. ft. per person, not breaking in laws. He has put restrictions on the worker's working on their cars. He has contracted with his brother to park the buses at the East Ranch so they will no longer be parked on River Drive.

Alfredo, H2A worker, spoke about the living arrangements and they are good for them. He stated he doesn't need a living room or a dining area and they don't mind eating in the parking lot. They just came to work.

Susanne Krause, feels that this is a complicated issue and it is going to take a lot of work. She spoke to the meaning of the words hotel, motel or inn. A **hotel** is an establishment that provides paid lodging on a short-term basis. A **motel** is a hotel designed for motorists and usually has a parking area for motor vehicles. The term referred initially to a type of hotel consisting of a single building of connected rooms whose doors faced a parking lot and in some circumstances, a common area or a series of small cabins with common parking. **Inns** are generally establishments or buildings where travelers can seek lodging and, usually, food and drink.

Paul, Motel 6, stated that the motels were not full until the last two years. About Pinnacles there are more motels for tourists to stay in King City than just the ones that have the Farmworkers.

Jenny speaking on behalf of her father a motel owner considered low income in her college qualifications. The motels look forward to the summer season for more income.

Deep, Subway owner, stated that the Indian community own majority of the business in King City. They are the community that gives more income to King City. In his shopping center, there are only 4 businesses. He never complains about not making any money. He doesn't want to make a decision tonight off of one business.

Olivia Valle, V's Diner is a small business and she is trying to keep her business going as well.

Karen Jernigan spoke in appreciation of the motels and them bringing in tax to the City. She spoke to beautification and that motel owners can work harder on keeping trash cleaned up.

Deep Desai, Keefer's Inn, Super 8, stated that people are not coming because of gun violence.

Gentlemen owner of property at 5 Broadway Circle, family has owned 21 years. Farmers are feeding the farmworkers so they are not eating at the local restaurants. He is also concerned of unapproved uses. He feels this a Monterey County issue. He feels it needs to be fair for everyone.

City Manager spoke to Agricultural employee housing and increasing it in the City. Noticing was for the lodging as the discussion was about general issues. There are some legitimate issues. He would like to meet with some of the motel owners to learn specific needs. He feels this is going to take some time and will not be an overnight fix.

Council Member Cullen stated he didn't feel there are any of our laws being broken. He feels there should be a symbiotic relationship between a motel and restaurant. Council Member Cullen would like to have more discussion on items.

Mayor Pro Tem Victoria would like to educate the farm workers and he would be willing to do it since he is bilingual to talk to them about trash around the motels. He would like to see the contract spread around to other motel owners so everyone gets a chance.

Council Member Acosta feels that the labor contractors need to be involved in the discussion.

Council Member DeLeon would like to know why we are feeding the people in a parking lot when a restaurant is right next door. He worked at Motel 6 for six years. Motel 6 does not allow bunk beds in their rooms then it is considered a dormitory. The rooms were designed for short term stay. He feels we need to enforce the laws that are on the books. He would recommend going with staff's recommendation to look at this further.

Mayor LeBarre stated that we value all businesses.

Council Member Cullen would like to limit stays to 30 days to collect the TOT.

Action: Motion to direct staff to meet with motel owners with the list of alternatives and bring back concepts for discussion, regarding transient occupancy long-term stays and provide direction on options to incorporate in the ordinance, by DeLeon and seconded by Cullen.

AYES: Council Members: Mayor LeBarre, Acosta, Cullen, DeLeon and

NOES: Council Members: Mayor Pro Tem Victoria

ABSENT: Council Members:

ABSTAIN: Council Members:

Urgency item.

B. Sale of Property Clarification Resolution.

Action: Motion to approve Resolution 2017-4577 by Victoria and seconded by DeLeon.

AYES: Council Members: Mayor LeBarre, Acosta, Cullen, DeLeon and Mayor Pro Tem Victoria

NOES: Council Members:

ABSENT: Council Members:

ABSTAIN: Council Members:

Council Member Cullen will be recusing himself from Item 12 (4) due to a conflict of interest.

12. CLOSED SESSION:

1. Liability Claims, by Fleta Andrade
Claim against City of King
Gov. Code Section: 54956.95

2. Liability Claims, by Jim Albanese Rental and Property
Claim against City of King
Gov. Code Section: 54956.95

3. Liability Claims, by Tom and Debi Rahe
Claim against City of King
Gov. Code Section: 54956.95

4. Conference with Real Property Negotiators
Properties: APN 026-195-010-000, APN 026-195-018-000, 332 Broadway St.,
APN 026-195-012-000, 325 Lynn St.
Agency Negotiator: Steven Adams
Negotiating Party: Cheung Ho Ming

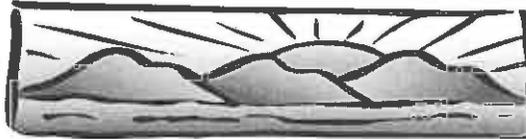
ADJOURNMENT:

There being no further business to come before the City Council, Mayor LeBarre adjourned the meeting at 10:09pm to closed session with the Mayor stating what would be discussed in closed session.

Approved Signatures:

Mayor, Michael LeBarre
City of King

City Clerk, Steven Adams
City of King



KING CITY
C A L I F O R N I A

Item No 9 (B)

REPORT TO THE CITY COUNCIL

DATE: APRIL 11, 2017
TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL
FROM: STEVEN ADAMS, CITY MANAGER
BY: PATRICIA GRAINGER, ACCOUNTANT
RE: CITY CHECK REGISTER

RECOMMENDATION:

It is recommended City Council receive and file.

BACKGROUND:

At least once a month, the City Treasurer shall submit to the City Council, a copy of the check register.

DISCUSSION:

The purpose of this item is to provide the Council an opportunity to review and monitor ongoing expenditures. These documents are attached.

COST ANALYSIS:

There is no fiscal impact as a result of this action.

ALTERNATIVES:

The following alternatives are provided for Council consideration:

1. Receive and file the report; or
2. Provide other direction to staff regarding requests for additional information.

**CITY COUNCIL/CITY
CITY CHECK REGISTER
APRIL 11, 2017
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Exhibit(S)

1. Check Register Report

Submitted by: 
Patricia Grainger, Accountant

Approved by: 
Steven Adams, City Manager

Check Register Report

Date: 04/05/2017

Time: 11:30 am

Page: 1

KING CITY CITY HALL

BANK: WELLS FARGO BANK

Check Number	Check Date	Status	Void/Stop Date	Vendor Number	Vendor Name	Check Description	Amount
WELLS FARGO BANK Checks							
58848	03/25/2017	Printed		1STRESPON	1 ST RESPONDER NEWSPAPER	Trade Paper for Training/	20.00
58849	03/25/2017	Printed		AIREX	AIR EXCHANGE, INC	Sensor For Exhaust Vacum	166.53
58850	03/25/2017	Printed		ALVAREZ	ALVAREZ TECHNOLOGY GROUP INC	Printer.	1,297.17
58851	03/25/2017	Printed		ALWAYST	ALWAYS TOWING & RECOVERY,INC	Evidence Tow #17-0058	5,840.00
58852	03/25/2017	Printed		APTECH	AP TECHNOLOGY, LLC	Annual Maint Agreement	180.00
58853	03/25/2017	Printed		AT & T	AT & T	Monthly Services -	3,337.66
58854	03/25/2017	Printed		AT&T - C	AT&T	Phone bill - KC PD	55.49
58855	03/25/2017	Printed		CAULK	TYSON CAULK	Gas Can Valve for 8561	15.93
58856	03/25/2017	Printed		COASTAL	COASTAL TRACTOR	Tractor Rental.	647.25
58857	03/25/2017	Printed		COASTL	COASTLINE MARKETING GROUP INC	Web Monthly Membership	125.00
58858	03/25/2017	Printed		CONATSER	CONATSER WELDING & MACHINE,LLC	Labor for Pump Repair 8511	286.00
58859	03/25/2017	Printed		DAVE'S REP	DAVE'S REPAIR SERVICE	Monthly Site Inspection	112.50
58860	03/25/2017	Printed		DAVID ORTI	DAVID ORTIZ	Basketball Referee -	15.75
58861	03/25/2017	Printed		DEPT ACCNT	DEPARTMENT OF JUSTICE	Fingerprints - Softball	162.00
58862	03/25/2017	Printed		DON CHAPIN	DON CHAPIN CO., INC.	Remove Aerator	3,796.00
58863	03/25/2017	Printed		HDL	HDL SOFTWARE, LLC	HDL Permit Tracking Software	5,224.55
58864	03/25/2017	Printed		SCOFIELD	IRMA SCOFIELD	District Meetings -	139.97
58865	03/25/2017	Printed		JOHNSONL	LAUREN JOHNSON	Basketball Referee	52.50
58866	03/25/2017	Printed		KAWAGOE	KENT M. KAWAGOE, PH.D.	Psych (S Kennedy)	300.00
58867	03/25/2017	Printed		KC IND	KING CITY INDUSTRIAL SUPPLY	Parts for Pump 8511	24.76
58868	03/25/2017	Printed		LEYVA'S TO	LEYVA'S TOWING & ROAD SERVICE	Shooting Vehicle -	360.00
58869	03/25/2017	Printed		MARTINEZCA	CAROLINE MARTINEZ	Basketball Referee -	21.00
58870	03/25/2017	Printed		MARTCEL	CELIA MARTINEZ	Rec Security Deposit	200.00
58871	03/25/2017	Printed		MBAS	MBAS, INC.	Lab Work	560.00
58872	03/25/2017	Printed		M BASIA	MBASIA	Lexipol Service -	3,350.00
58873	03/25/2017	Printed		MOCOASSES	MONTEREY COUNTY ASSESSOR	Mailing List for District	65.00
58874	03/25/2017	Printed		MO CO MAYC	MONTEREY COUNTY MAYOR'S ASSOC.	Annual Dues	1,100.00
58875	03/25/2017	Printed		MOCO TAX	MONTEREY COUNTY TAX COLLECTOR	2nd Installment -	12,246.08
58876	03/25/2017	Printed		NOR-CAL AS	NOR-CAL ASA	ASA Registration Softball	49.95
58877	03/25/2017	Printed		OFFICE DEP	OFFICE DEPOT	SanDisk - Front Counter	98.10
58878	03/25/2017	Printed		XOCHITL	XOCHITL PELAYO	Rec Security Deposit	200.00
58879	03/25/2017	Printed		PEREZJOSE	JOSE PEREZ	Meal Expense - Sgt Perez -	500.00
58880	03/25/2017	Printed		PAC	PG&E	Monthly Gas & Electric.	15,785.02
58881	03/25/2017	Printed		PINN	PINNACLE HEALTHCARE	Medical Exam - Pre-emp.	150.00
58882	03/25/2017	Printed		PROFORCE L	PROFORCE LAW ENFORCEMENT	Blue Blast Tasers.	1,361.39
58883	03/25/2017	Printed		PURCHASE P	PURCHASE POWER*PITNEY BOWES	Postage refill - 2/14, 3/2/17	201.00
58884	03/25/2017	Printed		QUILL CORP	QUILL CORPORATION	Clets Printer - Magicolor.	50.19
58885	03/25/2017	Printed		ROWE	ALLEN ROWE	Ford Escape - Maint,	238.15
58886	03/25/2017	Printed		S.B.R.P.S.	S.B.R.P.S.T.	Supervisory Course Tuition.	420.00
58887	03/25/2017	Printed		SAFARI	SAFARILAND, LLC	Testing Kit - K Heroin	1,444.54
58888	03/25/2017	Printed		SO CO NEWS	SO CO NEWSPAPERS	Advertising Pool Staff.	2,053.00
58889	03/25/2017	Printed		STERI	STERICYCLE, INC	Quarterly Services -	950.76
58890	03/25/2017	Printed		SUAREZ/FER	FERNANDO SUAREZ	PaPa Membership	125.00
58891	03/25/2017	Printed		TAVERNETTI	TAVERNETTI, LAYOUS & CLARK	Agri-Business Installment	5,352.10
58892	03/25/2017	Printed		SPCA	THE SPCA FOR MONTEREY COUNTY	Animal Services - Feb 2017	1,925.00
58893	03/25/2017	Printed		TORO	TORO PETROLEUM CORP.	KCPD - Monthly Gasoline	2,742.85
58894	03/25/2017	Printed		U.S. BANCO	U.S. BANCORP EQUIPMENT FINANCE	City Hall Copier Contract-	333.62
58895	03/25/2017	Printed		U.S. BAN	U.S. BANK CORP PAYMENT SYSTEM	Various Charges -	4,828.05
58896	03/25/2017	Printed		VAZQUEZA	AURORA VAZQUEZ	Refund - Injury	60.00
58897	03/25/2017	Printed		VERIZON WI	VERIZON WIRELESS	Cell Phone Charges -	951.44

