



CITY COUNCIL MEETING

COUNCIL CHAMBERS, 33 SOUTH MAIN STREET, COLFAX, CA



MAYOR WILL STOCKWIN • MAYOR PRO TEM MARNIE MENDOZA
COUNCILMEMBERS • STEVE HARVEY • KIM DOUGLASS

REGULAR MEETING AGENDA

February 28, 2018

Regular Session 7:00 PM

1. CALL TO ORDER

- 2A. Call Open Session to Order
- 2B. Pledge of Allegiance
- 2C. Roll Call
- 2D. Approval of Agenda Order

This is the time for changes to the agenda to be considered including removal, postponement, or change to the agenda sequence.

RECOMMENDED ACTION: By motion, accept the agenda as presented or amended.

2. CONSENT CALENDAR

Matters on the Consent Agenda are routine in nature and will be approved by one blanket motion with a Council vote. No discussion of these items ensues unless specific items are pulled for discussion and separate action. If you wish to have an item pulled from the Consent Agenda for discussion, please notify the Mayor.

RECOMMENDED ACTION: Approve Consent Calendar

2A. Minutes – Regular meeting February 14, 2018

Recommendation: Approve the Minutes of the Regular Meeting of February 14, 2018.

2B. Cash Summary Report – January, 2018

Recommendation: Accept and file.

2C. First Amendment to the Sierra Oaks Estates/Village Oaks Reimbursement Agreement

Recommendation: Adopt Resolution 09-2018 approving the First Amendment to the Reimbursement Agreement for the Sierra Oaks Estates/ Village Oaks Project

2D. Staffing Adjustments

Recommendation: Adopt Resolution 10-2018 approving staffing adjustment to eliminate the Accounting Assistant position and revise the Accounting Technician position.

3. PUBLIC COMMENT

Members of the audience are permitted to address the Council on matters of concern to the public within the subject matter jurisdiction of the City Council that are not listed on this agenda. Please make your comments as brief as possible; not to exceed three (3) minutes in length. The Council cannot act on items not included on this agenda; however, if action is required it will be referred to staff.

4. COUNCIL, STAFF AND OTHER REPORTS

The purpose of these reports is to provide information to the Council and public on projects, programs, and issues discussed at committee meetings and other items of Colfax related information. No decisions will be made on these issues. If a member of the Council prefers formal action be taken on any committee reports or other information, the issue will be placed on a future Council meeting agenda.

4A. Committee Reports and Colfax Informational Items - All Councilmembers

4B. City Operations Update – City staff

4C. Additional Reports – Agency partners

Administrative Remedies must be exhausted prior to action being initiated in a court of law. If you challenge City Council action in court, you may be limited to raising only those issues you or someone else raised at a public hearing described in this notice/ agenda, or in written correspondence delivered to the City Clerk of the City of Colfax at, or prior to, said public hearing.



Colfax City Council Meetings are ADA compliant. If you need special assistance to participate in this meeting, please contact the City Clerk at (530) 346-2313 at least 72 hours prior to make arrangements for ensuring your accessibility.

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5. PUBLIC HEARING

NOTICE TO THE PUBLIC: City Council will take the following actions when considering a matter scheduled for hearing:	
1. Open the public hearing	2. Presentation by staff
3. Statement from applicant (if applicable)	4. Council comments and questions
5. Accept public testimony	6. Council comments and questions
7. Close public hearing. (No public comment is taken after the hearing is closed)	8. City Council action
Public hearings that are continued will be announced. The continued public hearing will be listed on a subsequent Council Meeting Agenda and posting of that agenda will serve as notice.	

5A. **Second reading and possible adoption of an ordinance establishing Commercial Cannabis Regulations. Staff Presentation:** Alfred A. "Mick" Cabral, City Attorney

Recommendation: Read the proposed ordinance by title only, waive the second reading, conduct a public hearing and consider adopting Ordinance 536 establishing Commercial Cannabis Regulations to be effective in 30 days.

5B. **Second reading and possible adoption of an ordinance amending Colfax Municipal Code Chapter 17.162.**

Staff Presentation: Alfred A. "Mick" Cabral, City Attorney

Recommendation: Read the proposed ordinance by title only, waive the second reading, conduct a public hearing and consider adopting Ordinance 535 Amending Municipal Code Chapter 17.162 Pertaining to Cannabis Regulations, to be effective in 30 days.

6. COUNCIL BUSINESS

6A. **Agreements for Federal Transportation Funds and the S. Auburn St. and I-80 Roundabout Project**

Staff Presentation: Dane Schilling, City Engineer

Recommendation: Adopt Resolution 11-2018 authorizing the City Manager to execute a Master Agreement Administering Agency-State Agreements for Federal-Aid Projects, a Program Supplement Agreement, and Finance Letters for the S. Auburn St. and I-80 Roundabout Project.

6B. **Adopt resolutions establishing the application process, fees, and background, check for commercial cannabis businesses.**

Staff Presentation: Alfred A. "Mick" Cabral, City Attorney

Recommendation: 1) Adopt Resolution 12-2018 approving the procedures to operate a commercial cannabis business in Colfax; 2) Adopt Resolution 13-2018 Establishing and Adopting Fees to Process Applications for Commercial Cannabis Activity Permits. 3) Adopt Resolution 14-2018 authorizing access to State and Federal level Summary Criminal History Information for employment, licensing or certification purposes in order to implement Colfax Municipal Code Chapter 5.32 pertaining to Commercial Cannabis Regulation..

6C. **Consolidation of November 6, 2018 Election and Request for Election Services by the County Clerk**

Staff Presentation: Lorraine Cassidy, City Clerk

Recommendation: Adopt Resolution No. 15-2018: declaring an election to be held in the City of Colfax jurisdiction on November 6, 2018; requesting the Placer County Board of Supervisors to consolidate this election with any other election conducted on said date; and requesting election services by the County Clerk.

6D. **Mid-year Budget Review – Fiscal Year 2017-2018**

Staff Presentation: Laurie Van Groningen

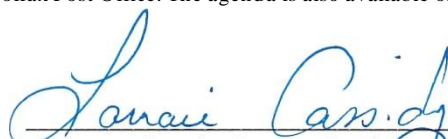
Recommendation: Review and accept the Mid-Year Budget Report FY2017-2018.

7. GOOD OF THE ORDER - INFORMAL COUNCIL STATEMENTS REGARDING THE BUSINESS OF THE CITY

Informal observation reports and inquiries regarding the business of the City may be presented by Council members under this agenda item or requests for placement of items of interest on a future agenda. No action will be taken.

8. ADJOURNMENT

I, Lorraine Cassidy, City Clerk for the City of Colfax declare that this agenda was posted at Colfax City Hall and the Colfax Post Office. The agenda is also available on the City website at www.Colfax-ca.gov.


Lorraine Cassidy, City Clerk



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City of Colfax
 City Council Minutes
 Regular Meeting of Wednesday, February 14, 2018
 City Hall Council Chambers
 33 S. Main Street, Colfax CA

1 CLOSED SESSION

1A. **Call to Order**

Mayor Stockwin called the closed session to order at 6:31PM.

1B. **Roll Call**

Council members present: Douglass, Harvey, Mendoza, Stockwin

1C. **Public Comment on Closed Session**

There was no public comment on the closed session item.

1D. **Closed Session**

Conference with Legal Counsel – existing litigation pursuant to Government Code Section 54956.9(d)(1): California Public Employees Relations Board Unfair Practice Charge Case No. SA-CE-1028-M.

Closed Session adjourned at 6:41PM.

2 OPEN SESSION

2A. **Call to Order**

Mayor Stockwin called the Open Session to order at 7:00PM.

2B. **Report from Closed Session**

City Attorney Cabral stated there was one item from Closed Session, regarding a dispute between Local 39 and the City. Council agreed unanimously to approve the settlement agreement involving designation of one of the newly formed positions.

2C. **Pledge of Allegiance**

Frank Klein, Chamber of Commerce President, led the Pledge of Allegiance.

The Pledge was followed by a moment of silence in respect for victims of the shooting incident in Florida which had occurred earlier in the day.

2D. **Roll Call**

Council members present: Douglass, Harvey, Mendoza, Stockwin

2E. **Approval of Agenda Order**

On a motion by Councilmember Harvey, seconded by Mayor Pro Tem Mendoza, the City Council approved the agenda order.

AYES: Douglass, Harvey, Mendoza, Stockwin

3 PRESENTATION

3A. **South Auburn Street Roundabout Project Presentation**

Engineering Consultants – Omni-Means

Doug Ries and Heather Anderson of Omni-Means along with Dane Schilling and Marc Fernandez of Coastland Engineering gave the 30% design review of the roundabout project. The project will improve the traffic safety and flow at the intersection of I-80 and South Auburn for vehicle, pedestrian, and bicycle traffic. Effectiveness of the design for the community has been improved by incorporating suggestions from the public.

Councilmember Harvey asked if an Environmental Impact Review will be necessary. Planner Amy Feagans replied the City expects the project will qualify for a Categorical Exemption.

Chris Dion, Colfax resident, is circulating a petition against constructing the roundabout.

Karen Furry, resident of Tree Farm Road, asked questions to clarify how vehicles will enter and exit the business near the project.

Ms. Anderson explained the project includes turning lanes which will create a safer ingress/egress for traffic than currently exists.

Chris Nave, California Highway Patrol Officer, asked about the location of sidewalks and crosswalks.

Ms. Anderson replied locations are still being discussed based on public input and safety factors.

Rocky Warren, area resident, feels the freeway traffic will proceed through the roundabout too quickly and create increased likelihood of accidents.

Ms. Anderson explained the roundabout is designed to limit speed to 25 mph through grading and other engineering design elements. Advanced signage is also planned to encourage motorists to slow down.

Foxy McCleary, 127 Saunders Lane, asked if flashing lights warning of pedestrian crossing are included in the plan.

Ms. Anderson stated there are signs and lighting. Flashing lights can be discussed.

Karen Furry, Tree Farm Rd., asked about City legal/financial risks if the roundabout proves to be unsafe.

City Engineer Dane Schilling explained the City will be using recognized Federal and State guidelines for design and implementation of the roundabout to reduce that risk.

Linda Louise Haines, Canyon View Apartments, stated roundabouts may be a challenge initially, but motorists will "keep their head" and perhaps practice using the roundabout, it will be a great solution to a problematic intersection.

Candy Hollinger, (unknown residence), stated she is against the roundabout and wonders if the City has considered just widening the intersection and using stop signs.

City Engineer Schilling stated the City conducted a very thorough Intersection Control Evaluation (ICE) and included all types of solutions for the intersection. Widening the road is not feasible and would make the situation more difficult.

Lou-anna Robinson, Colfax property owner, asked if the ICE included an evaluation of weekend traffic which seems to be the worst traffic times.

Engineering staff stated the weekends and holidays were not included in the ICE.

Tim Ryan, 300 S Main, and *Michele* (unknown last name and location) both spoke in favor of the roundabout.

Karen Furry, Tree Farm Road, asked if this is a done deal and public outreach is merely a formality.

City Manager Heathcock stated the Project is not set in stone; however, problems at this intersection have been discussed since 2006. This is the best concept which has been identified to address the traffic issues, allow the owners of the property to develop, and garner sufficient funding.

Clyde Prout, Colfax-Todds Valley Consolidated Tribe President, asked if the construction will impact native remains.

Ms. Anderson replied the grade will be raised and will not impact potential sacred artifacts.

Lou-anna Robinson, Colfax property owner, asked if the roads will be closed for construction.

Engineering staff explained part of the engineering design includes how the stage the construction with as little impact to residents and businesses as possible.

Councilmember Harvey stated he was not initially in favor of a roundabout, but was supportive of installing a series of traffic lights. He now has more information and has changed his stance. The roundabout will be a benefit to the community.

Mayor Stockwin stated this is obviously a complex project. The City will schedule another public meeting in early April. He thanked the engineering staff for a good presentation.

4 CONSENT CALENDAR

4A. Minutes - Regular Meeting January 24, 2018

Recommendation: Approve the Minutes of the Regular Meeting of January 24, 2018.

4B. Building Department Report - 2017

Recommendation: Receive and file.

On a motion by Councilmember Harvey, seconded by Mayor Pro Tem Mendoza, Council approved the Consent Calendar.

AYES: Douglass, Harvey, Mendoza, Stockwin

5 PUBLIC COMMENT

Clyde Prout, Colfax-Todds Valley Consolidated Tribe President

- Mr. Prout handed out flyers for the first annual Colfax Indian Day event which will be held August 25, 2018 at Sierra Vista Community Center.

6 COUNCIL, STAFF, AND OTHER REPORTS

6A. Committee Reports and Colfax Informational Items - All Councilmembers

Councilmember Harvey

- Councilmember Harvey represented the City on the Placer County Air Quality Board. He stated the board will have funds available to help property owners purchase wood stoves that meet new regulations.

Councilmember Douglass

- Councilmember Douglass attended the City/County Official's Dinner in Lincoln and represented the City on the Pioneer Energy Board.
- He and Mayor Pro Tem Mendoza gave a presentation to local seniors regarding the roundabout and Pioneer Energy.
- He attended the ceremony awarding Sergeant Ty Conners his 20 year stripe, a roundabout public meeting, and the second Wednesday meeting with Supervisor Montgomery.

Mayor Pro Tem Mendoza

- Mayor Pro Tem Mendoza attended the City/County Officials Dinner and the award ceremony for Sergeant Conners, as well as presenting to the seniors.
- She attended the All-Volunteer meeting for coordinating calendars which will be posted on the City and Chamber websites.
- Mayor Pro Tem Mendoza announced upcoming school fundraising events: E-waste Pick-up at Sierra Vista Community Center for 6th grade science camp, a Green Machine Bingo night at the VFW building this weekend, and the March 10th Green

Machine Crab Feed at the Sierra Vista Community Center. Tickets for the Crab Feed are \$45 and available by calling 530-906-8530.

- The Chinese Railroad Laborer Statue at Gold Run will be dedicated soon. Mayor Pro Tem Mendoza encouraged anyone interested in upcoming events to speak with her after the meeting.

Mayor Stockwin

- Mayor Stockwin attended the award ceremony honoring Sergeant Conners.
- He represented the City at the Placer County Mosquito and Vector Control Board meeting.
- He reported rainfall stands at 22 inches for the season.

6B. City Operations – City Staff

City Manager Heathcock

- City Manager Heathcock reported a theft at the Corp Yard with a loss of \$11,000 in tools. Law Enforcement is actively seeking the stolen items and the culprit.
- Staff has hired a new Customer Service Representative. Her first day is scheduled for next week.
- Two paving projects are slated for bidding and construction this spring/summer: Rising Sun and Culver Street. Both projects have 90% grant funding.

6C. Additional Reports – Agency Partners

City Manager Heathcock introduced Joe Ten Eyck, CalFire Division Chief who in turn introduced the new Colfax Battalion Chief, Brian Eagan.

Brian Eagan, Colfax Fire Department Battalion Chief

- Chief Eagan expressed his excitement to be stationed in Colfax as this is his home town. He has waited a year for the assignment. This is a true homecoming for him.
- His goal is to support fire staff and provide them with everything they need to provide the best customer service possible for the community.

Officer Chris Nave, California Highway Patrol (CHP) Gold Run Public Information Officer

- Officer Nave welcomed Chief Eagan. He looks forward to continuing the good relationship between Law Enforcement and Fire personnel.
- Every 15 Minutes was a good event.
- He spent last Saturday at Starbucks talking to people about winter driving preparedness.
- CHP will host a winter safety event at Bass Pro Shops in Rocklin on February 25, 2018 from 11AM-2PM.

Candy Hollinger commented that the Every 15 Minute program was awesome and she thanked Officer Nave for his part in the program which really benefited the students.

Frank Klein, President Colfax Area Chamber of Commerce

- Mr. Klein welcomed Chief Eagan and offered support to Mayor Pro Tem Mendoza for the Chinese Memorial.
- He announced the annual Chamber luncheon will be held March 7 at Dine-n-Dash.

Sharon Conners, Sierra Vista Community Center

- Ms. Conners encouraged everyone to come to the Saturday Flea Markets to shop and enjoy breakfast and lunch.
- This Sunday the Food Train hosted by Weimar Institute will provide very tasty healthy food at 1:00. It's a great experience.

- She mentioned Fred Abbott has done a wonderful job designing the flyer for the Chocolate Art and Wine Indulgence which will be in April.

7 PUBLIC HEARING

7A. **Village Oaks Community Vesting Tentative Subdivision Map**

Staff Presentation: Amy Feagans, City Planner

Recommendation: Adopt Resolution 07-2018 approving the Vesting Tentative Subdivision Map for the Village Oaks Community.

Mayor Stockwin opened the public hearing at 8:24PM.

Ms. Feagans explained the request before Council is half of a project Council approved previously. The project originally included 34 single family homes and 76 apartment units. The project as it is now proposed will create a 39 lot single family subdivision in place of the previously approved 76 apartment units. This will be a traditional subdivision and the process is fairly straightforward. All appropriate agencies have been contacted for comments which were incorporated into the conditions of approval. The resolution provided in the agenda packet has been modified. The first amendment to the original mitigation fee is under review and will be brought to Council at a future meeting. City Clerk Cassidy handed out the new version of the resolution for approval.

City Attorney Cabral asked for clarification of ownership from the applicant, Eric Stauss, as the entities he represents have changed. The Pine Top LLC has transferred title to Sierra Oaks LLC and Village Oaks LLC.

The public asked several questions regarding the expected price point of the houses within the subdivision, access for homeowners and emergency vehicles. Mr. Stauss stated the homes will be marketed to first time homeowners and priced accordingly. He also affirmed the access for cars and emergency vehicles is adequate.

Mayor Stockwin closed the public hearing at 8:40PM.

On a motion by Mayor Pro Tem Mendoza, seconded by Councilmember Douglass, Council approved Resolution 07-2018 approving the Vesting Tentative Subdivision Map for the Village Oaks Community.