Check Register Report

Date: 04/05/2017
Time: 11:30 am
Page: 2

KING CITY CITY HALL

BANK: WELLS FARGO BANK

Check Number	Check Date	Status	Void/Stop Date	Vendor Number	Vendor Name	Check Description	Amount
--------------	------------	--------	----------------	---------------	-------------	-------------------	--------

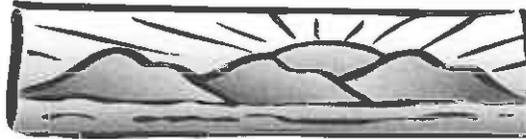
WELLS FARGO BANK Checks

58898	03/25/2017	Printed			VETEMERGEI VETERINARY EMERGENCY &	Animal Services - Feb 2017	119.00
-------	------------	---------	--	--	-----------------------------------	----------------------------	--------

Total Checks: 51	Checks Total (excluding void checks):	79,650.30
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Total Payments: 51	Bank Total (excluding void checks):	79,650.30
---------------------------	--	------------------

Total Payments: 51	Grand Total (excluding void checks):	79,650.30
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KING CITY
C A L I F O R N I A

Item No 9(C)

REPORT TO THE CITY COUNCIL

DATE: APRIL 11, 2017

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: STEVEN ADAMS, CITY MANAGER

BY: PATRICIA GRAINGER, ACCOUNTANT

RE: SUCCESSOR AGENCY CHECK REGISTER

RECOMMENDATION:

It is recommended City Council receive and file.

BACKGROUND:

At least once a month, the City Treasurer shall submit to the City Council, a copy of the check register and invoice approval fund list.

DISCUSSION:

The purpose of this item is to provide the Council an opportunity to review and monitor ongoing expenditures. These documents for the Successor Agency are attached.

COST ANALYSIS:

There is no fiscal impact as a result of this action.

ALTERNATIVES:

The following alternatives are provided for Council consideration:

1. Receive and file the report; or
2. Provide other direction to staff regarding requests for additional information.

**CITY COUNCIL/SUCCESSOR AGENCY
SUCCESSOR AGENCY CHECK REGISTER
APRIL 11, 2017
PAGE 2 OF 2**

Exhibit(S)

1. Check Register Report

Submitted by: 
Patricia Grainger, Accountant

Approved by: 
Steven Adams, City Manager

Check Register Report

Date: 04/05/2017

Time: 11:31 am

Page: 1

KING CITY CITY HALL

BANK: SUCCESSOR AGENCY OF

Check Number	Check Date	Status	Void/Stop Date	Vendor Number	Vendor Name	Check Description	Amount
SUCCESSOR AGENCY OF Checks							
213	03/27/2017	Printed		MOCO AUDIT	MO CO AUDITOR-CONTROLLER	Property Proceeds to	1,544,061.80
214	03/27/2017	Printed		MOCO TAX	MONTEREY COUNTY TAX COLLECTOR	Successor Agency -	98.04

Total Checks: 2	Checks Total (excluding void checks):	1,544,159.84
Total Payments: 2	Bank Total (excluding void checks):	1,544,159.84
Total Payments: 2	Grand Total (excluding void checks):	1,544,159.84



Item No. 9(D)

REPORT TO THE CITY COUNCIL

DATE: APRIL 11, 2017
TO: CITY COUNCIL
FROM: STEVEN ADAMS, CITY MANAGER
RE: CONSIDERATION OF COMMISSION AND BOARD APPOINTMENTS

RECOMMENDATION:

It is recommended the City Council: 1) re-appoint Margaret Raschella, Michael Barbree, and David Mendez to the Planning Commission; 2) re-appoint Jeff Francis to the Airport Advisory Committee; and 3) appoint Susanna Rodriguez to the Parks and Recreation Commission.

BACKGROUND:

At the April 26, 2016 meeting, the City Council adopted a Resolution re-establishing staggered terms for the Planning Commission and Parks and Recreation Commission. At the November 22, 2016 meeting, the City Council also adopted a Resolution re-establishing staggered terms for the Airport Advisory Committee.

The following Commissioners and Board Members terms expired on March 31, 2017:

David Mendez, Planning Commission
Margaret Raschella, Planning Commission
Michael Barbree, Planning Commission
Ken Kline, Parks and Recreation Commission
Victor Cortez, Parks and Recreation Commission
Jeff Francis, Airport Advisory Board
Mark La Mascus, Airport Advisory Board

**CITY COUNCIL
CONSIDERATION OF COMMISSION AND BOARD APPOINTMENTS
APRIL 11, 2017
PAGE 2 OF 2**

According to the Municipal Code, the Mayor, City Manager and Commission or Board Chair shall recommend appointments, which shall be made by the City Council by resolution.

DISCUSSION:

Vacancies were advertised and applications received are attached. The Mayor and City Manager met with or consulted with the Chair of each of the Commissions. Vacancies still exist on the Parks and Recreation Commission and the Airport Advisory Committee. Additional advertising will be done for those positions.

The Planning Commission is the only board which received more applicants than seats available. All applications received are attached.

COST ANALYSIS:

There is no cost impact from the recommended action.

ALTERNATIVES:

The following alternatives are presented for Council consideration:

1. Approve the appointments;
2. Modify the appointments and adopt the Resolution;
3. Do not fill the vacancies at this time and re-advertise the positions; or
4. Provide other direction to staff.

Exhibits:

1. Applications

Prepared and Approved by:



Steven Adams, City Manager



**CITY OF KING
APPLICATION**

**FOR APPOINTMENT TO
COMMISSIONS, COMMITTEES, AND BOARDS**

Please print or type the following information:

Name: D Mender

Address: 803 N Mildred

Telephone (day): _____ fax/e-mail (optional) _____

Commission/Committee/Board applying for: Planning

Describe your interest in becoming a member of this commission/committee/board:

Background relevant to this commission/committee/board:

Other comments:


Applicant's Signature

3/21/17
Date



**CITY OF KING
APPLICATION**

**FOR APPOINTMENT TO
COMMISSIONS, COMMITTEES, AND BOARDS**

Please print or type the following information:

Name: Margaret Raschella

Address: 333 North Vanderhurst Ave

Telephone (day): 831-385-4322 fax/e-mail (optional) _____

Commission/Committee/Board applying for: Planning Commission

Describe your interest in becoming a member of this commission/committee/board:

I am reapplying for my existing position. Interest in community development.