AYES: Douglass, Harvey, Mendoza, Stockwin

8 COUNCIL BUSINESS

8A. **Introduction of an Ordinance Establishing Commercial Cannabis Regulations**

Staff Presentation: Alfred A. "Mick" Cabral, City Attorney

Recommendation: Introduce the proposed ordinance by title only, waive the first reading and continue for a second reading, public hearing and possible adoption at the February 28, 2018 regular meeting.

City Attorney Cabral briefly touched on the highpoints of the detailed staff report. This is a comprehensive ordinance to establish the principals which will be used to regulate Commercial Cannabis retailers. Four licenses will be issued – two for medical retail and two for adult use.

Jim Dion, local business owner; Rich Miller, area resident; and Annie Aubrie all spoke in favor of the ordinance.

Elijah Zachary, area resident, asked if a similar ordinance regulating commercial delivery will be considered in the future.

Mayor Stockwin stated delivery and other commercial activities have not been discussed.

On a motion by Mayor Pro Tem Mendoza, seconded by Mayor Stockwin, Council waived the first reading of Ordinance 536 reading by title only and continuing for a second reading and public hearing with possible adoption at the February 28, 2018 regular meeting.

AYES: Douglass, Mendoza, Stockwin

ABSTAIN: Harvey

The motion passed.

8B. Introduction of an Ordinance amending Colfax Municipal Code Chapter 17.162.

Staff Presentation: Alfred A. "Mick" Cabral, City Attorney

Recommendation: Introduce the proposed ordinance by title only, waive the first reading and continue for a second reading, public hearing and possible adoption at the February 28, 2018 regular meeting.

City Attorney Cabral explained this ordinance is a clean-up of the zoning regulations in Chapter 17 of the Municipal Code established by Ordinance 534. This ordinance is introduced with the expectation that Ordinance 536 will be adopted to regulate cannabis business licensing. Chapter 17 of the Municipal Code will continue the land use parameters to conditionally allow limited indoor and outdoor cannabis cultivation. He noted the verbiage in Chapter 17 pertaining to the single dispensary allowing a business license under Ordinance 534 will be eliminated since that business will now be regulated by Ordinance 535.

Jim Dion, owner of the dispensary which has the temporary business license asked for and received clarification.

Rich Miller asked the Council to consider allowing all types of commercial cannabis activity in Colfax.

On a motion by Mayor Pro Tem Mendoza, seconded by Mayor Stockwin, Council waived the first reading of Ordinance 535 reading by title only and continuing for a second reading and public hearing with possible adoption at the February 28, 2018 regular meeting.

AYES: Douglass, Harvey, Mendoza, Stockwin

8C. Property Management Agreement.

Staff Presentation: Wes Heathcock, City Manager

Recommendation: Adopt Resolution 08-2018 authorizing the City Manager to enter into a professional service agreement with Foothill Properties to set fair market rates, solicit tenants and manage tenant contracts for City owned properties for a three year term with an option to renew for an additional two years.

City Manager Heathcock explained staff was tasked with finding an appropriate company to manage the rental properties owned by the City. Staff solicited proposals from three companies and recommends Foothill Properties as the best fit for City needs.

Mayor Pro Tem Mendoza asked how the costs will be funded. City Manager Heathcock explained Foothill Properties will bill as a percentage of the income from the rentals.

Sharon Connors asked which buildings are available for rent. City Manager Heathcock stated the railcar currently has a tenant on a month to month lease and an office suite is available in the Depot.

On a motion by Councilmember Harvey, seconded by Mayor Pro Tem Mendoza, Council adopted Resolution 08-2018 authorizing the City Manager to enter into a professional service agreement

with Foothill Properties to set fair market rates, solicit tenants and manage tenant contracts for City owned properties for a three year term with an option to renew an additional two years.

AYES: Douglass, Harvey, Mendoza, Stockwin

9 GOOD OF THE ORDER – INFORMAL COUNCIL STATEMENTS REGARDING THE BUSINESS OF THE CITY

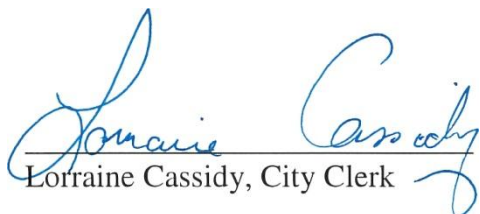
Councilmember Douglass asked City Attorney Cabral about progress towards placing a lien on the historic hotel for code violations.

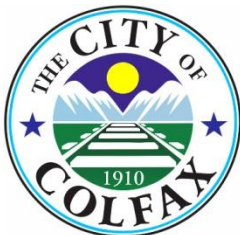
City Attorney Cabral replied he had received direction to draft the lien within the last day. The process will now move forward.

10 ADJOURNMENT

As there was no further business on the agenda, Mayor Stockwin adjourned the meeting at 9:02PM.

Respectfully submitted to City Council this 28th day of February, 2018


Lorraine Cassidy, City Clerk



STAFF REPORT TO THE COLFAX CITY COUNCIL

FOR THE FEBRUARY 28, 2018 COUNCIL MEETING

FROM: Wes Heathcock, City Manager
PREPARED BY: Laurie Van Groningen, Finance Director
DATE: February 12, 2018
SUBJECT: Cash Summary Report: January 2018

<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>	FUNDED	<input type="checkbox"/>	UN-FUNDED	AMOUNT:	FROM FUND:
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RECOMMENDED ACTION: Accept and file.

BACKGROUND AND ANALYSIS:

These monthly financial reports include General Fund Reserved Cash Analysis Graphs and the City of Colfax Cash Summary Report (with supporting documentation). The reports are prepared monthly on a cash basis and are reconciled to the General Ledger accounting system, previous reports, and bank statements. Detailed budget comparisons are provided as a mid-year report and also as part of the proposed budget process each year.

The purpose of the reports is to provide status of funds and transparency for Council and the public of the financial transactions of the City.

The attached reports reflect an overview of the financial transactions of the City of Colfax in January 2018. Monthly highlights include:

- Negative cash fund balances in Special Revenues and Capital project funds are due to timing of funding allocations and reimbursements.
 - Fund 250 - Streets& Roads – Fiscal year funding (via PCTPA) is generally requested and approved in 2nd quarter of fiscal year. Final allocations and transit contract revisions delayed our request for annual funds to January 2018. First allocation for FY2017-2018 has been received in February.
 - Fund 370 – Capital Funds North Main Street Project. This project completed slightly under budget and we have worked with the Department of Transportation to revise fund allocations to maximize City reimbursement. Final reimbursement request was finalized in January – anticipate funding in March.
 - Fund 351 and 385 – Initial project costs to be reimbursed with project funding.
- Major Expenses for January included:
 - Increased legal expenses due to employment and Union matters

- Major Revenues for January included:
 - The first allocation (55%) of annual property taxes, Motor Vehicle in Lieu Fees and delinquent sewer charges placed on County Tax rolls were received in January in accordance with the Teeter process. The second allocation (45%) is scheduled for May with the balance (5%) expected to be paid in July.
 - Quarterly franchise fees from WAVE and Recology.
-

ATTACHMENTS:

1. General Fund Reserved Cash Analysis Graphs
 - a. Cash Analysis – Balance
 - b. Expenses by Month
 - c. Revenues by Month
2. Cash Activity Reports
 - a. Cash Summary
 - b. Cash Transactions Report – by individual fund
 - c. Check Register Report - Accounts Payable
 - d. Daily Cash Summary Report (Cash Receipts)

**City of Colfax
Cash Summary
January 31, 2018**

	Balance 12/31/2017	Revenues In	Expenses Out	Transfers	Balance 01/31/2018
US Bank	\$ 249,216.33	\$ 769,424.96	\$ (384,265.37)	\$ -	\$ 634,375.92
LAIF	\$ 3,440,355.54	\$ 10,416.21	\$ -	\$ -	\$ 3,450,771.75
Total Cash - General Ledger	<u>\$ 3,689,571.87</u>	<u>\$ 779,841.17</u>	<u>\$ (384,265.37)</u>	<u>\$ -</u>	<u>\$ 4,085,147.67</u>
Petty Cash (In Safe)	\$ 300.00				\$ 300.00
Total Cash	<u>\$ 3,689,871.87</u>	<u>\$ 779,841.17</u>	<u>\$ (384,265.37)</u>	<u>\$ -</u>	<u>\$ 4,085,447.67</u>

Change in Cash Account Balance - Total

\$ 395,575.80

Attached Reports:

1. Cash Transactions Report (By Individual Fund)	
2. Check Register Report (Accounts Payable)	\$ (239,029.20)
3. Cash Receipts - Daily Cash Summary Report	\$ 522,286.46
Payroll Checks and Tax Deposits	\$ (70,858.00)
Utility Billings - Receipts	\$ 172,760.33
Service Charge/Adj/Voids	\$ -
LAIF Interest	\$ 10,416.21
	<u>\$ 395,575.80</u> \$

Prepared by: Laurie Van Groningen 2/12/18
Laurie Van Groningen, Finance Director

Reviewed by: Wes Heathcock
Wes Heathcock, City Manager

City of Colfax

Cash Transactions Report - January 2018

	Beginning Balance	Debit Revenues	Credit (Expenditures)	Ending Balance
Fund Type: 1.11 - General Fund - Unassigned				
Fund: 100 - General Fund	\$ 1,122,773.51	\$ 363,380.68	\$ (110,048.59)	\$ 1,376,105.60
Fund: 120 - Land Development Fees	\$ 35,360.37	\$ 16,000.00	\$ (11,690.56)	\$ 39,669.81
Fund: 570 - Garbage Fund	\$ (157,576.21)	\$ 11,859.18	\$ -	\$ (145,717.03)
Fund Type: 1.11 - General Fund - Unassigned	\$ 1,000,557.67	\$ 391,239.86	\$ (121,739.15)	\$ 1,270,058.38
Fund Type: 1.14 - General Fund - Restricted				
Fund: 571 - AB939 Landfill Diversion	\$ 28,117.26	\$ -	\$ -	\$ 28,117.26
Fund: 572 - Landfill Post Closure Maintenance	\$ 771,383.35	\$ 20,373.87	\$ (6,309.11)	\$ 785,448.11
Fund Type: 1.14 - General Fund - Restricted	\$ 799,500.61	\$ 20,373.87	\$ (6,309.11)	\$ 813,565.37
Fund Type: 1.24 - Special Rev Funds - Restricted				
Fund: 210 - Mitigation Fees - Roads	\$ 23,972.96	\$ 68.41	\$ -	\$ 24,041.37
Fund: 211 - Mitigation Fees - Drainage	\$ 3,079.00	\$ 8.79	\$ -	\$ 3,087.79
Fund: 212 - Mitigation Fees - Trails	\$ 43,135.51	\$ 123.09	\$ -	\$ 43,258.60
Fund: 213 - Mitigation Fees - Parks/Rec	\$ 81,879.66	\$ 257.77	\$ -	\$ 82,137.43
Fund: 214 - Mitigation Fees - City Bldgs	\$ -	\$ -	\$ -	\$ -
Fund: 215 - Mitigation Fees - Vehicles	\$ -	\$ -	\$ -	\$ -
Fund: 217 - Mitigation Fees - DT Parking	\$ 26,887.14	\$ 76.73	\$ (2,300.00)	\$ 24,663.87
Fund: 218 - Support Law Enforcement	\$ (10,419.77)	\$ 13,555.83	\$ -	\$ 3,136.06
Fund: 244 - CDBG Program Inc - ME Lending	\$ 210,873.15	\$ 597.46	\$ -	\$ 211,470.61
Fund: 250 - Streets - Roads/Transportation	\$ (53,957.12)	\$ -	\$ (38,865.98)	\$ (92,823.10)
Fund: 253 - Gas Taxes	\$ 14,670.93	\$ 8,322.29	\$ (1,576.56)	\$ 21,416.66
Fund: 270 - Beverage Container Recycling	\$ 18,008.00	\$ 51.39	\$ -	\$ 18,059.39
Fund: 280 - Oil Recycling	\$ 2,140.82	\$ 6.15	\$ (37.55)	\$ 2,109.42
Fund: 292 - Fire Department Capital Funds	\$ 19,157.94	\$ -	\$ (76.35)	\$ 19,081.59
Fund: 342 - Fire Construction - Mitigation	\$ 2,452.48	\$ 7.00	\$ -	\$ 2,459.48
Fund: 343 - Recreation Construction	\$ 2,452.94	\$ 7.00	\$ -	\$ 2,459.94
Fund Type: 1.24 - Special Rev Funds - Restrict	\$ 384,333.64	\$ 23,081.91	\$ (42,856.44)	\$ 364,559.11
Fund Type: 1.34 - Capital Projects - Restricted				
Fund: 300 - Capital Projects - General	\$ 5,023.82	\$ 14.34	\$ -	\$ 5,038.16
Fund: 351 - Rising Sun Project	\$ (5,463.75)	\$ -	\$ (802.21)	\$ (6,265.96)
Fund: 355 - CDBG Pavement - Culver	\$ -	\$ -	\$ (236.36)	\$ (236.36)
Fund: 370 - North Main Street Bike Route	\$ (219,440.74)	\$ -	\$ (1,787.94)	\$ (221,228.68)
Fund: 385 - Roundabout	\$ (13,948.16)	\$ -	\$ (3,445.52)	\$ (17,393.68)
Fund Type: 1.34 - Capital Projects - Restricted	\$ (233,828.83)	\$ 14.34	\$ (6,272.03)	\$ (240,086.52)
Fund Type: 2.11 - Enterprise Funds - Unassigned				
Fund: 560 - Sewer	\$ 624,489.80	\$ 165,090.62	\$ (90,348.11)	\$ 699,232.31
Fund: 561 - Sewer Liftstations	\$ 369,459.92	\$ 19,055.07	\$ (45,875.42)	\$ 342,639.57
Fund: 563 - Wastewater Treatment Plant	\$ 250,246.30	\$ 48,400.44	\$ (7.11)	\$ 298,639.63
Fund: 564 - Sewer Connections	\$ 41,080.00	\$ -	\$ -	\$ 41,080.00
Fund: 565 - General Obligation Bond 1978	\$ 2,247.76	\$ -	\$ -	\$ 2,247.76
Fund: 567 - Inflow & Infiltration	\$ 451,485.00	\$ 41,650.14	\$ -	\$ 493,135.14
Fund Type: 2.11 - Enterprise Funds - Unassign	\$ 1,739,008.78	\$ 274,196.27	\$ (136,230.64)	\$ 1,876,974.41
Fund Type: 9.0 - CLEARING ACCOUNT				
Fund: 998 - PAYROLL CLEARING FUND	\$ -	\$ 70,934.92	\$ (70,858.00)	\$ 76.92
Fund Type: 9.0 - CLEARING ACCOUNT	\$ -	\$ 70,934.92	\$ (70,858.00)	\$ 76.92
Grand Totals:	\$ 3,689,571.87	\$ 779,841.17	\$ (384,265.37)	\$ 4,085,147.67