Background relevant to this commission/committee/board:

Prior experience in Planning

Other comments:

Margaret Raschella
Applicant's Signature

2-7-2017
Date



**CITY OF KING
APPLICATION**

**FOR APPOINTMENT TO
COMMISSIONS, COMMITTEES, AND BOARDS**

Please print or type the following information:

Name: Michael Barbree

Address: 212 Kings Place, King City

Telephone (day): (831)-385-5860 fax/e-mail (optional) mbarbree@hotmail.com

Commission/Committee/Board applying for: Planning

Describe your interest in becoming a member of this commission/committee/board:

Ongoing member

Background relevant to this commission/committee/board:

Ongoing member

Other comments:


Applicant's Signature

02/07/2017
Date



CITY OF KING
APPLICATION

CITY OF KING

MAY 19 2016

FOR APPOINTMENT TO
COMMISSIONS, COMMITTEES, AND BOARDS

Please print or type the following information:

Name: JAMES FRANCIS

Address: PO BOX 1108 King City

Telephone (day): 831-320-8461 fax/e-mail (optional) rotorrats@yahoo.com

Commission/Committee/Board applying for: AIRPORT ADVISORY member

Describe your interest in becoming a member of this commission/committee/board:

Currently a member of THE ADVISORY Board, and
would like to remain as a member.

Background relevant to this commission/committee/board:

I Am A PILOT, I FLY OUT OF KING CITY AIRPORT, I BASE MY
AIRCRAFT AT KING CITY, I WORK AT THE AIRPORT,

Comments:

[Signature]
Applicant's Signature

5-19-16
Date

City Commissions, Committees, and Boards Volunteer Application



Commission/Committee/Board Applying For: _____

Contact Information

Name	Suzana Rodriguez
Street Address	216 pearl st
City ST ZIP Code	King City CA 93930
Home Phone	831-710-3792
Work Phone	same as ↑
E-Mail Address	Cry 93930@yahoo.com

Availability

During which hours are you available for volunteer assignments?

- | | |
|--|--|
| <input checked="" type="checkbox"/> Weekday mornings | <input checked="" type="checkbox"/> Weekend mornings |
| <input checked="" type="checkbox"/> Weekday afternoons | <input checked="" type="checkbox"/> Weekend afternoons |
| <input checked="" type="checkbox"/> Weekday evenings | <input checked="" type="checkbox"/> Weekend evenings |

Describe your interest in becoming a member of this Commission/Committee/Board

Fresh and new ideas for our rec. center as well as I want to make a difference in our community

Special Skills or Qualifications

Please summarize special skills and qualifications you have acquired from employment, previous volunteer work, or through other activities.

I'm responsible and always on time. I work really hard when I commit to something. I'm always open to learning something new and I like a challenge. I'm a massage practitioner I love to work and care for others.



CITY OF KING
APPLICATION

CITY OF KING

FEB 21 2017

FOR APPOINTMENT TO
COMMISSIONS, COMMITTEES, AND BOARDS

Please print or type the following information:

Name: DOMINGO URIBE

Address: 410 LEWIS STR. KING CITY

Telephone (day) (951) 837-0529 fax/e-mail (optional) domingo.uribe57@att.net

Commission/Committee/Board applying for: PLANNING COMMISSION

Describe your interest in becoming a member of this commission/committee/board:

I HAVE LIVED IN KING CITY APPROX 4 YRS AND FEEL I
CAN CONTRIBUTE TO THE COMMUNITY. I WOULD LIKE TO
SEE RESPONSIBLE GROWTH IN BOTH THE RESIDENTIAL
AS WELL AS THE BUSINESS COMMUNITY.

Background relevant to this commission/committee/board:

I WAS A PAST PLANNING COMMISSIONER IN THE CITY OF
SUENGA DURING 1982-1983. RETIRED FROM CAL DEPT OF CORRECTIONS
AT THE POSITION OF A WARDEN.

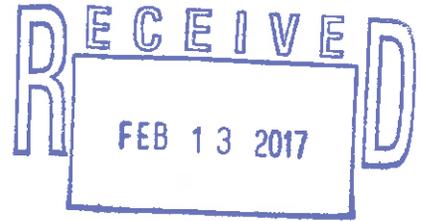
Other comments:

Applicant's Signature

2-20-17
Date



**CITY OF KING
APPLICATION**



**FOR APPOINTMENT TO
COMMISSIONS, COMMITTEES, AND BOARDS** **CITY OF KING**

Please print or type the following information:

Name: HOESTER JOSEPHINE

Address: 520 No Russ St King City

Telephone (day): 831-385 5814 fax/e-mail (optional) _____

Commission/Committee/Board applying for: Planning Commission.

Describe your interest in becoming a member of this commission/committee/board:

I like to help give our city a face lift.. Renewing the looks
of our city to make it inviting for new business to
invite people to come in town and want to live
here. I'm willing to be a lousy bee.

Background relevant to this commission/committee/board:

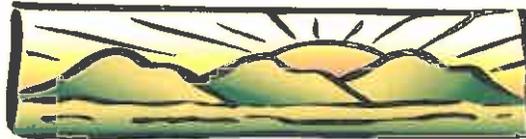
Born & raised here - raised my family here. have a sense which
I keep up. Went to school here work in medical field for over
40 yrs. had many jobs in our city. seen many changes

Other comments:

I want my children & grand children to be proud of our city

Josephine Hoester
Applicant's Signature

2-10-17
Date



KING CITY
C A L I F O R N I A

Item No. 9(E)

REPORT TO THE CITY COUNCIL

DATE: APRIL 11, 2017
TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL
FROM: STEVEN ADAMS, CITY MANAGER
RE: CONSIDERATION OF RESOLUTION ADOPTING A TICKET AND PASS DISTRIBUTION POLICY

RECOMMENDATION:

It is recommended the City Council adopt a Resolution establishing a ticket and pass distribution policy.

BACKGROUND:

The Fair Political Practices Commission ("FPPC") has adopted regulations defining the circumstances under which the receipt of tickets and passes by a public official must be disclosed by the City and recipient public official. FPPC regulations also require a policy be established and posted on the City's website.

DISCUSSION:

The City may on occasion have tickets to distribute for City-sponsored events or other events where tickets are provided to the City for distribution. The proposed policy sets forth the circumstances under which such tickets can be provided to City officials or someone else at the request of a City official without being subject to disclosure requirements.

COST ANALYSIS:

There is not cost impact of this item.

**CITY COUNCIL
CONSIDERATION OF RESOLUTION ESTABLISHING A TICKET AND PASS
DISTRIBUTION POLICY
APRIL 11, 2017
PAGE 2 OF 2**

ALTERNATIVES:

The following alternatives are provided for Council consideration:

1. Adopt the Resolution;
2. Modify and adopt the Resolution;
3. Postpone consideration of the Resolution; or
4. Provide staff other direction.

Approved by:  _____
Steven Adams, City Manager

RESOLUTION NO. 2017- 4578

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KING
ADOPTING A TICKET AND PASS DISTRIBUTION POLICY**

WHEREAS, under Title 2 of the California Code of Regulations, Section 18944.1 (“Section 18944.1”) tickets and passes are defined as an admission to a facility event, show or performance for an entertainment, amusement, recreational, or similar purpose; and

WHEREAS, on December 11, 2008, the Fair Political Practices Commission (“FPPC”) adopted new regulations defining the circumstances under which the receipt of tickets and passes by a public official must be disclosed by the City and the recipient public official; and

WHEREAS, the City finds that tickets and passes distributed by the City are public resources; and

WHEREAS, the City desires to use these public resources in a manner that furthers the City’s governmental and public purposes as described herein, such as the promotion of local business activity and the development of community resources, programs, and facilities; and

WHEREAS, according to Section 18944.1 (b)(2) tickets and passes are not reportable gifts to public officials if the City distributes these tickets and passes in accordance with a duly adopted written policy; and

WHEREAS, the FPPC recognizes the discretion of the City Council to determine the circumstances under which the distribution of tickets and passes serves a purpose of the City and when only private interests are served such that the receipt of a ticket or pass should be viewed as a reportable gift to the public official who receives it.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the City Council of the City of King, California, to adopt the policy for ticket and pass distribution attached as Exhibit A to this resolution. This Resolution shall take effect and be in force on the date of its adoption.

This resolution was passed and adopted this 11th day of **APRIL, 2017** by the following vote:

AYES, Council Members:

NAYS, Council Members:

ABSENT, Council Members:

ABSTAIN, Council Members:

APPROVED:

Michael LeBarre, Mayor

ATTEST:

Steven Adams, City Clerk

APPROVED AS TO FORM:

Shannon Chaffin, City Attorney

Exhibit A

CITY OF KING TICKET AND PASS DISTRIBUTION POLICY

SECTION 1. Purpose of Policy. The purpose of this policy is to ensure that all tickets and passes distributed by the City are issued in furtherance of public purposes of the City as required under Section 18944.1 of the Rules of the FPPC. This policy applies to any tickets or passes which the City: (i) receives from a third party, (ii) controls as a sponsor of, or otherwise because it has control over, an event; or (iii) purchases.

This policy shall be applicable to every officer, agent and employee of the City who is obligated to file an Annual Statement of Economic Interests (Form 700) under State law or the City's current Conflict of Interest Code.

SECTION 2. Limitation. This policy shall only apply to the City's distribution of tickets and passes to a public official or at the request of a public official for which no consideration of equal or greater value is provided by the public official.

Reimbursement of actual and necessary expenses of any member of the Council or any City Commission incurred in the performance of official duties shall be governed by the City's reimbursement policy.

SECTION 3. Official Duties; Ceremonial Roles. Tickets provided to public officials as part of their official duties, or tickets provided so that public official may perform a ceremonial role or function on behalf of the City are exempt from any disclosure or reporting requirements under Section 18944.1 and this Policy.

SECTION 4. Public Purposes. The City may provide a ticket or pass to a person subject to this policy for any of the following City purposes providing that the City Manager or his designee determines that providing the ticket or pass actually benefits the City by accomplishing one or more of the following:

- a. Promotion of local and regional businesses and economic activities within the City, including conventions and conferences.
- b. Promotion of City-controlled or sponsored events, activities, or programs.
- c. Promotion of community programs and resources available to city residents, including nonprofit organizations and youth programs.
- d. Highlighting the achievements of local residents and businesses.
- e. Promotion of private facilities available to City residents, including charitable and nonprofit facilities.
- f. Promotion of public facilities available to City residents.
- g. Promotion of City growth and development, including economic development and job creation opportunities.