Check Register Report

ITEM 2B

Checks Processed January 2018

Date: 5/21/2018

Time: 3:25 pm

Page: 1

CITY OF COLFAX

BANK: US BANK

Check Number	Check Date	Status	Void/Stop Date	Vendor Number	Vendor Name	Check Description	Amount
US BANK Checks							
53197	01/03/2018	Reconciled		1161	49ER WATER SERVICES	WWTP TESTING	4,325.00
53198	01/03/2018	Reconciled		01448	AMERIGAS - COLFAX	DEPOT PROPANE	147.62
53199	01/03/2018	Reconciled		01448	AMERIGAS - COLFAX	DEPOT PROPANE	184.19
53200	01/03/2018	Reconciled		01448	AMERIGAS - COLFAX	CITY HALL PROPANE	437.57
53201	01/03/2018	Reconciled		01448	AMERIGAS - COLFAX	FIRE DEPT PROPANE	20.98
53202	01/03/2018	Reconciled		01448	AMERIGAS - COLFAX	SHERIFF PROPANE	236.98
53203	01/03/2018	Reconciled		01500	ANDERSON'S SIERRA	BALL PARK IRRIGATION SUPPLY	37.74
53204	01/03/2018	Reconciled		02829	BLUE RIBBON PERSONNEL SERVICES	TEMP LABOR THRU 12/24/17	1,537.20
53205	01/03/2018	Reconciled		02901	BUREAU VERITAS NORTH AMERICA	BUILDING OFFICIAL SVCS NOV	5,440.00
53206	01/03/2018	Reconciled		03558	COLFAX SMOG & AUTO REPAIR	PW VEHICLE REPAIR	392.79
53207	01/03/2018	Reconciled		03562	COMMERCIAL PUMP SERVICE, INC	WWTP VFD REPAIR	345.00
53208	01/03/2018	Reconciled		05221	EOSI - ENVIRONMENT OPERATING	WWTP CHEMICALS	3,634.35
53209	01/03/2018	Reconciled		06278	FRONTIER COMMUNICATIONS	WWTP PHONE SVC	183.92
53210	01/03/2018	Reconciled		07460	GOLD COUNTRY MEDIA	VILLAGE OAKS SUBDIVISION MAP	460.44
53211	01/03/2018	Reconciled		07570	GRAINGER	WWTP SUPPLIES	165.30
53212	01/03/2018	Reconciled		08050	HACH COMPANY	WWTP LAB SUPPLIES	576.70
53213	01/03/2018	Reconciled		08170	HILLS FLAT LUMBER CO	STMT 12/25/17	609.27
53214	01/03/2018	Reconciled		08660	HUNT AND SONS, INC.	PW FUEL	629.89
53215	01/03/2018	Reconciled		19312	JESSICA SHEFTY	BUSINESS LICENSE APP REFUND	38.50
53216	01/03/2018	Reconciled		23101	LARRY WALKER ASSOCIATES	NPDES PERMIT ASSISTANCE	2,450.00
53217	01/03/2018	Reconciled		12200	LEAGUE OF CALIFORNIA CITIES	MEMBERSHIP DUES	100.00
53218	01/03/2018	Reconciled		12209	LIEBERT CASSIDY WHITMORE	LEGAL SVCS NOV 2017	8,684.20
53219	01/03/2018	Reconciled		14356	NORTHERN CALIFORNIA GLOVE	WWTP SUPPLIES	336.05
53220	01/03/2018	Reconciled		16011(2)	PELLETREAU, ALDERSON & CABRAL	LEGAL SVCS DEC 2017	8,887.59
53221	01/03/2018	Reconciled		16035	PG&E	ELECTRICITY	17,884.96
53222	01/03/2018	Reconciled		16142	PLACER COUNTY	BLDG DEPT CORR LIST PRINTING	46.95
53223	01/03/2018	Reconciled		21560	US BANK CORPORATE PMT SYSTEM	STMT 12/22/17	3,513.18
53224	01/03/2018	Reconciled		21500	USA BLUE BOOK, INC	WWTP SUPPLIES	269.80
53225	01/03/2018	Reconciled		22106	VAN GRONINGEN & ASSOCIATES	FINANCIAL SVCS DEC 2017	5,418.75
53226	01/03/2018	Reconciled		23169	WAVE BUSINESS SOLUTIONS	DEPOT PHONE	16.38
53227	01/03/2018	Reconciled		23169	WAVE BUSINESS SOLUTIONS	FIRE STATION PHONE	33.57
53228	01/03/2018	Reconciled		23169	WAVE BUSINESS SOLUTIONS	CITY HALL PHONES	207.57
53229	01/05/2018	Reconciled		03141	CALPERS	JAN 2018 HEALTH PREMIUMS	9,678.10
53230	01/12/2018	Reconciled		01460	AMERIPRIDE UNIFORM SERVICE	UNIFORM SERVICE	533.98
53231	01/12/2018	Reconciled		01500	ANDERSON'S SIERRA	HYDRANT ADAPTER FOR VACTRON	80.74
53232	01/12/2018	Reconciled		02829	BLUE RIBBON PERSONNEL SERVICES	TEMP LABOR THRU 12/31/17	683.20
53233	01/12/2018	Printed		03173	LORRAINE CASSIDY	EXPENSE REIMBURSEMENT	35.12
53234	01/12/2018	Reconciled		03474	CLARDY, CHRIS	BOOT ALLOWANCE	275.00
53235	01/12/2018	Reconciled		03493	COASTLAND CIVIL ENGINEERING	ENG SVCS DEC 2017	17,452.11
53236	01/12/2018	Reconciled		04234	DE LAGE LANDEN FINANCIAL	JAN 2018 COPY MACH MAINT	468.34
53237	01/12/2018	Reconciled		04253	DEPARTMENT OF GENERAL SERVICES	SB1186 FEES Q4 2017	10.20
53238	01/12/2018	Reconciled		05221	EOSI - ENVIRONMENT OPERATING	WWTP CHEMICALS	6,572.04
53239	01/12/2018	Reconciled		07465	GOLD MINER PEST CONTROL	LIFT STATION WWTP PEST CONTROL	210.00
53240	01/12/2018	Reconciled		08050	HACH COMPANY	WWTP LAB VISITS	1,138.00
53241	01/12/2018	Reconciled		08159	HILL BROTHERS CHEMICAL CO.	WWTP CHEMICALS	6,662.37
53242	01/12/2018	Reconciled		08490	HOLDREGE & KULL	WWTP POND 3 STORM DAMAGE	410.00
53243	01/12/2018	Reconciled		08660	HUNT AND SONS, INC.	FIRE DEPT FUEL	160.33
53244	01/12/2018	Reconciled		13243	MEDICH ELECTRIC	DEPOT LIGHTS	4,944.00
53245	01/12/2018	Reconciled		16300	PCWA -PLACER COUNTY	WATER	1,761.23

Check Register Report

ITEM 2B

Checks Processed January 2018

Date: 01/12/2018
 Time: 3:25 pm
 Page: 2

CITY OF COLFAX

BANK: US BANK

Check Number	Check Date	Status	Void/Stop Date	Vendor Number	Vendor Name	Check Description	Amount
US BANK Checks							
53246	01/12/2018	Reconciled		18119	RDO EQUIPMENT CO.	HYDROVAC TRAILER	44,585.75
53247	01/12/2018	Reconciled		18194	RGS - REGIONAL GOV SERVICES	DEC 2017 PLANNING SVCS	4,300.00
53248	01/12/2018	Reconciled		18400	RIEBES AUTO PARTS	WWTP SUPPLIES	7.49
53249	01/12/2018	Reconciled		19070	SCORE - SMALL CITIES ORGANIZED	WORKERS COMP Q3 2017	13,679.18
53250	01/12/2018	Reconciled		09095	JEFF SCOTT	2018 BOOT REIMBURSEMENT	37.68
53251	01/12/2018	Reconciled		01790	SIERRA OFFICE PRODUCTS	DEC 2017 OFFICE SUPPLIES	233.99
53252	01/12/2018	Reconciled		19695	STATE WATER RESOURCES CONTROL	JEFF SCOTRT GRADE II CERT	150.00
53253	01/12/2018	Printed		20391	TREGGAN MULLENIX	SHERIFF KEYS REIMBURSEMENT	10.67
53254	01/12/2018	Reconciled		22134	VISION QUEST	TECH SUPPORT	713.50
53255	01/12/2018	Reconciled		23169	WAVE BUSINESS SOLUTIONS	CORP YARD INTERNET	54.90
53256	01/12/2018	Reconciled		23301	WESTERN PLACER WASTE	DEC 2017 SLUDGE REMOVAL	373.23
53257	01/12/2018	Reconciled		23230	JEFF WHEELER	LOT OF ART WATER REIMBURSEMENT	100.70
53258	01/22/2018	Reconciled		01414	ALHAMBRA & SIERRA SPRINGS	CITY HALL/WWTP WATER	118.90
53259	01/22/2018	Reconciled		01448	AMERIGAS - COLFAX	DEPOT PROPANE	143.18
53260	01/22/2018	Reconciled		01766	AT&T MOBILITY	DEC 2017 CELL PHONES	778.26
53261	01/22/2018	Reconciled		02829	BLUE RIBBON PERSONNEL SERVICES	TEMP LABOR THRU 1/7/18	683.20
53262	01/22/2018	Reconciled		03121	CALIFORNIA BUILDING	BUILDING FEES - Q4 2017	36.00
53263	01/22/2018	Reconciled		03401	CHOICE BUILDER	FEB 2018 PREMIUMS	707.05
53264	01/22/2018	Printed		03558	COLFAX SMOG & AUTO REPAIR	PW TRUCK RPR	199.35
53265	01/22/2018	Reconciled		03650	CRANMER ENGINEERING, INC.	LANDFILL TESTING	640.00
53266	01/22/2018	Reconciled		04250	DEPARTMENT OF CONSERVATION	Q4 FY 17 SEISMIC FEES	16.60
53267	01/22/2018	Reconciled		07465	GOLD MINER PEST CONTROL	FIRE STATION 36 PEST CONTROL	144.00
53268	01/22/2018	Reconciled		08660	HUNT AND SONS, INC.	FIRE DEPT FUEL	455.52
53269	01/22/2018	Reconciled		16190	PLACER COUNTY DEPARTMENT OF ENVIRONMENTAL	FY 17/18 TRANSIT SERVICES	13,631.00
53270	01/22/2018	Printed		16165	PLACER COUNTY ENVIRONMENTAL	LANDFILL CLOSURE TESTING	819.00
53271	01/22/2018	Reconciled		18121	RCH GROUP, INC.	COLFAX PARTNERS CEQA STUDY	920.00
53272	01/22/2018	Reconciled		19650	STATE BOARD OF EQUALIZATION	2017 SALES TAX	1,598.00
53273	01/22/2018	Reconciled		23169	WAVE BUSINESS SOLUTIONS	CITY HALL INTERNET	159.90
53274	01/29/2018	Printed		01448	AMERIGAS - COLFAX	DEPOT PROPANE	96.63
53275	01/29/2018	Printed		02829	BLUE RIBBON PERSONNEL SERVICES	TEMP LABOR THRU 1/14/18	854.00
53276	01/29/2018	Printed		02901	BUREAU VERITAS NORTH AMERICA	BLDG OFFICIAL SVCS DEC 2017	6,120.00
53277	01/29/2018	Printed		03300	CHAMBER OF COMMERCE	WINTERFEST EVENT DEP REFUND	100.00
53278	01/29/2018	Printed		03540	COLFAX LIONS CLUB	WINTERFEST PARADE EVENT REF	100.00
53279	01/29/2018	Printed		04220	DC FROST ASSOCIATES, INC.	WWTP UV RPR	529.29
53280	01/29/2018	Printed		06278	FRONTIER COMMUNICATIONS	WWTP PHONE	182.05
53281	01/29/2018	Printed		07460	GOLD COUNTRY MEDIA	EMPLOYMENT AD	126.00
53282	01/29/2018	Printed		07570	GRAINGER	WWTP SUPPLIES	54.52
53283	01/29/2018	Printed		08050	HACH COMPANY	WWTP LAB SUPPLIES	987.34
53284	01/29/2018	Printed		08070	HANSEN BROS. ENTERPRISES	STREET RPR	40.76
53285	01/29/2018	Printed		23101	LARRY WALKER ASSOCIATES	NPDES PERMIT ASSISTANCE	9,171.25
53286	01/29/2018	Printed		12180	LAWRENCE & ASSOCIATES INC	DEC 2017 MONITORING	1,027.50
53287	01/29/2018	Printed		12209	LIEBERT CASSIDY WHITMORE	LEGAL SVCS DEC 2018	13,533.63
53288	01/29/2018	Reconciled		13243	MEDICH ELECTRIC	STREET LIGHT REPLACEMENT	1,267.20
53289	01/29/2018	Reconciled		13203	MENDOZA, MARNIE	LEAGUE MAYORS CONF	160.23
53290	01/29/2018	Printed		16300	PCWA -PLACER COUNTY	WATER	718.26
53291	01/29/2018	Printed		19396	SIERRA SAFETY COMPANY	ST SIGN REPLACEMENT	55.02
53292	01/29/2018	Printed		23169	WAVE BUSINESS SOLUTIONS	DEPOT PHONE	16.38
53293	01/29/2018	Printed		23169	WAVE BUSINESS SOLUTIONS	FIRE STATION PHONE	33.57
53294	01/29/2018	Printed		23710	WRIGHT HEATING & AIR COND.	CITY HALL HEATING RPR	231.32

Total Checks: 98

Checks Total (excluding void checks):

239,029.20

DAILY CASH SUMMARY REPORT

ITEM 2B

01/01/2018 - 01/31/2018

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2/12/2018
3:34 pm

City of Colfax

		Debit	Credit	Net Chng	
Fund: 100 - General Fund					
01/02/2018	Daily Totals	498.90	0.00	498.90	
01/03/2018	Daily Totals	4,035.43	0.00	4,035.43	
01/04/2018	Daily Totals	499.85	0.00	499.85	
01/08/2018	Daily Totals	5,509.20	0.00	5,509.20	
01/11/2018	Daily Totals	1,603.62	0.00	1,603.62	
01/12/2018	Daily Totals	60.00	0.00	60.00	
01/16/2018	Daily Totals	243.00	177.29	65.71	
01/17/2018	Daily Totals	254,781.73	0.00	254,781.73	
01/22/2018	Daily Totals	9,107.61	0.00	9,107.61	
01/23/2018	Daily Totals	79,800.00	0.00	79,800.00	
01/26/2018	Daily Totals	1,103.75	0.00	1,103.75	
Fund: 100 - General Fund		TOTALS:	357,243.09	177.29	357,065.80
Fund: 120 - Land Development Fees					
01/22/2018	Daily Totals	16,000.00	0.00	16,000.00	
Fund: 120 - Land Development Fees		TOTALS:	16,000.00	0.00	16,000.00
Fund: 218 - Support Law Enforcement					
01/17/2018	Daily Totals	13,555.83	0.00	13,555.83	
Fund: 218 - Support Law Enforcement		TOTALS:	13,555.83	0.00	13,555.83
Fund: 253 - Gas Taxes					
01/02/2018	Daily Totals	2,367.14	0.00	2,367.14	
01/03/2018	Daily Totals	1,080.00	0.00	1,080.00	
01/31/2018	Daily Totals	4,832.73	0.00	4,832.73	
Fund: 253 - Gas Taxes		TOTALS:	8,279.87	0.00	8,279.87
Fund: 560 - Sewer					
01/03/2018	Daily Totals	200.00	0.00	200.00	
01/11/2018	Daily Totals	122.66	0.00	122.66	
01/17/2018	Daily Totals	52,300.84	0.00	52,300.84	

DAILY CASH SUMMARY REPORT

ITEM 2B

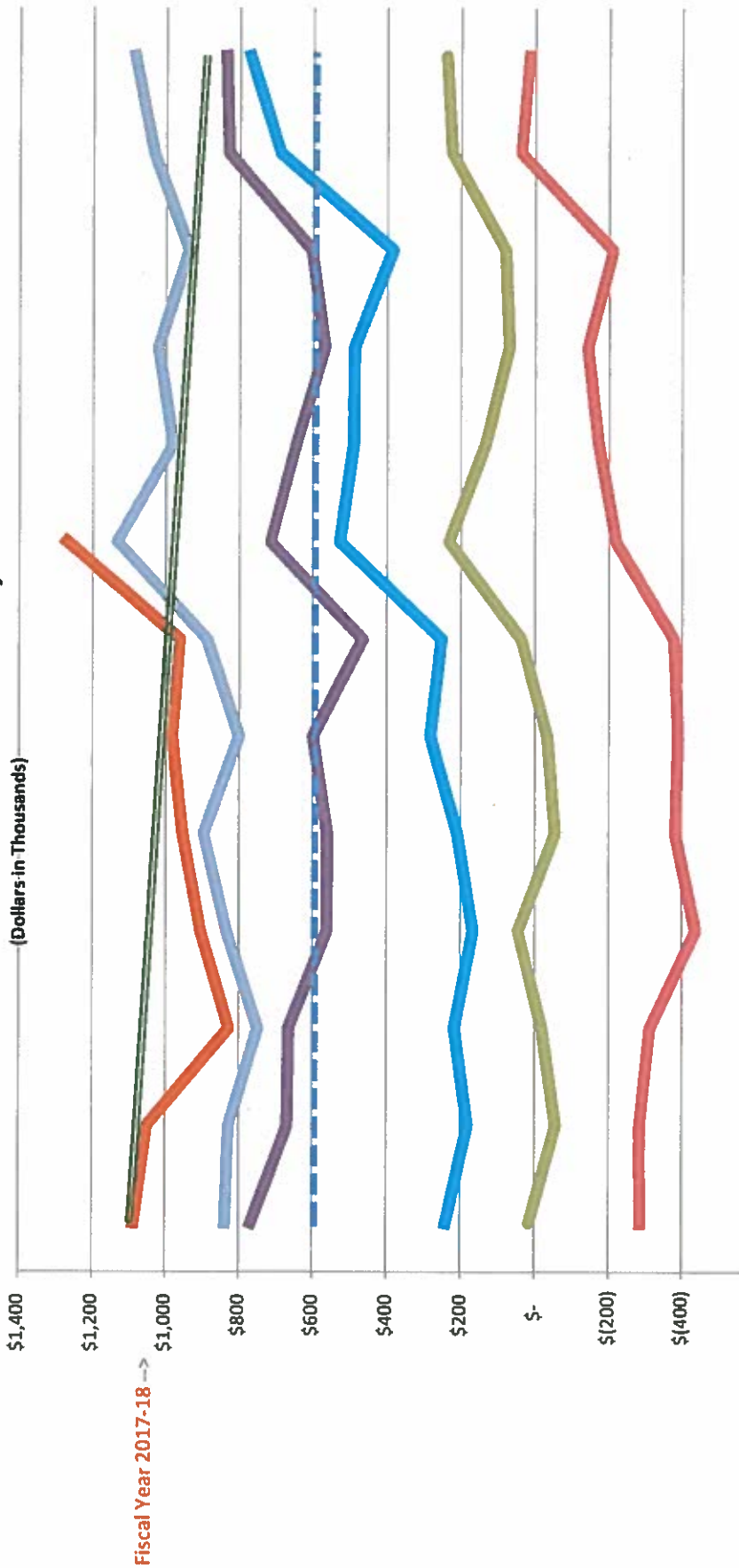
01/01/2018 - 01/31/2018

8:04:12
2/12/2018
3:34 pm

City of Colfax

		Debit	Credit	Net Chng
Fund: 560 - Sewer				
TOTALS:		52,623.50	0.00	52,623.50
Fund: 561 - Sewer Liftstations				
01/08/2018	Daily Totals	814.00	0.00	814.00
01/17/2018	Daily Totals	407.00	0.00	407.00
01/22/2018	Daily Totals	407.00	0.00	407.00
01/30/2018	Daily Totals	407.00	0.00	407.00
01/31/2018	Daily Totals	407.00	0.00	407.00
Fund: 561 - Sewer Liftstations				
TOTALS:		2,442.00	0.00	2,442.00
Fund: 567 - Inflow & Infiltration				
01/17/2018	Daily Totals	40,086.41	0.00	40,086.41
Fund: 567 - Inflow & Infiltration				
TOTALS:		40,086.41	0.00	40,086.41
Fund: 570 - Garbage Fund				
01/22/2018	Daily Totals	11,859.18	0.00	11,859.18
Fund: 570 - Garbage Fund				
TOTALS:		11,859.18	0.00	11,859.18
Fund: 572 - Landfill Post Closure Mainten				
01/22/2018	Daily Totals	20,373.87	0.00	20,373.87
Fund: 572 - Landfill Post Closure Muinten				
TOTALS:		20,373.87	0.00	20,373.87
GRAND TOTALS:		522,463.75	177.29	522,286.46