- h. Promotion of City landmarks and community events.
- i. Promotion of special events conducted pursuant to a contract to which the City is party.
- j. Promotion of the City on a local, regional, state, or national scale.
- k. Promotion of open government by participation of public officials at business or community events.
- l. Sponsorship agreements involving private events by which the city seeks to enhance the City's reputation both locally and regionally by serving as hosts providing the necessary opportunities to meet and greet visitors, dignitaries, and residents.
- m. Implementation of written contracts under which tickets or passes are required to be made available for City use.
- n. Employment retention programs.
- o. Special outreach programs for veterans, teachers, emergency services, medical personnel and other civil service occupations.
- p. Any similar purpose stated in any City contract.

SECTION 5. Return of Tickets and Passes. Any public official may refrain from using or return any ticket and pass to the City. Under no circumstances may either the public official or a member of his or her immediate family sell any ticket and pass provided under this policy. If a public official transfers a ticket he or she has received from the City to another person, as opposed to returning the ticket to the City for redistribution, then the value of the ticket or tickets he or she transfers shall constitute a gift to him or her and shall be reportable as provided by the regulations of the FPPC.

SECTION 6. City Manager. The City Council delegates the authority to distribute any ticket and pass in accordance with this policy to the City Manager or his/her designee and such authority includes the power to distribute such a ticket to the City Manager provided that doing so is otherwise consistent with this Policy.

SECTION 7. Website Posting. This policy and Form 802 reports required by Section 18944.1 of the FPPC Rules shall be posted on the City's website as required by that Section.



Item No. 9(F)

REPORT TO THE CITY COUNCIL

DATE: APRIL 11, 2017

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: SAL MORALES PUBLIC WORKS SUPERINTENDENT

RE: CONSIDERATION OF PURCHASE AND INSTALLATION OF CITY HALL CARPET

RECOMMENDATION:

It is recommended the City Council award a contract for purchase and installation of new carpet and flooring in City Hall to Conklin Bros Flooring 2250 at a cost of \$26,259.

BACKGROUND:

The carpet at City Hall is very old and needs to be replaced. Funding was approved by the City Council in the FY 2016-17 Annual Budget for the replacement.

DISCUSSION:

The carpet is worn out. The City is no longer able to find carpet cleaners to clean it because of its condition. Three bids were solicited. Conklin Bros. submitted the lowest bid for a higher quality carpet than the other bidders.

The bids received were as follows:

Conklin Bros Flooring 2250 Almaden Expressway San Jose Ca 95125 \$26,259
Cinderella Capet One 6 Rossi Circle Salinas Ca 93907 \$33,117.00
Tri-County Flooring 10031 Reese Circle Prunedale, Ca 93907 \$30,876.40

COST ANALYSIS:

A total of \$25,000 was included in the General Fund budget. The remaining amount will be paid for from contingency funds that are budgeted.

**CITY COUNCIL
CONSIDERATION OF PURCHASE AND INSTALLATION OF CITY HALL
CARPET
APRIL 11, 2017
PAGE 2 OF 2**

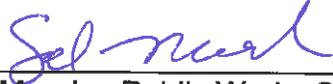
ALTERNATIVES:

- 1) Approve the purchase as recommended;
- 2) Reject bids and seek other bids;
- 3) Do not approve installation of carpet in City Hall; or
- 4) Provide staff other direction.

Exhibits:

1. Conklin Bros Flooring 2250 Almaden Expressway San Jose CA \$26,259
2. Cinderella Carpet one 6 Rossi Circle Salinas Ca \$33,117
3. Tri-County Flooring 10031 Reese Circle Prunedale Ca \$30,876.40

Submitted by: _____


Sal Morales Public Works Superintendent

Approved by: _____


Steven Adams, City Manager

Conklin Bros.

DIR #1000015903 C.L. #248874

FLOORCOVERING... You can count on us. People have since 1880

2250 ALMADEN EXPRESSWAY • SAN JOSE, CA 95125 • (408) 266-2250 • FAX (408) 266-0151

BID TRANSMITTAL SHEET

Date: 3-31-17

TO: City of King City 212 S. Vanderhurst Ave. King City, Ca. 93930

Contact: Sal Morales, Public Works Superintendent

Phone: (831) 386-5919 Cell: (831) 682-1007 Fax: (831) 386-5968

Project: City Hall Replacement of Flooring

PREVAILING WAGE JOB:

Conklin Bros. meets the good faith employment requirement. Our installers reside within Monterey & San Benito County.

Upon acceptance of this offer, Conklin Bros. hereby agrees to furnish labor and/or Materials in accordance with the following specifications:

CARPET

Furnish and Install Kraus Modular Commercial Carpet from the Circuit Flooring Collection Style: Elements
Color: _____ with 10 year Commercial Wear Warranty and Stain Proof-No Exceptions yarn. New
Carpet Tile to replace all existing carpet in building as per plans & Specifications. Price includes the following:

- (1) Demo, haul away & recycling of existing carpet & Pad.
- (2) Normal floor prep.

Customer is responsible for the removal & replacement of all furniture, equipment, computers, books and other miscellaneous items in the rooms getting new carpet. Work to be done during normal business hours.

RESILIENT FLOORING

Furnish and Install Kraus Commercial LVT from the Circuit Flooring Collection Style: Enstyle Aspen Peak
Color: _____ with 10 year medium commercial warranty and replacement of existing underlayment in
Lobby/Front Entrance, Restroom Entry and Back Entrance as per plans & specifications. Price Includes following:

- (1) Demo & haul away of existing tile in restroom entry.
- (2) Demo & haul away of existing carpet, pad and underlayment in Lobby/Front Entrance.
- (3) Demo & haul away of existing VCT and underlayment in back entrance of building.
- (4) Furnish & Install new 3/8" finish grade underlayment in Lobby, restroom entry and back entrance. This will provide a better surface for installation of new LVT flooring.
- (5) Normal floor prep

Work to be done during normal business hours. =>If additional floor preparation is discovered after removal of existing flooring then we will provide a NTE "not to exceed" estimate of additional work & not proceed until authorized by the customer.

TOTAL JOB COST: \$ 26,259.00

Conklin Bros. guarantees that competent, experienced installers will install your flooring and that the installation will comply in strict accordance to manufacturers recommended installation procedures. You can count on us...people have since 1880.

=> Bid includes normal "New Construction" floor preparation defined as filling of cracks and voids less than 1/8" x 1/8" or one hour prep per 1,000 sf. including final sweeping. => Straight time is figured with no overtime or shift work allowed unless stated and/or listed within this bid sheet.

=> Bid excludes: Moisture Mitigation and/or correction of unacceptable sub-floor conditions including excessive alkali or moisture in slab per manufacturers specification. Under normal prep to do sanding, grinding, leveling of substrate, priming, cleaning, waxing, buffing, sealing or the providing of floor protection for newly installed flooring. Installation of underlayment that may be required to complete the installation of flooring, other than what is listed in our bid Transmittal

=> Price good for 60 days.

Dan Miller

 Dan Miller - Commercial Sales
 Cell Phone: 831-206-4932

 Acceptance signature

 Date

Cinderella Carpet One
 6 Rossi Circle
 Salinas, CA 93907
 Phone: (831) 424-2916
 Fax: (831) 758-6240
 Lic.# 1006265
 emoore@cshow.net

ESTIMATE PROPOSAL

Date: 1/30/2017

Name: City Hall King City

Attention: Sal Morales

Address: 212 South Vanderhurst Ave. King City, Ca 93930

Phone: 831-386-5919

Fax: 831-386-5968

Project: New Flooring

NOTE: On prevailing wage projects see attached list of sub-contractors that may be used on this project. DIR# 1000032759

Furnish and install new carpet tile in areas to be recarpeted and Tarkett Access LVP in Lobby area and back entrance. Includes removal and disposal of the existing carpet and pad and ceramic tile at bathroom entrance. Note: Furniture to be moved by other.

Option #1 Furnish and install Philadelphia Swizzle carpet tile color TBD in areas specified and Tarkett Access LVP in lobby and back entrance and restroom entryway.

\$33,117.00 Total

+ Option #2 Furnish and install Patcraft Vivid carpet tile color TBD in areas specified and Tarkett Access LVP in Lobby and back entrance and restroom entryway.

\$30,460.00 Total

- Option #3 Furnish and install Patcraft Vim carpet tile color TBD in areas specified and Tarkett Access LVP in Lobby and back entrance and restroom entryway.

\$27,388.00

Prevailing wage IS noted.

Exclusions:

- ◆ Unusual or extensive floor preparation that requires floating, sanding or leveling to provide new smooth floor surface
- ◆ Providing or installing subfloor or wood underlayment that may be required for finish installation.
- ◆ Any Moisture Barrier to limit hydrostatic pressure to flooring product manufacturer specifications.
- ◆ Any computer or furniture moving to accommodate demolition or installation.
- ◆ Sub-Contractors & License: Bozzo's Carpet Service #602742, Don Edding #468025, Jim Fife # 891472, Charlie Eddings #355744, J.S. Tile #813526, Zion Flooring-Alex Negrete #954062, CCFI #655105

Please call me if you have any questions. Thank you for your business.

Customer Signature _____ Commercial Estimator _____
Jim Fife

If either party takes action, including arbitration, to enforce or interpret any provision of this agreement, the prevailing party shall be entitled to reasonable attorney's fees and all costs, including fees and costs of expert witnesses, in addition to any other relief granted. The prevailing party shall be entitled to their fees and costs of appeal. A party who incurs fees and costs in enforcing a judgment on this agreement shall be entitled to collect such fees and cost from the party against whom the judgment is entered. The parties waive the benefit of the provisions of Code of Civil Procedures Section 686-080. The parties specifically intend and agree that the provision shall survive any judgment on this agreement and shall not be extinguished by merger with the judgment

E C Moore, Inc. DBA Cinderella Carpet One Floor & Home will hire a subcontractor or contractors to perform the installation of flooring materials provided in the bid. Below is a list of approved subcontractors that may be used in the performance of the project. Cinderella Carpet One requires all subcontractors to be licensed and insured.

PROJECT:

Bruce Bedard-18020 Moro Road-Salinas-CA-Lic#513568-831-818-8531

Bozzo's Carpet Service-12125 Gemlimini-Salinas-CA-Lic#602742-831-229-6737

Don Eddings Floors-1143 West Alisal-Salinas-CA-Lic#468025-831-214-4539

Carpets by Jim Fife-664 Alvarado Court-Salinas-CA- Lic #691472 93907-831-594-8970

Villacana Floor Covering-233 Longhorn Drive-Gonzales-CA-93926-Lic#910611-831-206-7541

JS Tile-1617 Newport Court-Salinas-CA-93906-Lic#813526-831-594-3249

Charles Eddings-246 East Acacia St-Salinas-CA-93901-Lic#355744-831-235-4156

Zion Floor Covering-PO Box 1096-King city-CA-93930-Lic#954062-831-212-4459

Central Coast Floor Coverings Installations- Lic # 655105 PO Box 1010-Salinas-CA-93902-Lic#655105-831-796-7764

Best Flooring Installation-PO Box 10418-Salinas-CA-93912-Lic#744648-831-750-9640

Dennis Cook Flooring Inc.-PO Box 2401-Hollister-Ca-95024-Lic# 882111-831-239-1100

Tovar Contracting-13019 Arthur St-Salinas-Ca-93906-Lic#907516-831-596-1924

Custom Floor Coverings-40 Beverly Dr-Hollister-CA-95023-Lic#497683-831-214-3915

Carlton Choate Flooring-595 El Camino Real North#110-Salinas-CA-93907-Lic#979629-831-596-1616

TRI-COUNTY FLOORING

10031 Reese Circle
Prunedale, CA 93907

Estimate

Date	Estimate #
2/21/2017	1565

Name / Address
THE CITY OF KING CITY 212 X . VANDERHURST AVE KING CITY, CA 93930

			Project
			CITY HALL
Description	Qty	Cost	Total
PREVAILING WAGE WEEKDAY 660 SY CARPET TILE KRAUS CIRCUIT FLOOR COLLECTION STYLE: 375 S/F LVT ENSTYLE ASPEN PEAK STYLE: LABOR TO INSTALL CARPET AND LVT LABOR TO DEMO EXISTING FLOORING NOTE: CUSTOMER TO REMOVE ALL FURNITURE		30,876.40	30,876.40
		Total	\$30,876.40

TRI-COUNTY FLOORING

10031 Reese Circle
Prunedale, CA 93907

Estimate

Date	Estimate #
2/21/2017	1563

Name / Address
THE CITY OF KING CITY 212 X . VANDERHURST AVE KING CITY, CA 93930

Project
CITY HALL

Description	Qty	Cost	Total
NON PREVAILING WAGE WEEKEND 660 CARPET TILE KRAUS CIRCUIT FLOOR COLLECTION STYLE 375 SF LVT ENSTYLE ASPEN PEAK STYLE: LABOR TO INSTALL CARPET AND LVT LABOR TO DEMO EXISTING FLOORING NOTE: CUSTOMER TO REMOVE ALL FURNITURE		27,896.40	27,896.40
		Total	\$27,896.40

TRI-COUNTY FLOORING

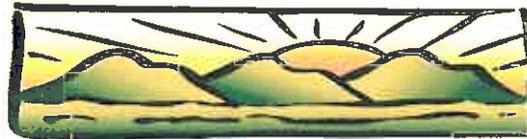
10031 Reese Circle
Prunedale, CA 93907

Estimate

Date	Estimate #
2/21/2017	1564

Name / Address
THE CITY OF KING CITY 212 X . VANDERHURST AVE KING CITY, CA 93930

			Project
			CITY HALL
Description	Qty	Cost	Total
PREVAILING WAGE WEEKEND 660 SY CARPET TILE KRAUS CIRCUIT FLOOR COLLECTION STYLE 375 SF LVT ENSTYLE ASPEN PEAK STYLE LABOR TO INSTALL CARPET AND LVT LABOR TO DEMO EXISTING FLOORING NOTE: CUSTOMER TO REMOVE ALL FURNITURE		35,331.40	35,331.40
Total			\$35,331.40



KING CITY
C A L I F O R N I A

Item No. 9(G)

REPORT TO THE CITY COUNCIL

DATE: APRIL 11, 2017

TO: CITY COUNCIL

FROM: STEVEN ADAMS, CITY MANAGER

**RE: CONSIDERATION OF AGREEMENT WITH THE
TRANSPORTATION AGENCY FOR MONTEREY COUNTY FOR
THE ALLOCATION OF FUNDING APPROVED BY THE
TRANSPORTATION AGENCY BOARD OF DIRECTORS**

RECOMMENDATION:

It is recommended the City Council approve and authorize the City Manager to execute an Agreement with the Transportation Agency for Monterey County (TAMC) for the allocation of funding approved by the TAMC Board of Directors.

BACKGROUND:

TAMC is designated by the State of California as the Regional Transportation Planning Agency for Monterey County. As such, they are responsible for making certain decisions and/or recommendations for the allocation of specified Federal and State transportation funding sources.

DISCUSSION:

Among these funding sources is the Regional Surface Transportation Program (RSTP). A portion of this funding is allocated to local agencies for street and road improvements. To receive the funds, the City must enter into an Agreement with TAMC. The City will utilize these funds for upcoming street improvements.

COST ANALYSIS:

The City anticipates receiving approximately \$83,000 once the agreement is approved.

**CITY COUNCIL
CONSIDERATION OF AGREEMENT WITH THE TRANSPORTATION AGENCY
FOR MONTEREY COUNTY FOR THE ALLOCATION OF FUNDING
APPROVED BY THE TRANSPORTATION AGENCY BOARD OF DIRECTORS
APRIL 11, 2017
PAGE 2 OF 2**

ALTERNATIVES:

The following alternatives are presented for Council consideration:

1. Approve the Agreement;
2. Request modifications to the Agreement;
3. Do not approve the Agreement and forfeit the funding; or
4. Provide other direction to staff.

Exhibits:

1. TAMC Funding Allocation Agreement

Prepared and Approved by:



Steven Adams, City Manager

**AGREEMENT BETWEEN THE
TRANSPORTATION AGENCY FOR MONTEREY COUNTY
AND THE CITY OF KING CITY
FOR THE ALLOCATION OF FUNDING APPROVED BY
THE TRANSPORTATION AGENCY BOARD OF DIRECTORS**

This agreement is made on March 22, 2017 by and between the City of King City, a public body, hereinafter referred to as "Recipient," and the Transportation Agency for Monterey County, hereinafter referred to as "TAMC."

WHEREAS, the TAMC is the state-designated Regional Transportation Planning Agency for Monterey County; and

WHEREAS, as authorized by section 182.6(g) of the Streets and Highways Code, the TAMC has entered into a separate agreement with the State of California, through the Department of Transportation (Caltrans), to assign a defined portion of its annual Regional Surface Transportation Program (RSTP) apportionment to Caltrans in exchange for state funds for specified fiscal year(s); and

WHEREAS, the TAMC is authorized to use these exchanged funds (hereinafter RSTP Exchange Funds) to assist local agencies to promote projects which otherwise qualify for RSTP funds; and

WHEREAS, as authorized by Chapter 2, Title 21, Rule 6640 of the Transportation Development Act, one of the duties of the TAMC is to administer the provisions of the Transportation Development Act in apportioning Local Transportation Funds (LTF) for the Transportation Development Act 2% (TDA 2%) program for bicycle and pedestrian projects pursuant to Article 3 of that law, and to the Cities, County, and Monterey-Salinas Transit;

WHEREAS, as authorized by the Joint Powers Agreement for the Monterey County Regional Development Impact Fee Agency, the TAMC is designated to administer and allocate regional development impact fee revenues (RDIF) to projects identified in the approved Strategic Expenditure Plan; and

WHEREAS, the TAMC Board has approved the allocation of funds toward the projects listed in Exhibit A; and

WHEREAS, it is contemplated by TAMC and the Recipient that the amount of funding and the projects designated in Exhibit A may change from time to time as set forth below; and

WHEREAS, the TAMC has requested the Monterey County Auditor-Controller to establish a separate fund for the Federal Apportionment Exchange Program and such a separate fund has been established.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, THE PARTIES HERETO AGREE AS FOLLOWS:

1. RULES FOR RSTP EXCHANGE FUNDS

- A. The TAMC agrees to allocate RSTP Exchange Funds paid by Caltrans under the Federal Apportionment Exchange Program only for projects as authorized under sections 133(b) and 133 (c) of Title 23, United States Code and Article XIX of the California State Constitution.
- B. The Recipient agrees to use RSTP Exchange Funds only for the RSTP Exchange eligible project(s) described in Exhibit A, as approved by the TAMC Board of Directors, for the amounts awarded for each project.

2. RULES FOR LTF

- A. The TAMC agrees to allocate LTF funds under the Transportation Development Act only for projects as authorized under the Transportation Development Act Section 99230.
- B. The Recipient agrees to use LTF funds only for LTF eligible project(s) described in Exhibit A, as approved by the TAMC Board of Directors, for the amounts awarded for each project.

3. RULES FOR TDA 2%

- A. The TAMC agrees to allocate TDA 2% funds under the Transportation Development Act only for projects as authorized under the Transportation Development Act Section 99234 Claims for Pedestrian and Bicycle Facilities.
- B. The Recipient agrees to use TDA 2% funds only for TDA 2% eligible project(s) described in Exhibit A, as approved by the TAMC Board of Directors, for the amounts awarded for each project.