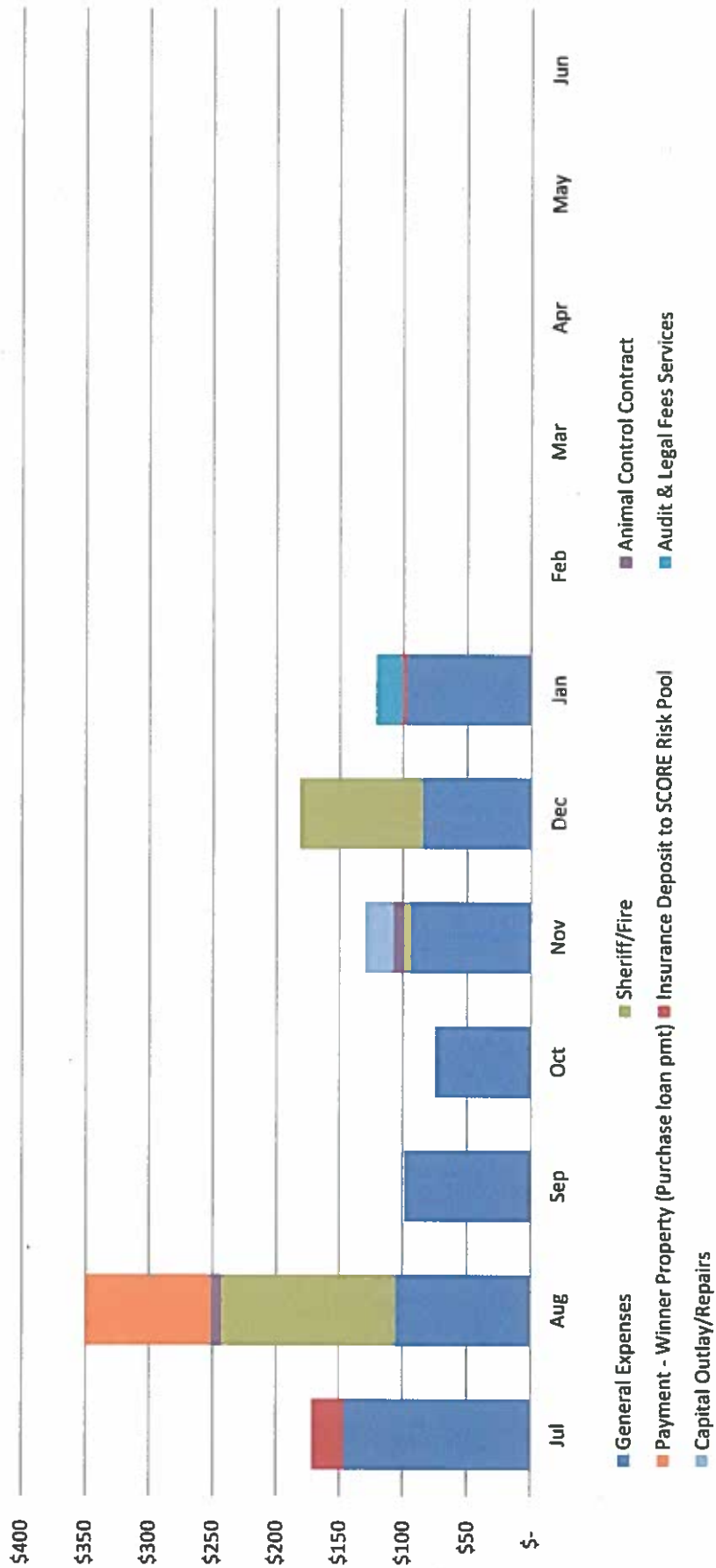
City of Colfax - January 2018 General Fund Reserved Cash Analysis



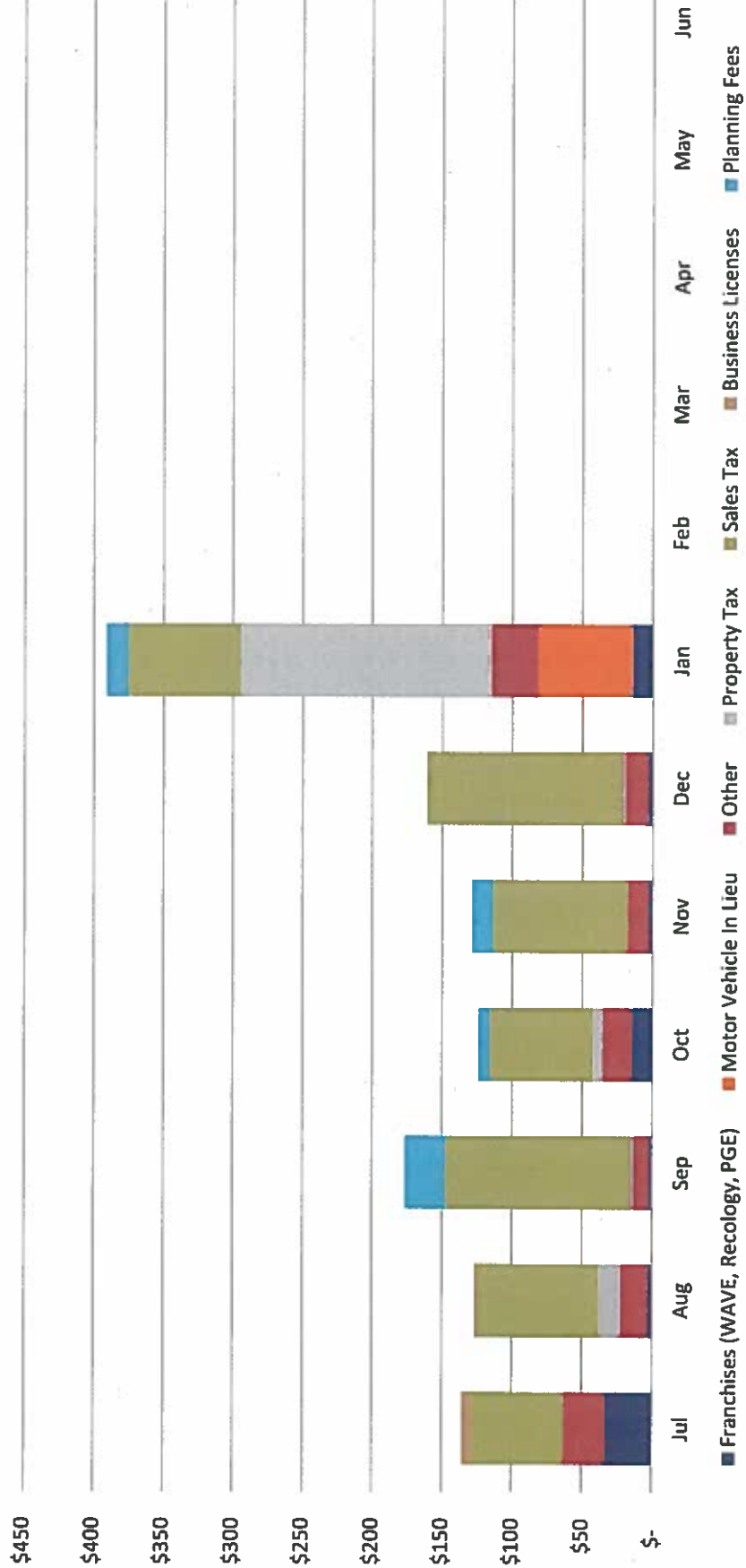
	Prev Yr	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Cash Balance FY2017-18	\$1,086	\$1,050	\$828	\$905	\$954	\$983	\$962	\$1,270	\$981	\$1,022	\$938	\$1,034	1086
Cash Balance FY2016-17	\$838	\$829	\$750	\$835	\$897	\$802	\$889	\$1,133	\$647	\$569	\$605	\$831	838
Cash Balance FY2015-16	\$768	\$670	\$666	\$562	\$561	\$601	\$466	\$717	\$491	\$489	\$385	\$691	773
Cash Balance FY2014-15	\$240	\$181	\$217	\$167	\$209	\$284	\$253	\$528	\$134	\$69	\$79	\$225	240
Cash Balance FY2013-14	\$15	\$(57)	\$(20)	\$45	\$(55)	\$(34)	\$36	\$233	\$173	\$(144)	\$(212)	\$37	15
Cash Balance FY2012-13	\$(287)	\$(286)	\$(314)	\$(438)	\$(383)	\$(391)	\$(380)	\$(221)	\$595	\$595	\$595	\$595	\$595
* Reserves (Ops, Cap, Pen)	\$595	\$595	\$595	\$595	\$595	\$595	\$595	\$595	\$595	\$595	\$595	\$595	\$595
Budget FY2017-18	\$1,096	\$1,079	\$1,062	\$1,045	\$1,028	\$1,011	\$994	\$977	\$960	\$943	\$926	\$909	\$892

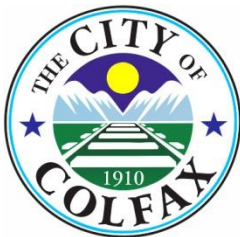
*City Administrative policy stipulates General Fund Reserve of 25% (3 months) of annual General Fund Revenues.

City of Colfax - January 2018 General Fund Reserved Cash - Expenses by Month (Dollars in Thousands)



City of Colfax - January 2018 General Fund Reserved Cash - Revenues by Month (Dollars in Thousands)





STAFF REPORT TO THE COLFAX CITY COUNCIL

FOR THE FEBRUARY 28, 2018 COUNCIL MEETING

FROM: Wes Heathcock, City Manager
PREPARED BY: Amy Feagans, City Planner
DATE: February 20, 2018
SUBJECT: First Amendment to the Sierra Oaks Estates/Village Oaks Reimbursement Agreement

<input type="checkbox"/>	N/A	<input type="checkbox"/>	FUNDED	<input type="checkbox"/>	UN-FUNDED	AMOUNT:	FROM FUND:
--------------------------	-----	--------------------------	--------	--------------------------	-----------	---------	------------

RECOMMENDED ACTION: Adopt Resolution 09-2018 approving the First Amendment to the Reimbursement Agreement for the Sierra Oaks Estates/Village Oaks Project

BACKGROUND:

On December 14, 2016, the City Council adopted Resolution 48-2016 approving the Sierra Oaks Estates and Village Oaks Apartments project. This project approved the construction of 34 single family residences and 76 apartments. On February 14, 2018, the Council approved Resolution 7-2018 approving the Village Oaks Vesting Tentative Subdivision. The project will replace the 76 apartment units with 39 single family lots.

With the original approval, the developer, Eric Stauss, asked the City to consider reducing its mitigation impact fees in order to increase the viability of the project. On March 22, 2017, the Council authorized the Land Use/New Development Strategies Committee and staff to meet with the developer and consider his request. The Committee and staff met with the developer and negotiated reductions to the City’s development impact fees in exchange for the developer’s agreement to upsize the City’s sewer main that runs through the project.

The approved negotiated rate reductions were as follows:

	2017 Single Family	2017 Multi-Family	Approved Negotiated Rate for Sierra Oaks Estates
Roads	\$1,802	\$1,301	No Change
Drainage Study	\$74	\$48	0
Drainage (E-W Culverts)	3,416	\$2,216	N/A
Trails	\$1,125	\$787	\$147 / \$263
Parks and Recreation	\$5,731	\$4,011	\$4,298 / \$3,008 (25% reduction)
City Buildings	\$684	\$494	No Change
City Vehicles	\$130	\$94	No Change
Downtown Parking	\$581	\$420	0
Sewer Impact Fee	\$8,260	\$8,260	No Change
Landfill Equity Buy-in Fee	\$47	\$47	0
Construction Tax	1% of value	1% of value	No Change

This original agreement included reimbursement for certain sewer upgrades that will benefit the City and also established a negotiated rate for some of the mitigation impact fees to be collected. With the approval of the Village Oaks single family project, the developer requested that the same single family fee structure be applied to the 39 new lots. Staff has evaluated the difference in mitigation/impact fees and has determined the fees to be collected with the 39 lots satisfy the infrastructure needs given the development impacts. The table below is an analysis of the change from 76 multifamily units to 39 single family homes.

	Negotiated Rate for Sierra Oaks Estates		Total for 76 MF Units (Neg. rates)	Total for 39 SF lots (Neg. rate)	Delta between 76 Apts and 39 SF lots
	Single Family	Multi Family			
Roads	\$1802	\$1,301	\$98,876	\$70,239	\$28,637
Drainage Study	0	0	0	0	0
Drainage (E-W Culverts)	N/A	N/A	N/A	N/A	
Trails	\$147	\$263	\$19,988	\$5,733	\$14,255
Parks and Recreation	\$4,298	\$3,008	\$228,608	\$167,622	\$60,986
City Buildings	\$684	\$494	\$37,544	\$26,676	\$10,868
City Vehicles	\$130	\$94	\$7,144	\$5,070	\$2,074
Downtown Parking	0	0	0	0	
Sewer Impact Fee	\$8,260	\$8,260	\$533,596	\$322,140	\$211,456
Landfill Equity Buy-in Fee	0	0	0	0	
Construction Tax	1% of Value	1% of Value	1% of Value	1% of Value	

The original Reimbursement Agreement provides that the Sewer Impact Fee will be \$8,260 for each single-family residence that connects to the sewer system. The Agreement also provides that the City will reimburse the developer by crediting the sewer impact fee against the cost of upsizing the sewer main. The developer will begin paying sewer impact fees once the sewer impact fee credits equal the sewer upsizing costs. Under the original Reimbursement Agreement, the City cannot increase any mitigation impact fees applicable to this project until August 10, 2020. The developer will pay all other mitigation impact fees when due.

RECOMMENDATION

Staff recommends that the fee structure negotiated for Sierra Oaks Estates be applied to the Village Oaks single family and recommends approval of the First Amendment to the Reimbursement Agreement for the Sierra Oaks estates/Village Oaks Project.

Attachment:

1. Resolution 09-2018
2. First Amendment to the Reimbursement Agreement for the Sierra Oaks Estates/ Village Oaks Project
3. Approved Reimbursement Agreement

City of Colfax

City Council

Resolution № 09-2018

APPROVING THE FIRST AMENDMENT TO THE REIMBURSEMENT AGREEMENT FOR THE SIERRA OAKS ESTATES/VILLAGE OAKS PROJECT

WHEREAS, on December 14, 2016, the City Council adopted Resolution 48-2016 approving the Sierra Oaks Estates/Village Oaks development project in Colfax which, as approved, would have resulted in the construction of 34 single family residences and 76 apartments divided among several multi-family buildings (the “Original Project”); and

WHEREAS, on August 9, 2017, the City Council adopted Resolution 32-2017 approving the Reimbursement Agreement for the Sierra Oaks Estates /Village Oaks Project (the “Reimbursement Agreement”); and

WHEREAS, on February 14, 2018, the City Council adopted Resolution 07-2018 whereby it approved the Village Oaks Vesting Tentative Subdivision Map which modified the Original Project by replacing the 76 apartment units with 39 single family homes; and

WHEREAS, the project as modified by Resolution 07-2018 consists of the 34 single-family residence Sierra Oaks Estates project and the 39 single-family residence Village Oaks project (together the “Modified Project”); and

WHEREAS, the developer of the Modified Project requested that the 39 lot Village Oaks subdivision project approved by Resolution 07-2018 be subject to the same mitigation impact fees required of the Sierra Oaks Estates project, and

WHEREAS, the City Council finds that the mitigation impact fees to which the Sierra Oaks Estates project is subject to are fair and reasonable and should also be applicable to the Village Oaks project; and

WHEREAS, the City Council finds that approving the First Amendment to the City of Colfax Reimbursement Agreement for the Sierra Oaks Estates/Village Oaks project is in the City’s best interests.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Colfax as follows:

- 1) The foregoing recitals are true and correct statements of fact and are incorporated into this Resolution.
- 2) The City Manager is hereby authorized to execute on behalf of and in the name of the City of Colfax the First Amendment to the City of Colfax Reimbursement Agreement For The Sierra Oaks Estates/Village Oaks Project in the form attached to this Resolution.

THE FOREGOING RESOLUTION WAS DULY AND REGULARLY ADOPTED at the Regular Meeting of the City Council of the City of Colfax held on the 28th day of February 28, 2018 by the following vote of the Council:

AYES:

NOES:

ABSENT:

ABSTAIN:

Will Stockwin, Mayor

ATTEST:

Lorraine Cassidy, City Clerk

**FIRST AMENDMENT
TO
CITY OF COLFAX REIMBURSEMENT AGREEMENT
FOR
THE SIERRA OAKS ESTATES/VILLAGE OAKS PROJECT**

This First Amendment (the "Amendment") to CITY OF COLFAX REIMBURSEMENT AGREEMENT FOR THE SIERRA OAKS ESTATES/VILLAGE OAKS PROJECT is made and entered into as of February _____, 2018 by and between the City of Colfax, a municipal corporation and California general law city (the "City"), and Sierra Oaks Estates LLC, a California Limited Liability Company, successor in interest to Pinetop Properties LLC (the "Owner").

RECITALS

- A. City and Pinetop Properties, LLC, a California Limited Liability Company, are parties to that certain Reimbursement Agreement dated August 9, 2017 (the "Agreement").
- B. In accordance with Paragraph 5.6 of the Agreement, Pinetop Properties, LLC, a California Limited Liability Company, assigned its rights, duties and benefits under the Agreement to Sierra Oaks Estates, LLC, a California Limited Liability Company. Therefore, as used in this Amendment, "Owner" shall mean and refer to Sierra Oaks Estates, LLC, a California Limited Liability Company.
- C. City and Owner desire to amend and supplement the Agreement in accordance with and as provided in this Amendment.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

- 1. Defined Terms. Initially capitalized terms used and not otherwise defined herein have the meanings given such terms in the Agreement.
- 2. Recital 2.1 is hereby amended and restated in its entirety as follows:
 - 2.1 On December 14, 2016, the City adopted its Resolution 48-2016 whereby it approved the Sierra Oaks Estates and Village Oaks Apartments development projects which include 34 lots for a single family residential subdivision and five lots for 76 multifamily apartments all located within the boundaries of the approximately 34-acre site consisting of Parcels 1, 2, 3 and 4 at Book 35 of Parcel Maps, Page 103 Placer County Records, as altered by minor lot line adjustments. On February 14, 2018, the City approved the 39-lot single family Village Oaks residential subdivision which replaces the previously-approved 76-unit multifamily project. The 34 lots and the 39 lots are collectively the "Project" herein.
 - 2.2 The Project approvals include vesting tentative maps which are subject to conditions of approval and a mitigated negative declaration.
- 3. The following portion of Agreement Paragraph 3.3 is hereby deleted: "\$8,260.00 for the first apartment in each multiple family building in the Project that is connected to the sewer system plus \$6,608.00 (\$8,260.00 x 0.80 = \$6,608.00) for each additional apartment in each such multiple family building (each such multiple family building a "Unit").
- 4. Paragraph 4.1 is hereby amended and restated as follows:
 - 4.1 Amount of Fees. Owner shall pay the following mitigation impact fees for the Project. All mitigation impact fees imposed by the City on this Project shall not be increased until at least August 10, 2020.

Category	Negotiated Rates
Roads	\$ 1,802
Drainage Study	0
Drainage (E-W Culverts)	N/A
Trails	\$147
Parks and Recreation	\$4,298
City Buildings	\$684
City Vehicles	\$130
Downtown Parking	0
Sewer Impact Fee	\$8,260
Landfill Equity Buy-in Fee	0
Construction Tax	1% of Value

5. The parties hereto acknowledge that Pinetop Properties LLC has transferred its interest in Sierra Oaks Estates to Sierra Oaks Estates LLC, a California limited liability company (“SOE”), and that SOE is hereby substituted for Pinetop Properties LLC as Owner hereunder. The parties also acknowledge that Pinetop Properties LLC has transferred its interest in Village Oaks to Village Oaks Community LLC (“VOC”). The City hereby consents to those transfers.
6. The fees stated in paragraph 4.1 above are applicable to VOC and SOE, and all other successors in interest permitted under the Agreement or to which the City consents under Agreement Paragraph 5.6.
7. Miscellaneous. This Amendment may be executed in counterparts and the signature pages combined to constitute one document. Facsimile and electronic signatures shall be deemed to have the same force and effect as original signatures. This Amendment shall govern in the event of conflict with the Agreement. The Agreement, as amended hereby, is ratified and reaffirmed, constitutes the binding obligation of the parties, and remains in full force and effect.
8. Remainder of Agreement Unaffected. Except as expressly amended herein, the Agreement shall remain unchanged and in full force and effect, and the parties hereby ratify and confirm all terms of the Agreement as modified herein.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first set forth above.

City:

CITY OF COLFAX

By: _____

WES HEATHCOCK, CITY MANAGER

ATTEST:

By: _____

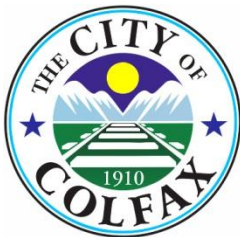
LORRAINE CASSIDY, CITY CLERK

Owner:

SIERRA OAKS ESTATES LLC,
a California Limited Liability Company
By: Pinetop Properties LLC, its sole member
a California Limited Liability Company, its Managing Member,
By: Monarch Mine Investments LLC, Member
a California Limited Liability Company,

its Manager

By: _____
Eric R Stauss, its Manager



STAFF REPORT TO THE COLFAX CITY COUNCIL

FOR THE FEBRUARY 28, 2018 COUNCIL MEETING

FROM: Wes Heathcock, City Manager
PREPARED BY: Wes Heathcock, City Manager
DATE: February 22, 2018
SUBJECT: Staffing Adjustments

<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>	FUNDED	<input type="checkbox"/>	UN-FUNDED	AMOUNT:	FROM FUND:
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RECOMMENDED ACTION: Adopt Resolution 10-2018 approving staffing adjustment to eliminate the Accounting Assistant position and revise the Accounting Technician position.

BACKGROUND:

In January 2017, Staff recommended operational and administrative changes to City staffing, and indicated that it would monitor changed positions and bring additional recommendations to Council if necessary. Since that time, Staff has determined that two adjustments are necessary to improve clarity and better reflect current and budgeted staffing. As reflected below, staff recommends the elimination of an unfilled, unbudgeted, Accounting Assistant position, and the adoption of a revised Accounting Technician job description.

POSITION ADJUSTMENTS

The **Accounting Assistant** position is a bargaining unit position that has been and remains unfilled. Accordingly, Staff recommends Council eliminate the position. There is no budgetary impact associated with this recommendation, as the position was unfilled and unbudgeted when the Council last amended the City Budget on June 28, 2017 (amending the FY2017-18 Budget).

The **Accounting Technician** position is currently budgeted as a full time, City staff position, which has been filled in that manner since approximately March 27, 2017. The job description for the position does not adequately reflect the confidential nature of the position with respect to personnel matters and labor relations. Accordingly, staff recommends that the position description be revised to reflect the position’s involvement in confidential personnel and labor relations matters. This revision is for clarifying purposes only and therefore has no impact the City Budget.

Attachments:

1. Resolution 10-2018
2. Revised Accounting Technician Job Description
3. Revised Salary Schedule, Reflecting Eliminated Accounting Assistant Position

City of Colfax

City Council

Resolution № 10-2018

APPROVING STAFFING ADJUSTMENTS TO ELIMINATE THE ACCOUNTING ASSISTANT POSITION AND REVISE THE ACCOUNTING TECHNICIAN POSITION

WHEREAS, the Accounting Assistant position is an unfilled position that should be formally eliminated and stricken from the City Salary Schedule as attached; and,

WHEREAS, the Accounting Technician position job description, attached hereto should be adjusted to more clearly reflect the confidential duties associated with the position.

NOW, THEREFORE, BE IT RESOLVED AND DECLARED that the City Council of the City of Colfax approves:

1. The elimination of the Accounting Assistant position;
2. The Salary Schedule reflecting the elimination of the Accounting Assistant Position; and
3. The revised job description for the Accounting Technician position.

THE FOREGOING RESOLUTION WAS DULY AND REGULARLY ADOPTED at the Regular Meeting of the City Council of the City of Colfax held on the 28th day of February 2018 by the following vote of the Council:

AYES:

NOES:

ABSTAIN:

ABSENT:

Will Stockwin, Mayor

ATTEST:

Lorraine Cassidy, City Clerk

City of Colfax**Accounting Technician**

Class specifications are only intended to present a descriptive summary of the range of duties and responsibilities associated with specified positions. Therefore, specifications may not include all duties performed by individuals within a classification. In addition, specifications are intended to outline the minimum qualifications necessary for entry into the class and do not necessarily convey the qualifications of incumbents within the position.

Position Characteristics

The position is a confidential position which reports to the City Manager or his or her designee for the accuracy and content of output. The incumbent is responsible for lessening responsibilities of the senior management by taking an increasing role in high level analysis and reporting to administrative staff and Council. The position's duties will normally require access to confidential information that is used to support senior management in preparing negotiation analysis with the general laborer's bargaining unit. The incumbent will be privy to and assist the City in developing confidential information including the City's bargaining positions, analysis and reports in support of those positions, and costing for negotiations on the City's behalf.

Overview

Under general supervision the Accounting Technician performs responsible and complex accounting support and administrative work in the preparation and maintenance of budgetary, accounting, financial, and statistical records for the City. Prepares and maintains a wide variety of complex financial records and information: utilizes automated financial systems and a variety of word processing and spreadsheet programs to enter, store and retrieve information; researches and gathers information from a variety of sources for the completion of forms or preparation of reports; provides information in person and over the phone to the public, other governmental agencies, and city staff requiring the use of judgment and the interpretation of a variety of policies rules and procedures.

Confidential Employee

This position is expected to provide administrative and clerical support to the Council and Administrative Staff. This employee works independently with a minimum of supervision and practices a moderate amount of discretion. Relative to personnel matters, including labor relations, the employee is considered to be a confidential employee.

Knowledge, Skills and Abilities

- Knowledge of principles and practices of governmental financial record keeping and bookkeeping
- Knowledge of basic accounting practices of accounts payable and receivable
- Knowledge of good customer relations practices
- Skill in oral and written communication, data entry and report generation
- Skill in handling multiple tasks and prioritizing
- Skill in using computers and related software
- Ability to organize, prioritize, and follow-up on work assignments
- Ability to interpret and record data accurately
- Ability to work with frequent interruptions and changes in priorities

Regular Duties

- Performs all utility billing functions including: maintaining and updating customer database, processing bi-monthly billings, receiving and posting receipts, preparing bank deposits, and responding to customer inquiries.
- Process Accounts Payable including: Validating City expenses and obtaining appropriate approvals, coding and entering invoices into Accounts Payable and obtaining approvals for processing, printing checks and submitting for signature, responding to vendor inquiries and general filing.
- Process general cash receipts including payments made at the counter, checks received via US mail, and credit card payments processed online. Duties include: provide receipts, assign fund accounting, enter to accounting system, and prepare bank deposits.
- Assist with preparation of payroll and quarterly and annual payroll tax reporting.
- Develop processes for complex City functions to provide improvement in customer service and compliance with standard City operations (e.g. business license approvals, and tracking land development accounts with planning, engineering and building departments).
- Assist with budget coordination for various City departments; forecasting financial requirements and recommending expenditure levels and budgets; making budget recommendations; analyzing recommendations prepared by other staff and projecting future expenditures.
- Support City management in confidential personnel and labor relations matters, including, but not limited to:
 - Supporting the City Manager or his or her designee in preparing negotiation analysis for the general laborer's bargaining unit.
 - Assisting City management negotiations team in developing the City's bargaining positions; provide analysis and reports in support of those positions; and prepare costing for negotiations on the City's behalf.
- Process billing statements for Land Development accounts.
- Process business license applications and maintain database.
- General office duties including filing, copying, mail distribution, and other duties as required.
- Other duties as assigned.

Atypical Duties

Because the City of Colfax has a small workforce, the Accounting Technician will be required to perform duties outside the scope of the "REGULAR DUTIES" listed above. Assistance with emergencies, events, special projects, and filling-in for the regular duties of absent, key-role employees will be required.

Physical Demands and Working Environment

Physical: Primary functions require sufficient physical ability to work in an office environment; walk, stand, and sit for prolonged periods of time; frequently stoop, bend, kneel, crouch, crawl, climb, reach, and twist; push, pull, lift, and/or carry moderate amounts of weights; verbally communicate to exchange information.

Vision: See in the normal visual range with or without correction; vision sufficient to read computer screens and printed documents.

Hearing: Hear in the normal audio range with or without correction.

Training and Experience

- Two to five years of increasingly responsible administrative experience
 - Experience involving public contact/customer service
 - Two years of Governmental Accounting and/or bookkeeping experience
- High School diploma or equivalent required
 - Some business or technical training in accounting or bookkeeping is desirable.

FLSA

The Accounting Technician position is non-exempt in accordance with the provisions of the Fair Labor Standards Act.

City of Colfax - Salary Range Schedule FY2017-2018

Represented Employees

Updated February 28, 2018

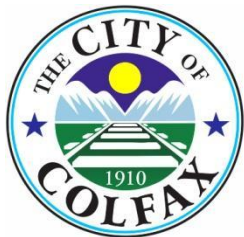
CPI Increase 07/01/2017:

4%

		Step				
		1	2	3	4	5
Clerk Typist*	Monthly	\$ 2,361.49	\$ 2,480.47	\$ 2,603.05	\$ 2,732.84	\$ 2,871.65
	Hourly	\$ 13.62	\$ 14.31	\$ 15.02	\$ 15.77	\$ 16.57
	Annual	\$ 28,337.92	\$ 29,765.63	\$ 31,236.61	\$ 32,794.11	\$ 34,459.78
Lead Mechanic*	Monthly	\$ 4,005.53	\$ 4,207.42	\$ 4,418.34	\$ 4,640.06	\$ 4,870.81
	Hourly	\$ 23.11	\$ 24.27	\$ 25.49	\$ 26.77	\$ 28.10
	Annual	\$ 48,066.30	\$ 50,489.09	\$ 53,020.03	\$ 55,680.77	\$ 58,449.66
Maintenance Worker I*	Monthly	\$ 2,765.29	\$ 2,902.29	\$ 3,044.70	\$ 3,199.73	\$ 3,360.17
	Hourly	\$ 15.95	\$ 16.74	\$ 17.57	\$ 18.46	\$ 19.39
	Annual	\$ 33,183.49	\$ 34,827.52	\$ 36,536.45	\$ 38,396.80	\$ 40,322.05
Maintenance Worker II*	Monthly	\$ 3,407.04	\$ 3,576.49	\$ 3,754.95	\$ 3,942.43	\$ 4,138.92
	Hourly	\$ 19.66	\$ 20.63	\$ 21.66	\$ 22.74	\$ 23.88
	Annual	\$ 40,884.48	\$ 42,917.89	\$ 45,059.46	\$ 47,309.18	\$ 49,667.07
Operator in Training*	Monthly	\$ 3,125.82	\$ 3,280.85	\$ 3,446.70	\$ 3,616.15	\$ 3,798.22
	Hourly	\$ 18.03	\$ 18.93	\$ 19.88	\$ 20.86	\$ 21.91
	Annual	\$ 37,509.89	\$ 39,370.24	\$ 41,360.38	\$ 43,393.79	\$ 45,578.62
Operator II*	Monthly	\$ 4,183.99	\$ 4,393.10	\$ 4,611.22	\$ 4,841.96	\$ 5,081.72
	Hourly	\$ 24.14	\$ 25.34	\$ 26.60	\$ 27.93	\$ 29.32
	Annual	\$ 50,207.87	\$ 52,717.18	\$ 55,334.66	\$ 58,103.55	\$ 60,980.61
Operator II*	Monthly	\$ 4,267.67	\$ 4,480.96	\$ 4,703.45	\$ 4,938.80	\$ 5,183.35
GFE Only**	Hourly	\$ 24.62	\$ 25.85	\$ 27.14	\$ 28.49	\$ 29.90
	Annual	\$ 51,212.03	\$ 53,771.53	\$ 56,441.35	\$ 59,265.62	\$ 62,200.22
Operator III*	Monthly	\$ 4,724.79	\$ 4,962.74	\$ 5,209.71	\$ 5,469.29	\$ 5,745.10
	Hourly	\$ 27.26	\$ 28.63	\$ 30.06	\$ 31.55	\$ 33.14
	Annual	\$ 56,697.47	\$ 59,552.90	\$ 62,516.48	\$ 65,631.49	\$ 68,941.18
Chief Plant Operator*	Monthly	\$ 5,950.60	\$ 6,251.65	\$ 6,565.31	\$ 6,891.59	\$ 7,235.90
	Hourly	\$ 34.33	\$ 36.07	\$ 37.88	\$ 39.76	\$ 41.75
	Annual	\$ 71,407.23	\$ 75,019.78	\$ 78,783.74	\$ 82,699.14	\$ 86,830.85
Chief Plant Operator*	Monthly	\$ 6,069.61	\$ 6,376.68	\$ 6,696.62	\$ 7,029.43	\$ 7,380.62
GFE Only**	Hourly	\$ 35.02	\$ 36.79	\$ 38.63	\$ 40.55	\$ 42.58
	Annual	\$ 72,835.38	\$ 76,520.17	\$ 80,359.42	\$ 84,353.12	\$ 88,567.46
Administrative Assistant/ Community Development*	Monthly	\$ 3,953.25	\$ 4,151.54	\$ 4,358.85	\$ 4,573.37	\$ 4,805.91
	Hourly	\$ 22.81	\$ 23.95	\$ 25.15	\$ 26.38	\$ 27.73
	Annual	\$ 47,438.98	\$ 49,818.50	\$ 52,306.18	\$ 54,880.38	\$ 57,670.91

* Represented Position

GFE (Grandfathered Employee) Only - "Classic" PERS employees only as of January 01, 2017



STAFF REPORT TO THE COLFAX CITY COUNCIL

FOR THE FEBRUARY 28, 2018 REGULAR COUNCIL MEETING

FROM: Alfred A. "Mick" Cabral, City Attorney
PREPARED BY: City Attorney
DATE: February 22, 2018
SUBJECT: Second reading and possible adoption of an ordinance establishing Commercial Cannabis Regulations.

X	N/A	FUNDED	UN-FUNDED	AMOUNT: N/A	FROM FUND: N/A
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RECOMMENDED ACTION: Read the proposed ordinance by title only, waive the second reading, conduct a public hearing and consider adopting Ordinance 536 establishing Commercial Cannabis Regulations to be effective in 30 days.

BACKGROUND AND SUMMARY:

At the Regular Meeting of the Colfax City Council on February 14, 2108, Council introduced and read by title only Ordinance 536 and scheduled a second reading and public hearing on the Ordinance for February 28, 2018. The Public Hearing has been noticed in accordance with State Law. After conducting this public hearing, the Council can waive the second reading and adopt the proposed ordinance which, if adopted will become effective March 30, 2018.

The law pertaining to marijuana in California has been evolving for decades. In 1996, California voters approved Proposition 215 which was codified as California Health and Safety Code Section 11362.5 and entitled "The Compassionate Use Act of 1996" (the "Compassionate Use Act" or "CUA"). The intent of the Compassionate Use Act was to enable persons who need marijuana for medical purposes to obtain and use it under limited, specific circumstances, without being subject to criminal prosecution under certain state statutes.

On January 1, 2004, Senate Bill 420, codified as California Health and Safety Code Sections 11362.7 et seq. and entitled "The Medical Marijuana Program," ("MMP") became effective to clarify the scope of the Compassionate Use Act.