4. RULES FOR RDIF

- A. The TAMC agrees to allocate RDIF funds under the Joint Powers Agreement only for projects as authorized by the TAMC Board of Directors in the approved Strategic Expenditure Plan.
- B. The Recipient agrees to use RDIF funds only for RDIF eligible project(s) described in Exhibit A, as approved by the TAMC Board of Directors, for the amounts awarded for each project.

5. ADMINISTRATIVE POLICIES

- A. The projects described in Exhibit A, and the amounts allocated therefore, may be amended from time to time without changing the rest of this Master Agreement, by means of approval by the TAMC Board of Directors of a revised Exhibit A, which shall be designated by a date and number (e.g., "Exhibit A-1 (DATE)").
- B. The Recipient agrees to submit an annual report to TAMC by April 30 describing the progress towards completion for all projects listed in Exhibit A.
- C. The Recipient agrees to mention TAMC's role in funding the project in any press releases or media events held by the Recipient to promote a funded project.
- D. The TAMC agrees to reimburse the Recipient within 30 days of receipt of a completed claim form (Exhibit B) from the Recipient.
- E. The Recipient agrees to cause the completion of the project(s) within three years from the date funds were awarded by the TAMC Board of Directors, as recorded in Exhibit A. Failure to complete the project(s) in a timely basis shall allow TAMC to refuse reimbursement and to reprogram such funds for other purposes.

6. COST PRINCIPLES

- A. Recipient agrees to comply with Office of Management and Budget Circular A-87, Cost Principles for State and Local Government, and 2 CFR, Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements.
- B. Recipient agrees to:
 - (a) use Contract Cost Principles and Procedures, 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31, et seq., to determine the allowability of individual project cost items; and
 - (b) comply with Federal administrative procedures in accordance with 2 CFR, Part 200, Uniform Administrative Requirements, Costs Principles and Audit Requirements.

Every sub-recipient receiving funds as a contractor or sub-contractor under this AGREEMENT shall comply with Federal administrative procedures in accordance with 2 CFR, Part 200, Uniform Administrative Requirements, Costs Principles and Audit Requirements.

7. THIRD PARTY CONTRACTING

- A. Recipient shall not award a construction contract over \$10,000 or other contracts over \$25,000 on the basis of a noncompetitive negotiation for work to be performed using Funds without the prior written approval of Caltrans. This provision shall not apply to professional service contracts of the type which are required to be procured in accordance with Government Code Sections 4525 (d), (e), and (f).
- B. Recipient agrees that travel and per diem reimbursements and third-party contract reimbursements to subcontractors will be allowable as project costs only after those costs are incurred and paid for by the subcontractors and only if consistent with Paragraph 10, below.
- C. In addition to the above, the pre-award requirements of third party contractor/ consultants with Recipient shall be consistent with Local Program Procedures as published by Caltrans.

8. ACCOUNTING SYSTEM

Recipient, its contractors and subcontractors, shall establish and maintain an accounting system and records that properly accumulate and segregate expenditures by line item. The accounting system of Recipient, its contractors and all subcontractors shall conform to Generally Accepted Accounting Principles (GAAP), enable the determination of incurred costs at interim points of completion, and provide support for reimbursement payment claims.

9. RIGHT TO AUDIT

For the purpose of determining compliance with Public Contract Code 10115, et seq. and Title 21, California Code of Regulations, Chapter 21, Section 2500 et seq., when applicable and other matters connected with the performance of the Agreement pursuant to Government Code 8546.7, Recipient shall maintain and make available for inspection all books, documents, papers, accounting records, and other evidence pertaining to the performance of the Agreement, including but not limited to, the costs of administering the Agreement. All parties shall make such materials available at their respective offices at all reasonable times during the Agreement period and for three years from the date of final payment under the Agreement. The state, State Auditor, TAMC, FHWA, or any duly authorized representative of the Federal Government shall have access to any books, records, and documents of Consultant and its certified public accountants (CPA) work papers that are pertinent to the Agreement and indirect cost rates (ICR) for audit, examinations, excerpts, and transactions, and copies thereof shall be furnished if requested. Subcontracts in excess of \$25,000 shall contain this provision.

10. TRAVEL AND SUBSISTENCE

Payments to Recipient for travel and subsistence expenses of Recipient forces and/or its contractors or subcontractors, claimed for reimbursement or applied as local match credit, shall not exceed rates authorized to be paid exempt non-represented State employees under current State Department of Personnel Administration (DPA) rules. If the rates

invoiced are in excess of those authorized DPA rates, then Recipient is responsible for the cost difference and any overpayments shall be reimbursed to the TAMC on demand.

11. **PROJECT COMPLETION**
Recipient agrees to provide to the TAMC a short report summarizing total project costs and milestones, including before and after photos of the project, for each project within sixty (60) days of completion.
12. **GOVERNING LAWS.** This Agreement shall be construed and enforced according to the laws of the State of California, and the parties hereby agree that the County of Monterey shall be the proper venue for any dispute arising hereunder.
13. **CONFLICT OF INTEREST.** Recipient warrants that it presently has no interest and shall not acquire any interest during the term of this Agreement, which would directly or indirectly conflict in any manner or to any degree with its full and complete performance of all services under this Agreement.
14. **CONSTRUCTION OF AGREEMENT.** The parties agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any exhibit or amendment. To that end, it is understood and agreed that this Agreement has been arrived at through negotiation, and that neither party is to be deemed the party which prepared this Agreement within the meaning of Civil Code Section 1654. Section and paragraph headings appearing herein are for convenience only and shall not be used to interpret the terms of this Agreement.
15. **WAIVER.** Any waiver of any term or condition hereof must be in writing. No such waiver shall be construed as a waiver of any other term or condition herein.
16. **SUCCESSORS AND ASSIGNS.** This Agreement and all rights, privileges, duties and obligations hereunder, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns and heirs.
17. **TIME IS OF THE ESSENCE.** The parties mutually acknowledge and agree that time is of the essence with respect to every provision hereof in which time is an element. No extension of time for performance of any obligation or act shall be deemed an extension of time for performance of any other obligation or act, nor shall any such extension create a precedent for any further or future extension.
18. **EXECUTION OF AGREEMENT.** Any individual executing this Agreement on behalf of an entity represents and warrants that he or she has the requisite authority to enter into this Agreement on behalf of such entity and to bind the entity to the terms and conditions hereof. This Agreement may be executed in two or more counterparts, each of which

shall be deemed an original, but all of which together shall constitute one and the same agreement.

19. ENTIRE AGREEMENT. This document, including all exhibits hereto, constitutes the entire agreement between the parties, and supersedes any and all prior written or oral negotiations and representations between the parties concerning all matters relating to the subject of this Agreement.
20. TERMINATION DATE. This Agreement shall remain in effect for a period of three (3) years from the date of this Agreement.

IN WITNESS WHEREOF, TAMC and Recipient execute this Agreement as follows:

TRANSPORTATION AGENCY FOR MONTEREY COUNTY

Debra L. Hale
Executive Director

Date

Recipient:
CITY OF KING CITY

Name, Title

Date

Approved as to Form:

Kay Reimann
Kathryn Reimann
TAMC Counsel

3/28/17
Date

City Attorney
City of King City

Date



Item No. 11(A)

REPORT TO THE CITY COUNCIL

DATE: APRIL 11, 2017

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: SHANNON L. CHAFFIN, CITY ATTORNEY

BY: ROY C. SANTOS, ASSISTANT CITY ATTORNEY

RE: CONSIDERATION OF OPTIONS FOR REGULATION OF COMMERCIAL RECREATIONAL CANNABIS AND UPDATE OF MEDICAL CANNABIS REGULATIONS

RECOMMENDATION:

Staff recommends the City Council provide direction regarding preparation of commercial recreational cannabis regulations and updates to the current commercial medical cannabis regulations.

BACKGROUND:

The City Council previously adopted an ordinance allowing for the cultivation, manufacturing and testing of cannabis in 2016. However, shortly thereafter California voters approved the Adult Use of Marijuana Act ("AUMA") in November of 2016. The purpose of AUMA is to establish a comprehensive system to legalize, control and regulate the cultivation, processing, manufacture, distribution, testing, and sale of recreational marijuana, including marijuana products. A more detailed discussion of cannabis cultivation issues, including history, taxation, fees, etc., is attached to this Staff Report.

As a result of the changing statutory requirements, the previously adopted ordinance did not provide the protections for the community as desired by the City Council. The City Council promptly took action to prohibit all outdoor cultivation, and regulate indoor personal use cultivation earlier this year. However, as flagged for the City Council, commercial cultivation licenses for recreational grows will start being issued under AUMA by the State as of January 1, 2018. Therefore any regulations restricting commercial recreational marijuana need to be enacted by that time. Although commercial recreational cultivation did not require immediate action at the time, staff is

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APRIL 11, 2017
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bringing this matter back to the City Council for preliminary guidance on how to best approach commercial recreational cultivation of cannabis. Based on direction from the City Council, staff will then prepare an ordinance for formal consideration.

DISCUSSION:

Commercial Recreational Cannabis:

As currently enacted, the code authorizes commercial medical marijuana cultivation. It does not expressly prohibit commercial recreational cultivation of cannabis, but it can be argued it is excluded by definition as it is not medical cannabis. However, the statutory language in the AUMA regarding local control seems to suggest that a city must *affirmatively* adopt an ordinance explicitly prohibiting and/or regulating recreational marijuana operations (rather than relying on the silence of its local code to argue a use is prohibited) if a city seeks to ban or regulate these operations. (Bus. & Prof Code § 26200.)

Staff is recommending the City Council provide direction regarding the different types of recreational commercial marijuana businesses, if any, that will be lawfully permitted.