In 2015, three separate bills (AB 266, AB 243 and SB 643) were signed into law. Known as the Medical Cannabis Regulation and Safety Act (MCRSA), those bills essentially created a structure to license, tax and regulate medical cannabis and a mechanism to fund the regulatory agencies to oversee it.

On November 8, 2016, California voters approved Proposition 64, which was commonly known as the Control, Regulate and Tax Adult Use of Marijuana Act (AUMA). The AUMA created a comprehensive regulatory scheme under which adult use of marijuana will be controlled, regulated and taxed. AUMA included provisions regulating marijuana cultivation, distribution, sale and use. AUMA essentially allowed recreational use of marijuana.

On June 27, 2017, the Governor signed the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA, also referred to as SB 94) in an effort to consolidate the laws applicable to medicinal and

adult-use of marijuana. MAUCRSA essentially repealed MCRSA and AUMA and incorporated their provisions into a consolidated statutory scheme.

MAUCRSA reserves to cities the right to regulate marijuana, including commercial cannabis activities, cannabis cultivation, cannabis manufacturing, cannabis retailers and cannabis delivery. The authority includes the ability to adopt ordinances that regulate or prohibit commercial cannabis activities, cannabis cultivation, cannabis manufacturing, cannabis retailers and, to a lesser extent, cannabis delivery. Any city that adopts an ordinance regulating or prohibiting cannabis activities must provide a copy to the State of California Bureau of Cannabis Control. An applicant for a license to operate a cannabis business must establish compliance with a local ordinance as a condition to receiving a state-issued license.

On October 25, 2017 the City Council adopted Ordinance 534 which repealed and replaced Colfax Municipal Code Chapter 17.162 to prohibit all commercial cannabis activities, cannabis manufacturing, and cannabis retailers in Colfax, except one medical marijuana retailer that existed and had a valid City business license as of November 27, 2009, which Ordinance 534 conditionally allows. Ordinance 534 prohibits cannabis delivery, except primary caregivers are allowed to deliver medical cannabis to qualified patients or persons with an identification card for whom he or she is the primary caregiver. Ordinance 534 conditionally allows limited indoor or outdoor cannabis cultivation of up to six plants in certain locations by authorized growers, qualified patients and primary caregivers, with several conditions. Any violation is a misdemeanor, infraction or public nuisance subject to extensive enforcement mechanisms and administrative penalties.

When Ordinance 534 was adopted, the State of California was promulgating regulations to implement MAUCRSA and other related provisions of California law that regulate the cannabis industry. Ordinance 534 was intended to preserve the City's regulatory authority and allow the Council to decide which, if any, cannabis-related enterprises it will allow, and, if so, the conditions under which it will do so.

The City Council has since assigned the issue to a committee and hired HdL Companies to develop a cannabis management program. HdL drafted a proposed ordinance which is presented to the Council for first reading. If passed, this ordinance will add Chapter 5.32 to the Colfax Municipal Code and regulate commercial cannabis activities in the City.

If adopted, the proposed ordinance will establish a comprehensive regulatory scheme for medicinal and commercial cannabis activities in Colfax (§5.32.010). It will prohibit the commercial cultivation, manufacture, processing, storing, laboratory testing, labeling, sale, delivery, distribution or transportation (other than as provided under Business & Professions Code section 26090(e)), of cannabis or cannabis products in the City except as authorized by the Ordinance (§5.32.010).

The Ordinance will allow the City to issue two categories of retail cannabis licenses: (1) Retailer-M licenses which are State and City-issued licenses for retail medicinal cannabis activities and (2) Retailer-A licenses which are State and City-issued licenses for retail cannabis activities that are intended for adults 21 years of age and over and who do not possess physician's recommendations. A maximum of two of each license may be issued, but nothing requires the City to issue those licenses (§5.32.050(a), (b), (aj) & (ak); §5.32.080). Each issued permit will expire and be subject to renewal every twelve months (§5.32.100).

Applications for commercial cannabis permits are subject to extensive application and renewal procedures (§§5.32.090 & 5.32.120). The Council will be expected to adopt by resolution a process for selecting individuals or entities eligible to apply for retail cannabis permits (§5.32.170) and will also regulate individuals who are authorized to work in permitted commercial cannabis establishments (§5.32.070).

The proposed ordinance allows the City to regulate virtually every aspect of permitted medicinal and adult-use cannabis facilities within City limits including the location and design of retail commercial cannabis facilities (§5.32.180 & §5.32.230), permit transfers (§5.32.190), mandatory record keeping and reporting (§5.32.260), security at commercial cannabis establishments (§5.32.270), facility operations (§5.32.310 - 340), packaging and labeling (§5.32.350), community relations (§5.32.370) and more.

The Ordinance also provides extensive inspection and enforcement mechanisms and proceedings. Permits can be revoked for any violation of the ordinance (§5.32.110), if State-issued licenses are suspended or revoked (§5.32.130), and for other valid reasons. Licensees affected by a suspension or revocation are entitled to appeal (§5.32.140, .150 & .160). Violation of the Ordinance can be criminally or civilly enforced or prosecuted as a public nuisance (§5.32.430, .440 & .450). Violators will also be subject to administrative fines and penalties under Colfax Municipal Code Chapter 1.25 adopted March 8, 2017 by Ordinance 532.

The Ordinance does not establish specific fees, but it authorizes the Council (§5.32.300) to set the fees by resolution. It is anticipated that the Council will adopt a comprehensive regulatory fee scheme, so implementation of the Ordinance will be revenue-neutral to the City. It is also anticipated that the City, with HdL's assistance, will place a sales tax measure on the ballot for approval by the City's electorate and generate a reasonable level of sales tax revenues from the sale of cannabis and cannabis products.

This Ordinance does not regulate cannabis cultivation. The provisions of Colfax Municipal Code Chapter 17.162 will continue to regulate indoor and outdoor cannabis cultivation.

Although California has conditionally legalized medicinal and adult-use cannabis, cannabis is still illegal under the federal Controlled Substances Act ("CSA": 21 USC §811). Legally permitted and licensed commercial cannabis facilities remain subject to prosecution under the CSA. Although the Department of Justice under the prior administration issued memoranda, generally referred to as the "Cole" memoranda, that seemed to relax the federal government's intent to enforce the CSA, the current Department of Justice has rescinded those memoranda and indicated an intent to vigorously enforce the CSA.

It is not clear whether the federal government will initiate prosecutions under the CSA, or who prosecutions will focus on. For example, on July 25, 2013, the Contra Costa County District Attorney, in tandem with the Alameda County District Attorney and an earlier opinion issued by the United States Attorney's Office for the Northern District of California, opined that civil and criminal actions can be initiated against licensees, property owners, landlords and financiers, as well as individuals who facilitate cultivation and/or distribution of marijuana, including "individuals who under color of authority issue the licenses and allow the issuance of license (sic) that permit the violation of federal law."

It is unknown whether any such prosecutions have been initiated, but the exposure under the CSA still exists. In 2014, Congress passed the Rohrabacher-Farr amendment that restricts the U.S. Department of Justice from spending federal money prosecuting medical marijuana violations if the activities are allowed under state law. It took more than a decade for Rohrabacher-Farr to get passed, and it must be renewed with each budget cycle. Last year, President Trump indicated that his administration may ignore the amendment and enforce federal law. In late 2017, the Republicans blocked a vote to renew it in the House Rules Committee. It has been included in all temporary federal spending measures since then, but they expire on February 8, 2018. Even if the amendment is renewed, it applies only to medicinal marijuana, not recreational marijuana.

Staff is available to answer any questions or provide additional information.

ATTACHMENTS:

- a. Ordinance 536

CITY OF COLFAX

ORDINANCE NO. 536

**AN ORDINANCE OF THE CITY OF COLFAX ADDING MUNICIPAL CODE
CHAPTER 5.32 ESTABLISHING COMMERCIAL CANNABIS REGULATIONS**

The City Council of the City of Colfax does ordain as follows:

Section 1:

Colfax Municipal Code Chapter 5.32 is hereby added to the Colfax Municipal Code in the form and substance contained in the Ordinance attached hereto as Exhibit A which is incorporated herein by this reference.

Section 2. Superceding Provisions

The provisions of this Ordinance and any resolution adopted pursuant hereto shall supersede and repeal any previous Ordinance or resolution to the extent the same is in conflict herewith.

Section 3. Severability

If any section, phrase, sentence or portion of this Ordinance is for any reason held invalid or unconstitutional by the final judgment of any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision; and such holding shall not affect the validity of the remaining portions hereof.

Section 4. California Environmental Quality Act Findings

The City of Colfax finds that, if the provisions of the California Environmental Quality Act, Public Resources Code §21000 et seq (hereinafter "CEQA") apply, the title of this ordinance would constitute a brief description of the "Project" as required by Section 15062(a)(1) of the Guidelines for Implementation of the California Environmental Quality Act published by the State of California Office of Planning and Research (the "CEQA Guidelines").

FINDING OF NO PROJECT

The City of Colfax finds that adoption of this ordinance does not constitute a "Project" as that term is defined by or used in CEQA, the CEQA Guidelines or any court or attorney general opinion construing the same. Accordingly, the City of Colfax finds that the provisions of CEQA and the CEQA Guidelines are not applicable to said action.

FINDING OF EXEMPTION

In the event that it is found that the said action constitutes a "Project" as defined by or used in CEQA or the CEQA Guidelines, which finding would be contrary to the City's opinion of its action, the City of Colfax hereby finds that said action is exempt from compliance with CEQA and the CEQA Guidelines, for the following reasons: The action falls within the exemptions provided by Senate Bill 94, and within the "common sense" CEQA exemption provided in 14 CCR 15061(b)(3) in that CEQA applies only to projects which have the potential for causing a

significant effect on the environment. Where it can be seen with certainty that there is no possibility that the action may have a significant effect on the environment, the action is not subject to CEQA. CEQA Guidelines, Section 15061(b)(3). It can be seen with certainty that adoption of this ordinance and its provisions cannot possibly have a significant effect on the environment.

Section 5. Effective Date

This Ordinance, and all of its provisions, shall take effect thirty (30) days after its adoption and shall, within 15 days after its adoption, be published or posted in accordance with Section 36933 of the Government Code of the State of California with the names of those City Council members voting for and against it.

The foregoing Ordinance was introduced at a duly held regular meeting of the City Council of the City of Colfax held on the 14th day of February 2018, and passed at a duly held regular meeting of the City Council held on the 28th day of February, 2018, by the following vote:

AYES:
NOES:
ABSENT:

Will Stockwin, Mayor

APPROVED AS TO FORM:

ATTEST:

Alfred Cabral
City Attorney

Lorraine Cassidy
City Clerk

CITY OF COLFAX

ORDINANCE NO. 536

**AN ORDINANCE OF THE CITY OF COLFAX ADDING MUNICIPAL CODE
CHAPTER 5.32 ESTABLISHING COMMERCIAL CANNABIS REGULATIONS****Chapter 5.32 COMMERCIAL CANNABIS ACTIVITY.****Section 5.32.010 Purpose and Intent**

It is the purpose and intent of this Chapter to implement the provisions of the Medicinal and Adult Use Cannabis Regulation and Safety Act (“MAUCRSA”) to accommodate the needs of medically-ill persons in need of and provide access to cannabis for medicinal purposes only as recommended by their health care provider(s) while imposing sensible regulations on the use of land to protect the City’s residents, neighborhoods, and businesses from disproportionately negative impacts. As such, it is the purpose and intent of this Chapter to regulate the retail sale of medicinal cannabis and adult-use cannabis and cannabis products in a responsible manner to protect the health, safety, and welfare of the residents of Colfax and to enforce rules and regulations consistent with state law. It is the further purpose of intent of this Chapter to require all commercial cannabis operators to obtain and renew annually a permit to operate within Colfax. Nothing in this Chapter is intended to authorize the possession, use, or provision of cannabis for purposes that violate state or federal law. The provisions of this Chapter are in addition to any other permits, licenses and approvals which may be required to conduct business in the City, and are in addition to any permits, licenses and approval required under state, county, or other law.

Section 5.32.020. Legal Authority.

Pursuant to Sections 5 and 7 of Article XI of the California Constitution, the provisions of the Medicinal and Adult Use Cannabis Regulation and Safety Act (hereinafter “MAUCRSA”), any subsequent state legislation and/or regulations regarding same, the City of Colfax is authorized to adopt ordinances that establish standards, requirements and regulations for the licensing and permitting of commercial medicinal and adult-use cannabis activity. Any standards, requirements, and regulations regarding health and safety, security, and worker protections established by the State of California, or any of its departments or divisions, shall be the minimum standards applicable in the City of Colfax to all commercial cannabis activity.

Section 5.32.030. Cannabis Cultivation and Commercial Cannabis Activities Prohibited Unless Specifically Authorized by this Chapter.

Except as specifically authorized in this Chapter, the commercial cultivation, manufacture, processing, storing, laboratory testing, labeling, sale, delivery, distribution

or transportation (other than as provided under Bus. & Prof. Code section 26090(e)), of cannabis or cannabis product is expressly prohibited in the City of Colfax.

Section 5.32.040. Compliance with Laws.

It is the responsibility of the owners and operators of any commercial cannabis business to ensure that it is, always, operating in a manner compliant with all applicable state and local laws, and any regulations promulgated thereunder. Nothing in this Chapter shall be construed as authorizing any actions that violate federal, state law or local law with respect to the operation of a commercial cannabis business. It shall be the responsibility of the owners and the operators of the commercial cannabis business to ensure that the commercial cannabis business is, at all times, operating in a manner compliant with all applicable federal, state and local laws, including for as long as applicable, the Compassionate Use Act (“Prop. 215”), the Medical Cannabis Program Act (“MMPA”) and the 2008 Attorney General Guidelines for the Security and Non-Diversion of Cannabis for Medical Purposes (“AG Guidelines”) (collectively “the Medical Cannabis Collective Laws”), any subsequently enacted state law or regulatory, licensing, or certification requirements, and any specific, additional operating procedures or requirements which may be imposed as conditions of approval of the commercial cannabis business permit. Nothing in this Chapter shall be construed as authorizing any actions that violate federal or state law regarding the operation of a commercial cannabis business.

Section 5.32.050 Definitions.

Section 5.32.050. When used in this Chapter, the following words shall have the meanings ascribed to them as set forth herein. Any reference to California statutes includes any regulations promulgated thereunder, and is deemed to include any successor or amended version of the referenced statute or regulatory provision.

- (a) “A-license” means a valid state license issued under this Chapter for cannabis or cannabis products that are intended for adults 21 years of age and over and who do not possess physician’s recommendations.
- (b) “A-licensee” means any person holding a license under this Chapter for cannabis or cannabis products that are intended for adults 21 years of age and over and who do not possess physician’s recommendations.
- (c) “Applicant” means an owner applying for a state license pursuant to this Chapter.
- (d) “Batch” means a specific quantity of homogeneous cannabis or cannabis product that is one of the following types:
 - (1) “Harvest batch” means a specifically identified quantity of dried flower or trim, leaves, and other cannabis plant matter that is uniform in strain, harvested at the same time, and, if applicable, cultivated using the same pesticides and other agricultural chemicals, and harvested at the same time.
 - (2) “Manufactured cannabis batch” means either of the following:

(A) An amount of cannabis concentrates or extract that is produced in one production cycle using the same extraction methods and standard operating procedures.

(B) An amount of a type of manufactured cannabis produced in one production cycle using the same formulation and standard operating procedures.

(e) “Bureau” means the Bureau of Cannabis Control within the Department of Consumer Affairs, formerly named the Bureau of Marijuana Control, the Bureau of Medical Cannabis Regulation, and the Bureau of Medical Marijuana Regulation.

(f) “Cannabis” means all parts of the *Cannabis sativa* Linnaeus, *Cannabis indica*, or *Cannabis ruderalis*, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. “Cannabis” also means the separated resin, whether crude or purified, obtained from cannabis. “Cannabis” does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. For the purpose of this Chapter, “cannabis” does not mean “industrial hemp” as defined by Section 11018.5 of the Health and Safety Code.

(g) “Cannabis accessories” has the same meaning as in Section 11018.2 of the Health and Safety Code.

(h) “Cannabis concentrate” means cannabis that has undergone a process to concentrate one or more active cannabinoids, thereby increasing the product’s potency. Resin from granular trichomes from a cannabis plant is a concentrate for purposes of this Chapter. A cannabis concentrate is not considered food, as defined by Section 109935 of the Health and Safety Code, or drug, as defined by Section 109925 of the Health and Safety Code.

(i) “Cannabis product” means a product containing cannabis or cannabis extract, including, but not limited to, manufactured cannabis, that is intended to be sold for use by cannabis patients in California pursuant to the Compassionate Use Act of 1996 (Proposition 215), found at Section 11362.5 of the California Health and Safety Code (as the same may be amended from time-to-time) or pursuant to the Adult Use of Cannabis Act. For purposes of this Chapter, “cannabis” does not include industrial hemp as defined by Section 81000 of the California Food and Agricultural Code or Section 11018.5 of the California Health and Safety Code.

(j) “Cannabis products” has the same meaning as in Section 11018.1 of the Health and Safety Code.

(k) “Caregiver” or “primary caregiver” has the same meaning as that term is defined in Section 11362.7 of the California Health and Safety Code.

(l) “Child resistant” means designed or constructed to be significantly difficult for children under five years of age to open, and not difficult for

normal adults to use properly

(m) “City” or “City of Colfax” means the City of Colfax, a California General Law City.

(n) “Commercial cannabis activity” includes the cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, packaging, labeling, transportation, delivery or sale of cannabis and cannabis products as provided for in this Chapter.

(o) “Commercial cannabis business” means any business or operation which engages in medicinal or adult-use commercial cannabis activity.

(p) “Commercial cannabis business permit” means a regulatory permit issued by the City of Colfax pursuant to this Chapter to a commercial cannabis business and is required before any commercial cannabis activity may be conducted in the City. The initial permit and annual renewal of a commercial cannabis business permit is made expressly contingent upon the business’ ongoing compliance with all of the requirements of this Chapter and any regulations adopted by the City governing the commercial cannabis activity at issue.