Permitting recreational marijuana could increase the number of cultivators, which could potentially attract additional business (and associated tax revenue) to the City. Prohibiting recreational commercial cultivation could allow the City to more effectively brand the area as a medical business park and potentially encourage the diversification of other, non-cannabis related, businesses. Staff will be preparing additional research. It would be helpful if the Council would provide initial guidance if there is specific information it would like provided. Staff is not looking for final direction at this time. Staff's intent at this time is to simply initiate the process and discussion.

If the City Council is inclined to allow commercial recreational cultivation of cannabis, it could require the same sorts of regulations as currently required for the commercial cultivation of medical cannabis.

If the City Council is not inclined to allow commercial recreational cultivation, then it could choose to clarify the ordinance by either significantly restricting or entirely prohibiting (banning) such cultivation in the City. However, there could be certain risks to this approach.

Medical Cannabis Regulations:

Regulation of both medical and commercial cannabis is a new and evolving subject. As a result, issues have and will continue to arise as the City begins implementation and application of its regulations. Staff would like to identify a number of items and requests that have been received at this time for Council direction. In response, staff

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will include modifications in a proposed ordinance consistent with Council direction. This could include clarifications regarding:

- Indemnity provision amounts and related issues.
- Co2 tank size and ethanol storage/usage limitations (staff have a preliminary comfort level with increasing of Co2 storage for manufacturing, but would like to receive additional information regarding CO2 use for cultivation, as well as proposed uses of ethanol, from cultivators).
- Request for permitting of additional licenses, including distribution and transportation licensing (staff have a preliminary comfort level with adding licensed distribution and transportation as accepted uses within the East Ranch Business Park and M Districts).
- Any additional rules for the initial selection, future selection, investigation process, renewal, revocation, and suspension of commercial cannabis business permits and appeals for the revocation or suspension of a commercial cannabis permit as necessary.
- Address concerns regarding public education plan (current permit holders are required to each come up such a plan, which raises duplication of effort and quality control issues; staff may propose replacement process to be funded by an increase to the annual license fee).
- Other items as directed by Council.
- Staff hopes to resolve these issues and prepare an Ordinance for Council consideration by May. If direction is received regarding recreational marijuana it can be addressed together or separately if more time is needed to make a decision on recreational uses.

Additional Uses:

At least one cultivator has requested the City expand the types of uses allowed. For example, the cultivator has requested that the City authorize the issuance of a Type 10A Dispensary License which would permit the cultivator to hold multiple license types, including cultivation, dispensary and manufacturing. Currently holding multiple licenses is prohibited for all other medical cannabis license types. In addition, the cultivator has requested the City authorize Type 11 Distribution Licenses and Type 12 Transportation Licenses.

COST ANALYSIS:

There will be staff and attorney time associated with the preparation of any ordinances. To promote efficiency, staff may "bundle" other updates with any amendments to address commercial (non-medical) cultivation of cannabis.

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ALTERNATIVES:

The following alternatives are provided for Council consideration:

1. Direct staff to prepare an ordinance allowing commercial recreational cannabis under restrictions and regulations consistent with medical cannabis;
2. Direct staff to prepare an ordinance prohibiting cultivation, manufacturing and other commercial cannabis businesses;
3. Direct staff to prepare an ordinance allowing commercial recreational cannabis under regulations specific to recreational cannabis;
4. Direct staff to include in the ordinance permitting additional medical and potentially commercial recreational cannabis licenses;
5. Direct staff to include in the ordinance other modifications to existing medical cannabis regulations; and/or
6. Provide other direction to staff.

Submitted by: _____
Shannon L. Chaffin, City Attorney

Approved by:  _____
Steven Adams, City Manager

ATTACHMENT 1

Brief History of Marijuana Laws:

In 1970, Congress through passage of the federal Controlled Substances Act (“CSA”) prohibited nationwide the cultivation, distribution or possession of marijuana.

In 1996, California voters passed the Compassionate Use Act (i.e., Proposition 215) (“CUA”) which decriminalized medical marijuana.

In 2003, the Medical Marijuana Program Act (“MMPA”) established a voluntary program for medical marijuana identification cards and provided state criminal immunity to certain medical marijuana activities.

In 2013 the U.S. Justice Department ordered that in states which have implemented “strong and effective regulatory and enforcement systems to control the cultivation, distribution, sale and possession of marijuana,” federal prosecutors are advised to consider enforcement of CSA not a priority.

On December 9, 2014, the U.S. Congress passed the Rohrabacher-Farr amendment, which specifically prohibits federal funds from being used to prevent states from implementing laws authorizing the use, distribution, possession or cultivation of medical marijuana.

On October 19, 2015, a federal district court in *USA v. Marin All. For Med. Marijuana* (N.D. Cal., 2015 No. C 98-00086 CRB) held that under the Rohrabacher-Farr Amendment the federal Department of Justice is precluded from enforcing permanent injunction prohibiting medical marijuana dispensary from distributing marijuana to extent dispensary complied with California law.

In 2015, Sacramento passed the Medical Marijuana Regulation and Safety Act (“MMRSA”) to establish a statewide regulatory system for licensing and operation of commercial “for-profit” medical marijuana operations (starting by January 1, 2018).

On August 16, 2016, the federal Ninth Circuit Court of Appeals in *United States v. McIntosh* (833 F.3d 1163) held that federal Department of Justice under Rohrabacher-Farr Amendment cannot prosecute medical marijuana patients and providers for violating federal marijuana laws as long as full compliance with state laws legalizing medical marijuana.

On November 8, 2016, California voters by a margin of 57% adopted Proposition 64, the Control, Regulate and Tax Adult Use of Marijuana Act (“AUMA”). The purpose of AUMA is to establish a comprehensive system to legalize, control and regulate the

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cultivation, processing, manufacture, distribution, testing, and sale of nonmedical marijuana, including marijuana products. AUMA did not provide for a specific effective date, thus the provisions of the AUMA regarding personal use, possession, and cultivation of marijuana became effective the day after the November 8, 2016 election.

Under AUMA, Health & Safety Code section 11362.2(b), explicitly allows a city to “enact and enforce reasonable regulations to reasonably regulate” the personal cultivation of marijuana permitted under Health & Safety Code section 11362.1(a)(3), so long as the city does not prohibit the cultivation of up to six plants “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.” Health & Safety Code section 11362.2(b)(3), explicitly allows a city to “completely prohibit persons from engaging in [the personal cultivation of marijuana] outdoors upon the grounds of a private residence”

In addition, AUMA legalized for individuals 21 years of age or older the personal use of marijuana and the personal possession of up to one ounce of marijuana (and eight grams of concentrated marijuana). AUMA also provides for the statewide regulation and licensing of commercial recreational marijuana operations (starting by January 1, 2018).

On November 8, 2016, Donald Trump was elected President of the United States. The new President has subsequently appointed Jeff Sessions as Attorney General, who has expressed interest in vigorous enforcement of the CSA.

As of February 23, 2017, while the CSA remains valid federal law, twenty-nine states (and D.C.) have legalized medical marijuana use and eight states (and D.C.) have legalized recreational marijuana use.

On or before January 1, 2018, AUMA provides for the issuance by the State of California of (if certain conditions are met) 19 different state licenses for commercial recreational marijuana businesses for various types of cultivation, manufacturing, testing, distribution and retail sales. AUMA also establishes a statewide marijuana regulatory system to be administered by a new Bureau of Marijuana Control. A state license will be required to operate one of these commercial recreational marijuana operations. AUMA further authorizes cities to define, regulate and/or prohibit all commercial recreational/nonmedical marijuana businesses. Similar provisions for state licensing and regulation of commercial medical marijuana operations have been provided by MMRSA.

DISCUSSION:

I. PERSONAL MARIJUANA CULTIVATION

A. Law Before Passage of Proposition 64

Before the passage of Proposition 64, the personal cultivation of marijuana for recreational purposes was completely illegal throughout California, although the personal cultivation of marijuana for medical purposes was generally lawful unless a city banned the activity.

B. Current Law With Passage of Proposition 64

As of November 9, 2016, California residents lawfully may cultivate up to six living marijuana plants “within a single private residence, or upon the grounds of that private residence, at one time.” (Health and Safety Code §§ 11362.2(a)(3).) A “private residence” is defined as “a house, an apartment unit, a mobile home, or similar dwelling.” (Health and Safety Code §§ 11362.2(b)(5).)

Cities may ban personal cultivation “*outdoors* upon the grounds of a private residence” through an express prohibition. (Health and Safety Code §§ 11362.2(b)(3).) However, unless outdoor personal cultivation is expressly prohibited, then individuals under State law have the right to cultivate at his/her residence up to six plants outdoors.

Cities are preempted from prohibiting individuals from cultivating up to six living marijuana plants “*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.” (Health and Safety Code § 11362(b)(2).) However, cities may “enact and enforce reasonable regulations to reasonably regulate” indoor cultivation which do not act to effectively prohibit indoor cultivation. (Health & Safety Code § 11362.2(b)(1).)

C. City Options for Regulation of Personal Marijuana Cultivation

The King City Municipal Code expressly prohibits the outdoor cultivation of marijuana. This prohibition applies to both medical marijuana and recreational marijuana cultivation. The personal indoor cultivation of both medical and non-medical marijuana is regulated by Chapter 7.55 of Title 7 of the King City Municipal Code. The following regulations currently govern the indoor personal cultivation of medical and non-medical marijuana:

- A permit issued by the City that must be renewed annually.
- The applicant must inform the Police Department of the exact location of the proposed cultivation area, etc., prior to being able to obtain a permit.