(q) “Customer” means a natural person 21 year of age or over or a natural person 18 year of age or older who possesses a physician’s recommendation.

(r) “Day care center” has the same meaning as in Section 1596.76 of the Health and Safety Code.

(s) “Delivery” means the commercial transfer of cannabis or cannabis products to a customer. “Delivery” also includes the use by a retailer of any technology platform owned and controlled by the retailer.

(t) “Director” means the Director of Consumer Affairs.

(u) “Dispensing” means any activity involving the retail sale of cannabis or cannabis products from a retailer.

(v) “Distribution” means the procurement, sale, and transport of cannabis and cannabis products between licensees.

(w) “Distributor” means a person holding a valid commercial cannabis state license for distribution, required by state law to engage in the business of purchasing cannabis from a licensed cultivator, or cannabis products from a license manufacturer, for sale to a licensed retailer.

(x) “Dried flower” means all dead cannabis that has been harvested, dried, cured, or otherwise processed, excluding leaves and stems.

(y) “Edible cannabis product” means cannabis product that is intended to be used, in whole or in part, for human consumption, including, but not limited to, chewing gum, but excluding products set forth in Division 15 (commencing with Section 32501) of the Food and Agricultural Code. An edible cannabis product is not considered food, as defined by Section 109935 of the Health and Safety Code, or a drug, as defined by Section 109925 of the Health and Safety Code.

(z) “Fund” means the Cannabis Control Fund established pursuant to Health & Safety Code Section 26210.15

(aa) “Kind” means applicable type or designation regarding a particular cannabis variant or cannabis product type, including, but not limited to, strain name or other grower trademark, or growing area designation.

(ab) “Labeling” means any label or other written, printed, or graphic matter upon a cannabis product, upon its container.

(ac) “Labor peace agreement” means an agreement between a licensee and any bona fide labor organization that, at a minimum, protects the state’s proprietary interests by prohibiting labor organizations and members from engaging in picketing, work stoppages, boycotts, and any other economic interference with the applicant’s business. This agreement means that the applicant has agreed not to disrupt efforts by the bona fide labor organization to communicate with, and attempt to organize and represent, the applicant’s employees. The agreement shall provide a bona fide labor organization access at reasonable times to areas in which the applicant’s employees work, for the purpose of meeting with employees to discuss their right to representation, employment rights under state law, and terms and conditions of employment. This type of agreement shall not mandate a particular method of election or certification of the bona fide labor organization.

(ad) “License” means a state license issued under this Chapter, and includes both an A-license and an M-license, as well as a testing laboratory license.

(ae) “Licensee” means any person holding a license under this Chapter, regardless of whether the license held is an A-license or an M-license, and includes the holder of a testing laboratory license.

(af) “Licensing authority” means the state agency responsible for the issuance, renewal, or reinstatement of the license, or the state agency authorized to take disciplinary action against the licensee.

(ag) “Live plants” means living cannabis flowers and plants, including seeds, immature plants, and vegetative stage plants.

(ah) “Local jurisdiction” means a city, county, or city and county.

(ai) “Lot” means a batch or a specifically identified portion of a batch.

(aj) “M-license” means a state license issued under this Chapter for commercial cannabis activity involving medicinal cannabis.

(ak) “M-licensee” means any person holding a license under this Chapter for commercial cannabis activity involving medicinal cannabis.

(al) “Manufacture” means to compound, blend, extract, infuse, or otherwise make or prepare a cannabis product.

(am) “Manufactured cannabis” means raw cannabis that has undergone a process whereby the raw agricultural product has been transformed into a concentrate, extraction or other manufactured product intended for internal consumption through inhalation or oral ingestion or for topical application.

(an) “Manufacturer” means a licensee that conducts the production, preparation, propagation, or compounding of cannabis or cannabis products either directly or indirectly or by extraction methods, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis at a fixed location that packages or repackages cannabis or cannabis products or labels or container.

(ao) “Manufacturing site” means a location that produces, prepares, propagates, or compounds cannabis or cannabis products, directly or indirectly, by extraction methods, independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis, and

is owned and operated by a person issued a valid commercial cannabis business permit for manufacturing from the City of Colfax and, a valid state license as required for manufacturing of cannabis products.

(ap) “Medicinal cannabis” or “medicinal cannabis product” means cannabis or a cannabis product, respectively, intended to be sold for use pursuant to the Compassionate Use Act of 1996 (Proposition 215), found at Section 11362.5 of the Health and Safety Code, by a medicinal cannabis patient in California who possesses a physician’s recommendation.

(aq) “Natural person” is an individual living human being.

(ar) “Operation” means any act for which licensure is required under the provisions of this Chapter, or any commercial transfer of cannabis or cannabis products.

(as) “Owner” means any of the following:

(1) A person with an aggregate ownership interest of 20 percent or more in the person applying for a license or a licensee, unless the interest is solely a security, lien, or encumbrance.

(2) The chief executive officer of a nonprofit or other entity.

(3) A member of the board of directors of a nonprofit.

(4) An individual who will be participating in the direction, control, or management of the person applying for a license.

(at) “Package” means any container or receptacle used for holding cannabis or cannabis products.

(au) “Patient” or “qualified patient” shall have the same definition as California Health and Safety Code Section 11362.7 et seq., as it may be amended, and which means a person who is entitled to the protections of California Health & Safety Code Section 11362.5.

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

(aw) “Person with an identification card” shall have the meaning given that term by California Health and Safety Code Section 11362.7.

(ax) “Physician’s recommendation” means a recommendation by a physician and surgeon that a patient use cannabis provided in accordance with the Compassionate Use Act of 1996 (Proposition 215), found at Section 11362.5 of the Health and Safety Code.

(ay) “Premises” means the designated structure or structures and land specified in the application that is owned, leased, or otherwise held under the control of the applicant or licensee where the commercial cannabis activity will be or is conducted. The premises shall be a contiguous area and shall only be occupied by one licensee.

(az) “Purchaser” means the customer who is engaged in a transaction with a licensee for purposes of obtaining cannabis or cannabis products.

(ba) “Retailer” means a commercial cannabis business facility where cannabis, cannabis products, or devices for the use of cannabis or cannabis products are offered, either individually or in any combination, for retail sale, including an establishment (whether fixed or mobile) that

delivers, pursuant to express authorization, cannabis and cannabis products as part of a retail sale, and where the operator holds a valid commercial cannabis business permit from the City of Colfax authorizing the operation of a retailer, and a valid state license as required by state law to operate a retailer.

(bb) “Sell,” “sale,” and “to sell” include any transaction whereby, for any consideration, title to cannabis or cannabis products are transferred from one person to another, and includes the delivery of cannabis or cannabis products pursuant to an order placed for the purchase of the same and soliciting or receiving an order for the same, but does not include the return of cannabis or cannabis products by a licensee to the licensee from whom the cannabis or cannabis product was purchased.

(bc) “State License” means a valid permit or license issued by the State of California, or one of its departments or divisions, under MAUCRSA and any subsequent State of California legislation or regulations regarding the same to engage in commercial cannabis activity.

(bd) “Testing laboratory” means a laboratory, facility, or entity in the state that offers or performs tests of cannabis or cannabis products and that is both of the following:

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

(2) Licensed by the bureau.

(be) “Topical cannabis” means a product intended for external application and/or absorption through the skin. A topical cannabis product is not considered a drug as defined by Section 109925 of the California Health and Safety Code.

(bf) “Transport” means the transfer of cannabis products from the permitted business location of one licensee to the permitted business location of another licensee, for the purposes of conducting commercial cannabis activity authorized by MAUCRSA which may be amended or repealed by any subsequent State of California legislation regarding the same.

(bg) “Unique identifier” means an alphanumeric code or designation used for reference to a specific plant on a licensed premises and any cannabis or cannabis product derived or manufactured from that plant.

(bh) “Youth center” has the same meaning as in Section 11353.1 of the Health and Safety Code.

Section 5.32.060. Commercial Cannabis Business Permit Required to Engage in a Retail Commercial Cannabis Business.

- (a) No person may engage in any retail commercial cannabis activity within the City of Colfax to sell or dispense cannabis or a cannabis product unless the person (1) has a valid commercial cannabis business permit from the City of Colfax; (2) has a valid Seller’s Permit; and (3) is currently in compliance with all applicable state and local laws and regulations pertaining to the commercial cannabis business and the commercial

cannabis activities, including the duty to obtain any required state licenses.

- (b) Until Health & Safety Code Section 11362.775, subdivision (a), is repealed, the City intends that person's eligible to operate collectives or cooperatives under that subdivision shall be eligible to apply for a City conditional permit to conduct commercial cannabis activities, but only to the degree those activities are authorized under state law for collectives and cooperatives. When the Health & Safety Code Section 11362.775, subdivision (a), is repealed, or as soon as collectives and cooperatives are no longer permitted to engage in commercial cannabis activity without a state license under state law, any conditional permit issued to a commercial cannabis business that has not obtained a state license for the commercial cannabis activities shall expire and shall be null and void. Such businesses shall no longer be authorized to engage in any commercial cannabis activities in the City until they obtain both a City issued commercial cannabis business permit and a state license for that commercial cannabis activity.

Section 5.32.070. Cannabis Employee Permit Required.

- (a) Any person who is an employee or who otherwise works within a commercial cannabis business must be legally authorized to do so under applicable state law.
- (b) Any person who is an employee or who otherwise works within a commercial cannabis business must obtain a commercial cannabis employee work permit from the City prior to performing any work at any commercial cannabis business.
- (c) Applications for a commercial cannabis employee work permit shall be developed, made available, and processed by the City Manager or his/her designee(s), and shall include, but not be limited to, the following information:
 - (1) Name, address, and phone number of the applicant;
 - (2) Age and verification of applicant. A copy of a birth certificate, driver's license, government issued identification card, passport or other proof that the applicant is at least twenty-one (21) years of age must be submitted with the application;
 - (3) Name, address of the commercial cannabis businesses where the person will be employed, and the name of the primary manager of that business;

- (4) A list of any crimes enumerated in California Business and Professions Code Section 26507(b)(4) for which the applicant has been convicted;
 - (5) Name, address, and contact person for any previous employers from which the applicant was fired, resigned, or asked to leave and the reasons for such dismissal or firing;
 - (6) The application shall be accompanied by fingerprints and a recent photograph of the applicant in a form and manner as required by the City Manager or his/her designee(s).
 - (7) A signed statement under penalty of perjury that the information provided is true and correct.
 - (8) If applicable, verification that the applicant is a qualified patient or primary caregiver.
 - (9) A fee paid in an amount set by resolution of the City Council in an amount necessary to cover the costs of administering the employee work permit programs. The fee is non-refundable and shall not be returned in the event the work permit is denied or revoked.
- (d) The City Manager or his/her designee(s) shall review the application for completeness, shall conduct a background check to determine whether the applicant was convicted of a crime or left a previous employer for reasons that show the applicant:
- (1) Is dishonest; or
 - (2) Has committed any felony, or any misdemeanor involving fraud, deceit, embezzlement; or
 - (3) Was convicted of a violent felony or crime involving moral turpitude; or
 - (4) The illegal use, possession, transportation, distribution or similar activities related to controlled substances, as defined in the Federal Controlled Substances Act, except for cannabis related offenses for which the conviction occurred after the passage of the Compassionate Use Act of 1996.

Discovery of these facts showing that the applicant is dishonest or has been convicted of those types of crimes are grounds for denial of the permit. Where the applicant's sentence (including any term of probation, incarceration, or supervised release) for possession of, possession for

sale, sale, manufacture, transportation, or cultivation of a controlled substance is completed, such underlying conviction shall not be the sole ground for denial of a commercial cannabis work permit. Furthermore, an applicant shall not be denied a permit if the denial is based solely on any of the following (i) a conviction for any crime listed in subsection (d) (4) above for which the applicant has obtained a certificate of rehabilitation pursuant to Chapter 3.5 (commencing with Section 4852.01) of Title 6 of Part 3 of the California Penal Code or (ii) a conviction that was subsequently dismissed pursuant to Sections 1203.4, 1203.4a, or 1203.41 of the California Penal Code or any other provision of state law allowing for dismissal of a conviction.

- (e) The City Manager or his/her designee(s) shall issue the commercial cannabis work permit or a written denial to the applicant within thirty (30) days of the date the application was deemed complete. In the event the cannabis work permit can't be issued within this time period then the City Manager or his/her designee(s) may issue a temporary work permit for an employee upon completing a preliminary background check and if the business can demonstrate to the City Manager or his/her designee(s) that the employee is necessary for the operation of the business. The temporary permit may be immediately revoked by the City Manager or his/her designee(s) upon determination that the applicant has failed the background check or upon the issuance of the permanent work permit.
- (f) A work permit shall be valid for a twelve (12) month period and must be renewed on an annual basis. Renewal applications shall contain all the information required in subsection 5.32.070 (c) above including the payment of a renewal application fee in an amount to be set by resolution of the City Council.
- (g) In the event a person changes employment from one commercial cannabis business in the City to another, the work permit holder shall notify the City Manager or his/her designee(s) in writing of the change within ten (10) days, or the work permit shall be suspended or revoked, and such person shall not be permitted to work at any commercial cannabis business in the City.
- (h) The City may immediately revoke the commercial cannabis work permit should the permit holder be convicted of a crime listed in subsection (c) and (d) above or if facts become known to the City Manager or his/her designee(s) that the permit holder has engaged in activities showing that he or she is dishonest.
- (i) The City Manager or his/her designee(s) is hereby authorized to promulgate all regulations necessary to implement the work permit process and requirements.

- (j) The applicant may appeal the denial or revocation of a commercial cannabis work permit by filing a notice of appeal with the City Clerk within ten (10) days of the date the applicant received the notice of denial, which appeal shall be conducted as set forth in Section 5.32.140 of this Chapter.
- (k) The City Manager or his/her designee(s) shall issue a permit in the form of a personal identification card that can be worn in a prominent and visible location. The identification card shall be maintained in good and readable condition at all times.

Section 5.32.080 Maximum Number and Type of Authorized Commercial Cannabis Businesses Permitted.

Maximum Number and Type of Authorized Commercial Cannabis Businesses Permitted. The number of each type of commercial cannabis business that shall be permitted to operate in the City at any one given time shall be as follows:

- (1) Retailer M-type License; maximum of two (2); and
- (2) Retailer A-type License: maximum of two (2)

Section 5.32.080 is only intended to create a maximum number of commercial cannabis businesses that may be issued permits to operate in the City under each category. Nothing in this Chapter creates a mandate that the City Council must issue any or all of the commercial cannabis business permits if it is determined that the applicants do not meet the standards which are established in the application requirements or further amendments to the application process.

- (a) Each year following the City Council's initial award of permits, if any, or at any time in the City Council's discretion, the City Council may reassess the number of commercial cannabis business permits which are authorized for issuance. The City Council, in its discretion, may determine by resolution that the number of commercial cannabis permits should stay the same, be reduced or be expanded.

Section 5.32.090 Initial Application Procedure.

- (a) The City Council shall adopt by resolution the procedures to govern the application process, and the manner in which the decision will ultimately be made regarding the issuance of any commercial cannabis business permit(s), which resolution shall include or require the City Manager to provide detailed objective review criteria to be evaluated on a point system or equivalent quantitative evaluation scale tied to each set of review criteria ("Review Criteria"). The resolution shall authorize the City Manager or his/her designee(s) to prepare the necessary forms, adopt any necessary rules to the application, regulations and processes, solicit

applications, conduct initial evaluations of the applicants, and to ultimately provide a final recommendation to the City Council.

- (b) At the time of filing, each applicant shall pay an application fee established by resolution of the City Council, to cover all costs incurred by the City in the application process.
- (c) After the initial review, ranking, and scoring under the Review Criteria, the City Manager or his/her designee(s) will make a recommendation to the City Council, and the City Council shall make a final determination in accordance with Chapter 5.32.090.
- (d) THE CITY'S RESERVATION OF RIGHTS:

The City reserves the right to reject any or all applications. Prior to permit issuance, the City may also modify, postpone, or cancel any request for applications, or the entire program under this Chapter, at any time without liability, obligation, or commitment to any party, firm, or organization, to the extent permitted under California state law. Persons submitting applications assume the risk that all or any part of the program, or any particular category of permit potentially authorized under this Chapter, may be cancelled at any time prior to permit issuance. The City further reserves the right to request and obtain additional information from any candidate submitting an application. In addition to any other justification provided, including a failure to comply with other requirements in this Chapter, an application RISKS BEING REJECTED for any of the following reasons:

- (1) Proposal received after designated time and date.
- (2) Proposal not containing the required elements, exhibits, nor organized in the required format.
- (3) Proposal considered not fully responsive to this request for permit application.

Section 5.32.100. Expiration of Commercial Cannabis Business Permits.

Each commercial cannabis business permit issued pursuant to this Chapter shall expire twelve (12) months after the date of its issuance. Commercial cannabis permits may be renewed as provided in Section 5.32.120.

Section 5.32.110. Revocation of Permits.

Commercial cannabis business permits may be revoked for any violation of any law and/or any rule, regulation and/or standard adopted pursuant to this Chapter or Section 5.32.130.

Section 5.32.120. Renewal Applications.

- (a) An application for renewal of a commercial cannabis business permit shall be filed at least sixty (60) calendar days prior to the expiration date of the current permit.
- (b) The renewal application shall contain all the information required for new applications.
- (c) The applicant shall pay a fee in an amount to be set by the City Council to cover the costs of processing the renewal permit application, together with any costs incurred by the City to administer the program created under this Chapter.
- (d) An application for renewal of a commercial cannabis business permit shall be rejected if any of the following exists:
 - (1) The application is filed less than sixty (60) days before its expiration.
 - (2) The commercial cannabis business permit is suspended or revoked at the time of the application.
 - (3) The commercial cannabis business has not been in regular and continuous operation in the four (4) months prior to the renewal application.
 - (4) The commercial cannabis business has failed to conform to the requirements of this Chapter, or of any regulations adopted pursuant to this Chapter.
 - (5) The permittee fails or is unable to renew its State of California license.
 - (6) If the City or state has determined, based on substantial evidence, that the permittee or applicant is in violation of the requirements of this Chapter, of the City's Municipal Code, or of the state rules and regulations, and the City or state has determined that the violation is grounds for termination or revocation of the commercial cannabis business permit.