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- Tenants can cultivate only with the prior express written consent of the owner provided to the City on a City form. This will include a notarized owner acknowledgement of the potential enforcement mechanisms (liens, penalties, personal liability, etc.) available to the City in the event the tenant fails to comply with the ordinance, etc.
- The cultivator must be at least 21 years old, and is limited to no more than 6 plants.
- Cultivation must be within a private residence or accessory building if the property is a detached single family residence.
- Cultivation must occur within a single area of no more than 32 square feet in either a private residence or a qualifying detached building, and cannot be done in multiple residences.
- A residence must be occupied full time by the person cultivating the marijuana, and must have a fully functioning kitchen, bedroom, bathroom, etc., not being used for cultivation.
- Limitations on lighting, use of chemicals not expressly intended for indoor use, etc.
- Requirements to comply with the building code, to have smoke and carbon monoxide detectors, a fire extinguisher, a secured and locked facility with alarms for all windows and entry points into the cultivation area, proper ventilation, and odor control.
- Prohibitions on access to the area by any person under the age of 21, use of gas products (propane, CO2, etc.), the creation of a nuisance, limitations on delivery services, or evidence of cultivation from the exterior of the building.
- Prohibition on the manufacture, preparation or creation of marijuana extracts or concentrates.
- Smoking marijuana will be prohibited city-wide except for within residences or businesses specifically authorized to allow smoking (which King City will probably not have). Smoking must be indoors, and cannot create a nuisance with regard to odor, etc.
- Recreational marijuana dispensaries are prohibited in the City.
- Violations of Chapter 7.55 are a misdemeanor.
- Administrative penalties of \$250, \$500, then \$1,000 for each citation per incident/marijuana plant in a rolling 12 month period.
- If the cultivator fails to abate, the City may do so and charge the full cost of abatement or enforcement – including attorney's fees.

Thus far, the City has not established the permit fee for issuing a personal use permit to cultivate indoor medical or non-medical marijuana; however, any fees imposed for the permit must not reasonably exceed the costs of regulating said cultivation.

II. COMMERCIAL MARIJUANA OPERATIONS

A. Law Before Passage of Proposition 64

1. Recreational Marijuana

Before the passage of Proposition 64 on November 8, 2016, all recreational marijuana commercial operations and uses were illegal under California law.

2. Medical Marijuana

Since 1996 pursuant to the Compassionate Use Act (Proposition 215), and as clarified by the Medical Marijuana Program Act of 2003, non-profit medical marijuana dispensaries and cultivation have been lawful when done “collectively” or “cooperatively,” though cities can ban these operations.

In October 2015, the State legislature enacted MMRSA to establish a statewide regulatory system for the licensing and operation of seventeen different types of medical marijuana commercial “for-profit” operations.

State licenses will start being issued by January 1, 2018. These include ten types of cultivation licenses (for various sizes of indoor, outdoor, mixed-light and nursery operations), two types of manufacturing licenses, a testing license, two types of dispensary license, a distribution license, and a transporter license. The licenses will be valid for one year and must be renewed annually. A state license is required to lawfully operate any of these commercial medical marijuana businesses.

Before one of the new medical marijuana state licenses will be issued, an applicant must have obtained a local license/permit for the medical marijuana commercial activity.

B. Current Law with Passage of Proposition 64

1. Recreational Marijuana

AUMA’s regulatory provisions are largely patterned on the MMRSA, passed by the legislature and effective January 1, 2016. AUMA creates the “Bureau of Marijuana Control” (“BMC”) within the Department of Consumer Affairs to regulate and license the recreational marijuana industry. This sub-agency is not the same as the Bureau of Medical Marijuana Regulation (“BMMR”) created by the MMRSA. However, the AUMA makes clear that it will “consolidate and streamline regulation and taxation for both nonmedical and medical marijuana.” As such, there’s a good chance the BMMR will be subsumed by the BMC upon passage of the AUMA. In addition, the other regulators granted authority under

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the AUMA are as follows: The Department of Consumer Affairs will license and oversee marijuana retailers, distributors, and micro businesses; The Department of Food and Agriculture will license and oversee marijuana cultivation; The Department of Public Health will license and oversee manufacturing and testing; and The State Board of Equalization will collect marijuana taxes.

UMA does not prohibit vertical integration or one person holding more than one license (with the exception of a testing lab owner, which cannot own any other license under the AUMA). The nineteen license types are as follows:

- Type 1 = Cultivation; Specialty outdoor; Small
- Type 1A = Cultivation; Specialty indoor; Small
- Type 1B = Cultivation; Specialty mixed-light; Small
- Type 2 = Cultivation; Outdoor; Small
- Type 2A = Cultivation; Indoor; Small
- Type 2B = Cultivation; Mixed-light; Small
- Type 3 = Cultivation; Outdoor; Medium
- Type 3A = Cultivation; Indoor; Medium
- Type 3B = Cultivation; Mixed-light; Medium
- Type 4 = Cultivation; Nursery
- Type 5 = Cultivation; Outdoor; Large
- Type 5A = Cultivation; Indoor; Large
- Type 5B = Cultivation; Mixed-light; Large
- Type 6 = Manufacturer 1
- Type 7 = Manufacturer 2
- Type 8 = Testing
- Type 10 = Retailer
- Type 11 = Distributor
- Type 12 = Microbusiness

License Types 1 through Type 4 are going to be the same size and capacity as set forth in the MMRSA. Notably, no Type 5 through Type 5B licenses (meaning any indoor or mixed light grow over 22,000 square feet and any outdoor grow over an acre) will be issued to anyone before January 1, 2023. This essentially means there will be no large scale cultivation for the first five years under the AUMA program.

2. Medical Marijuana

As discussed above, the State of California will begin issuing state licenses for medical marijuana commercial operations at about the same time as state licenses for recreational marijuana operations will begin to be issued.

However, the “normalization” of marijuana activities arguably allows someone to claim entitlement to issuance of a local license for commercial medical marijuana activities, as a similar use to existing broad categories of use, when the local code is otherwise silent on that specific commercial medical marijuana activity. It is recommended the City expressly address the various types of commercial medical marijuana operations in its local code one way or the other.

C. Current King City Municipal Code

Section 17.03.040 of the King City Municipal Code states “no person shall engage in commercial cannabis activity or open or operate a commercial cannabis business without possessing both a commercial cannabis permit issued by the city manager or designee and within one year of the ability to obtain a license from the state of California upon implementation of the Medical Marijuana Regulation and Safety Act, a license issued by the state of California or one of its departments or divisions.”

As currently enacted, the code authorizes commercial medical marijuana cultivation. It does not expressly prohibit commercial recreational cultivation of cannabis, but it can be argued it is excluded by definition as it is not medical cannabis. However, the State of California will begin issuing state licenses for commercial operations until January 1, 2018.

We recommend the Council provide direction regarding what will be the status of each of the different types of recreational commercial marijuana businesses that will be lawfully permitted by the state starting on or about January 1, 2018. If a license type is not addressed it will reasonably allow that commercial recreational marijuana operation to contend they can locate in the City. For example, the statutory language in the AUMA regarding local control seems to suggest that a city must affirmatively adopt an ordinance explicitly prohibiting and/or regulating recreational marijuana operations (rather than relying on the silence of its local code to argue a use is prohibited) if a city seeks to ban or regulate these operations. (Bus. & Prof Code § 26200.)

III. TAXATION AND FEES

Under Measure J, the City can tax commercial marijuana businesses at a rate of \$25.00 per square foot for the first 5,000 square feet and \$10.00 per square foot thereafter, \$5.00 per square foot for nurseries and \$30,000.00 for manufacturing and testing facilities.

By way of background, under Proposition 64 both medical and nonmedical marijuana will be subject to a new tax on cultivation as well as a retail excise tax. A 15% statewide excise tax is imposed by AUMA on purchasers of marijuana. The excise tax is collected by businesses licensed to sell marijuana and is in addition to the sales and use tax imposed by the state and local governments. A cultivation tax is imposed

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statewide by AUMA of \$9.25 per dry-weight ounce for marijuana flowers, and \$2.75 per dry-weight ounce for marijuana leaves. The tax is due after the marijuana is harvested, and the state may establish tax stamps or "state-issued product" bags that indicate taxes have been paid.

Nonmedical marijuana retail sales will also be subject to existing state and local sales taxes, while medical marijuana retail sales will be exempt from state sales taxes.

The City may elect to establish new local taxes on both medical and nonmedical sales and general commercial operations. The establishment of a new tax will require voter approval of a ballot measure to impose any marijuana tax. Additionally, the County may elect (with voter approval) to establish a sales tax on marijuana and marijuana products, and this tax may extend into incorporated and unincorporated areas.

The City does not need voter approval to impose fees on commercial marijuana operations to recoup costs associating with licensing and regulating a specific commercial marijuana operation.

Some California cities are also exploring the use of development agreements with commercial marijuana operations to secure additional fees.

Below are some examples of tax rates and revenues generated from medical marijuana in some California cities.

- 1) **Palm Springs** - tax rate 10% gross receipts (up to 15% tax approved) for 6 permitted dispensaries (tax rate of 15% for unpermitted dispensaries); population 46,000.
2013-14 FY Actual Revenue: \$492,974;
2014-15 FY Estimated Revenue: \$1,143,144
- 2) **Desert Hot Springs** - tax rate 10% gross receipts with 3 dispensaries approved in September, 2015; actual number of operating dispensaries unknown; population 28,000.
2015-2016 FY Estimated Revenue: \$200,000
- 3) **Santa Ana** - tax rate up to 10% gross receipts, starts at 5%, with minimum \$2000 annually for each MMD, and with 20 allowed dispensaries; population 335,000
2015-2016 FY Estimated Revenue: \$1,500,000
- 4) **San Jose** - tax rate 10% gross receipts on 16 permitted dispensaries; population 1,000,000
2015-2016 FY Estimated Revenue: \$4,500,000

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City of Grover Beach voters approved marijuana taxes at their November 8, 2016 election which impose a maximum 5 percent tax on gross receipts for medical marijuana business activity, a maximum 10 percent tax on non-medical marijuana businesses, and a maximum of \$25 per square foot of canopy on the first 5,000 square feet and \$10 per square foot thereafter on marijuana cultivation.