- (e) The City Manager or his/her designee(s) is authorized to make all decisions concerning the issuance of a renewal permit. In making the decision, the City Manager or his/her designee(s) is authorized to impose additional conditions to a renewal permit, if it is determined to be necessary to ensure compliance with state or local laws and regulations or to preserve the public health, safety or welfare. Appeals from the decision of the City Manager or his/her designee(s) shall be handled pursuant to Chapter 5.32.140.
- (f) If a renewal application is rejected, a person may file a new application pursuant to this Chapter no sooner than one (1) year from the date of the rejection.

Section 5.32.130. Effect of State License Suspension, Revocation, or Termination.

Suspension of a license issued by the State of California, or by any of its departments or divisions, shall immediately suspend the ability of a commercial cannabis business to operate within the City, until the State of California, or its respective department or division, reinstates or reissues the State license. Should the State of California, or any of its departments or divisions, revoke or terminate the license of a commercial cannabis business, such revocation or termination shall also revoke or terminate the ability of a commercial cannabis business to operate within the City of Colfax.

Section 5.32.140. Appeals

Unless specifically provided elsewhere to the contrary, whenever an appeal is provided for in this Chapter from a decision of the City Manager or his/her designee(s), the appeal shall be conducted as prescribed in this Chapter.

Section 5.32.150. Written request for Appeal.

- (a) Within ten (10) calendar days after the date of a decision of the City Manager or his/her designee(s) to revoke, suspend or deny a permit, or to add conditions to a permit, an aggrieved party may appeal such action by filing a written appeal with the City Clerk setting forth the reasons why the decision was not proper.
- (b) At the time of filing the appellant shall pay the designated appeal fee, established by resolution of the City Council from time to time.

Section 5.32.160. Appeal Hearing.

- (a) Upon receipt of the written appeal, the City Clerk shall set the matter for a hearing before the City Council. The City Council shall hear the matter de novo, and shall conduct the hearing pursuant to the procedures set forth by the City.

- (b) The appeal shall be held within a reasonable time after the filing the appeal, but in no event later than ninety (90) days from the date of such filing. The City shall notify the appellant of the time and location at least ten (10) days prior to the date of the hearing.
- (c) At the hearing, the appellant may present any information they deem relevant to the decision appealed. The formal rules of evidence and procedure applicable in a court of law shall not apply to the hearing.
- (d) At the conclusion of the hearing the City Council may affirm, reverse or modify the decision appealed. The decision of the City Council shall be final.

Section 5.32.170 Permittee Selection Process.

- (a) The City Council shall adopt by resolution a procedure guideline and Review Criteria by which the top applicants in each category of each commercial cannabis business will be presented to the City Council for a final determination at a public hearing.
- (b) The top final applicants for each category may be invited to attend the City Council meeting, where they may be expected to make a public presentation introducing their team and providing an overview of their proposal. In order to provide adequate time, presentations may be divided over more than one meeting over multiple days as determined to be necessary.
- (c) At least ten (10) days prior to the hearing, notice of the hearing shall be sent to all property owners located within three hundred (300) feet of the proposed business locations of each of the finalists to be considered by the City Council.
- (d) The City Council shall either deny or approve the final candidates and shall select the top candidates in each category of the commercial cannabis businesses. The City Council's decision as to the selection of the prevailing candidates shall be final.
- (e) Official issuance of the commercial cannabis business permit(s), however, is conditioned upon the prevailing candidate(s) obtaining all required land use approvals. Following the Council's selection, the prevailing candidate(s) shall apply to the City's Planning Department to obtain any required land use approvals or entitlements for the permittee's location, if any. Land use approvals shall include compliance with all applicable provisions of CEQA. The City Manager or his/her designee(s) shall formally issue the commercial cannabis business permit(s) once the City

Planning Director or his/her designee(s) affirms that all of the required land use approvals have been obtained.

- (f) Issuance of a commercial cannabis business permit does not create a land use entitlement. The commercial cannabis business permit shall only be for a term of twelve (12) months, and shall expire at the end of the twelve (12) month period unless it is renewed as provided herein. Furthermore, no permittee may begin operations, notwithstanding the issuance of a permit, unless all of the state and local laws and regulations, including but not limited to the requirements of this Chapter and of the permit, have been complied with. Until a state license is available and obtained by the City-permitted operator, this means compliance with all provisions of the Medical Cannabis Collective Laws as set forth at Section 5.32.060.
- (g) Notwithstanding anything in this Chapter to the contrary, the City Council reserves the right to reject any or all applications if it determines it would be in the best interest of the City, taking into account any health, safety and welfare impacts on the community. Applicants shall have no right to a commercial cannabis business permit until a permit is actually issued, and then only for the duration of the permits term. Each applicant assumes the risk that, at any time prior to the issuance of a permit, the City Council may terminate or delay the program created under this Chapter.
- (h) If an application is denied, a new application may not be filed for one (1) year from the date of the denial.
- (i) Each person granted a commercial cannabis business permit shall be required to pay the permit fee established by resolution of the City Council, to cover the costs of administering the commercial cannabis business permit program created in this Chapter.

5.32.180 Change in location; updated registration form.

- (a) Any time the retail location specified in the regulatory permit has changed, the applicant shall re-register with the City Manager or his/her designee(s). The process and the fees for re-registration shall be the same as the process and fees set forth for registration in sections 5.32.090 and 5.32.120.
- (b) Within fifteen (15) calendar days of any other change in the information provided in the registration form or any change in status of compliance with the provisions of this chapter, including any change in the commercial cannabis business ownership or management members, the applicant shall file an updated registration form with the City Manager or his/her designee(s) for review along with a registration amendment fee, as set forth in section 5.32.090 and 5.32.120.

Section 5.32.190. Transfer of Cannabis Business Permit.

- (a) The owner of a cannabis business permit shall not transfer ownership or control of the permit to another person or entity unless and until the transferee obtains an amendment to the permit from the City Council stating that the transferee is now the permittee. Such an amendment may be obtained only if the transferee files an application with the City Manager in accordance with all provisions of this Chapter (as though the transferee were applying for an original cannabis business permit) accompanied by a transfer fee in an amount set by resolution of the City Council (or if not set, shall be the same amount as the application fee), and the City Council determines, after hearing, in accordance with this section that the transferee passed the background check required for permittees and meets all other requirements of this Chapter.
- (b) Commercial cannabis business permits issued through the grant of a transfer by the City Council shall be valid for a period of one year beginning on the day the City Council approves the transfer of the permit. Before the transferee's permit expires, the transferee shall apply for a renewal permit in the manner required by this Chapter.
- (c) Changes in ownership of a permittee's business structure or a substantial change in the ownership of a permittee business entity (changes that result in a change of more than 51% of the original ownership), must be approved by the City Council through the transfer process contained in this subsection (a). Failure to comply with this provision is grounds for permit revocation.
- (d) A permittee may change the form of business entity without applying to the City Council for a transfer of permit, provided that either:
 - 1. The membership of the new business entity is substantially similar to original permit holder business entity (at least 51% of the membership is identical), or
 - 2. If the original permittee is an unincorporated association, mutual or public benefit corporation, agricultural or consumer cooperative corporation and subsequently transitions to or forms a new business entity as allowed under the MAUCRSA and to comply with Section 5.32.060, subdivision (b), provided that the Board of Directors (or in the case of an unincorporated association, the individual(s) listed on the City permit application) of the original permittee entity are the same as the new business entity.

Although a transfer is not required in these two circumstances, the permit holder is required to notify the City Manager in writing of the

change within ten (10) days of the change. Failure to comply with this provision is grounds for permit revocation.

- (e) No commercial cannabis business permit may be transferred when the City Manager or his/her designee has notified the permittee that the permit has been or may be suspended or revoked.
- (f) Any attempt to transfer a commercial cannabis business permit either directly or indirectly in violation of this section is hereby declared void, and such a purported transfer shall be deemed a ground for revocation of the permit.

Section 5.32.200. City Business License.

Prior to commencing operations, a commercial cannabis business shall obtain a City of Colfax business license.

Section 5.32.210. Building Permits and Inspection.

Prior to commencing operations, a commercial cannabis business shall be subject to a mandatory building inspection, and must obtain all required permits and approvals which would otherwise be required for any business of the same size and intensity operating in that zone. This includes but is not limited to obtaining any required building permit(s), Fire Department approvals, Health Department approvals and other zoning and land use permit(s) and approvals.

Section 5.32.220. Certification from the City Planning Director.

Prior to commencing operations, a commercial cannabis business must obtain a certification from the City Planning Director or his/her designee(s) certifying that the business is located on a site that meets all of the requirements of Title 17 of the City's Municipal Code.

Section 5.32.230 Location and Design of Cannabis Businesses

Commercial cannabis businesses shall be permitted to engage in Retail M-type License and or Retail A-type License activity. However, they shall only be operated at the same location by the same operator who dispenses cannabis and cannabis products and shall be subject to the following zoning and locational requirements:

- (a) The Retail cannabis business must be located on property zoned CR (Retail Commercial), CH (Highway Commercial), or I (Industrial) and must meet all of the requirements for development in that zone; and
- (b) The property on which the retail cannabis business is located must also meet all of the following distance requirements:

- (1) It shall be no closer than two hundred (200) feet of any residentially zoned parcel in the City, including any legal non-conforming residential uses as of the date the cannabis business permit is issued. The distance between the cannabis business and the residential parcel shall be measured from the outer boundaries of the residential parcel to the first structure on the property seeking the commercial cannabis permit.
- (2) It shall be no closer than six hundred (600) feet from any parcel containing any of the following:
 - A. A school providing instruction in kindergarten or any grades 1 through 12, (whether public, private, or charter, including pre-school, transitional kindergarten, and K-12);
 - B. A commercial daycare center licensed by the County or City that is in existence at the time the license is issued, unless the State licensing authority or the City specifies a different radius.
 - C. A youth center that is in existence at the time the license is issued, unless the State licensing authority or the City specifies a different radius.
 - D. A church or a city, county or Federal government building unless the State licensing authority or the City specifies a different radius.
- (c) Each proposed cannabis business project shall:
 - (1) Conform with the City's general plan, any applicable specific plans, master plans, and design requirements.
 - (2) Comply with all applicable zoning and related development standards.
 - (3) Be constructed in a manner that minimizes odors to surrounding uses, and promotes quality design and construction, and consistency with the surrounding properties.
 - (4) Be adequate in size and shape to accommodate the yards, walls, fences, parking and loading facilities, landscaping and all items required for the development.
 - (5) Be served by highways adequate in width and improved as necessary to carry the kind and quantity of traffic such use will generate.
 - (6) Be provided with adequate electricity, sewerage, disposal, water, fire protection and storm drainage facilities for the intended purpose.

Section 5.32.240. Right to Occupy and to Use Property.

As a condition precedent to the City's issuance of a commercial cannabis business permit pursuant to this Chapter, any person intending to open and to operate a commercial cannabis business shall provide sufficient evidence of the legal right to occupy and to use the proposed location. In the event the proposed location will be leased from another person, the applicant shall be required to provide a signed and notarized statement from the owner of the property, acknowledging that the property owner has read this Chapter and consents to the operation of the commercial cannabis business on the owner's property.

Section 5.32.250. Limitations on City's Liability.

To the fullest extent permitted by law, the City of Colfax shall not assume any liability whatsoever with respect to having issued a commercial cannabis business permit pursuant to this Chapter or otherwise approving the operation of any commercial cannabis business. As a condition to the approval of any commercial cannabis business permit, the applicant shall be required to meet all of the following conditions before they can receive the commercial cannabis business permit:

- (a) They must execute an agreement, in a form approved by the city attorney, agreeing to indemnify, defend (at applicant's sole cost and expense), and hold the City of Colfax, and its officers, officials, employees, representatives, and agents, harmless, from any and all claims, losses, damages, injuries, liabilities or losses which arise out of, or which are in any way related to, the City's issuance of the commercial cannabis business permit, the City's decision to approve the operation of the commercial cannabis business or activity, to process used by the City in making its decision, or the alleged violation of any federal, state or local laws by the commercial cannabis business or any of its officers, employees or agents.
- (b) Maintain insurance at coverage limits, and with conditions thereon determined necessary and appropriate from time to time by the city attorney.
- (c) Reimburse the City of Colfax for all costs and expenses, including but not limited to attorney fees and costs and court costs, which the City of Colfax may be required to pay as a result of any legal challenge related to the City's approval of the applicant's commercial cannabis business permit, or related to the City's approval of a commercial cannabis activity. The City of Colfax may, at its sole discretion, participate at its own expense in the defense of any such action, but such participation shall not relieve any of the obligations imposed hereunder.

Section 5.32.260. Records and Recordkeeping.

- (a) Each owner and operator of a commercial cannabis business shall maintain accurate books and records in an electronic format, detailing all of the revenues and expenses of the business, and all of its assets and liabilities. On no less than an annual basis (at or before the time of the renewal of a commercial cannabis business permit issued pursuant to this Chapter), or at any time upon reasonable request of the City, each commercial cannabis business shall file a sworn statement detailing the number of sales by the commercial cannabis business during the previous twelve-month period (or shorter period based upon the timing of the request), provided on a per-month basis. The statement shall also include gross sales for each month, and all applicable taxes paid or due to be paid. On an annual basis, each owner and operator shall submit to the City a financial audit of the business's operations conducted by an independent certified public accountant. Each permittee shall be subject to a regulatory compliance review and financial audit as determined by the City Manager or his/her designee(s).
- (b) Each owner and operator of a commercial cannabis business shall maintain a current register of the names and the contact information (including the name, address, and telephone number) of anyone owning or holding an interest in the commercial cannabis business, and separately of all the officers, managers, employees, agents and volunteers currently employed or otherwise engaged by the commercial cannabis business. The register required by this paragraph shall be provided to the City Manager or his/her designee(s) upon a reasonable request.
- (c) Prior to state licensing, each commercial cannabis business shall maintain a record of all persons, patients, collectives and primary caregivers served by the commercial cannabis business, for a period of no less than four (4) years. Once a state license is obtained, the commercial cannabis business must maintain such records only to the extent permitted or required by the MAUCRSA.
- (d) All commercial cannabis businesses shall maintain an inventory control and reporting system that accurately documents the present location, amounts, and descriptions of all cannabis and cannabis products for all stages of the growing and production or manufacturing, laboratory testing and distribution processes until purchase as set forth MAUCRSA.
- (e) Subject to any restrictions under the Health Insurance Portability and Accountability Act (HIPPA) regulations, each commercial cannabis business shall allow City of Colfax officials to have access to the business's books, records, accounts, together with any other data or documents relevant to its permitted commercial cannabis activities, for the purpose of conducting an audit or examination. Books, records, accounts, and any and all relevant data or documents will be produced no later than

twenty-four (24) hours after receipt of the City's request, unless otherwise stipulated by the City. The City may require the materials to be submitted in an electronic format that is compatible with the City's software and hardware.

Section 5.32.270. Security Measures.

- (a) A permitted commercial cannabis business shall implement sufficient security measures to deter and prevent the unauthorized entrance into areas containing cannabis or cannabis products, and to deter and prevent the theft of cannabis or cannabis products at the commercial cannabis business. Except as may otherwise be determined by the City Manager or his/her designee(s), these security measures shall include, but shall not be limited to, all of the following:
- (1) Preventing individuals from remaining on the premises of the commercial cannabis business if they are not engaging in an activity directly related to the permitted operations of the commercial cannabis business.
 - (2) Establishing limited access areas accessible only to authorized commercial cannabis business personnel.
 - (3) Except for live growing plants which are being cultivated at a cultivation facility, all cannabis and cannabis products shall be stored in a secured and locked room, safe, or vault. All cannabis and cannabis products, including live plants that are being cultivated, shall be kept in a manner as to prevent diversion, theft, and loss,
 - (4) Installing 24-hour security surveillance cameras of at least HD-quality to monitor all entrances and exits to and from the premises, all interior spaces within the commercial cannabis business which are open and accessible to the public, all interior spaces where cannabis, cash or currency, is being stored for any period of time on a regular basis and all interior spaces where diversion of cannabis could reasonably occur. The commercial cannabis business shall be responsible for ensuring that the security surveillance camera's footage is remotely accessible by the City Manager or his/her designee(s), and that it is compatible with the City's software and hardware. In addition, remote and real-time, live access to the video footage from the cameras shall be provided to the City Manager or his/her designee(s). Video recordings shall be maintained for a minimum of forty-five (45) days, and shall be made available to the City Manager or his/her designee(s) upon request. Video shall be of sufficient quality for effective prosecution

- of any crime found to have occurred on the site of the commercial cannabis business.
- (5) Sensors shall be installed to detect entry and exit from all secure areas.
 - (6) Panic buttons shall be installed in all commercial cannabis businesses.
 - (7) Having a professionally installed, maintained, and monitored alarm system.
 - (8) Any bars installed on the windows or the doors of the commercial cannabis business shall be installed only on the interior of the building.
 - (9) Security personnel shall be on-site 24 hours a day or alternative security as authorized by the City Manager or his/her designee(s). Security personnel must be licensed by the State of California Bureau of Security and Investigative Services personnel and shall be subject to the prior review and approval of the City Manager or his/her designee(s), with such approval not to be unreasonably withheld.
 - (10) Each commercial cannabis business shall have the capability to remain secure during a power outage and shall ensure that all access doors are not solely controlled by an electronic access panel to ensure that locks are not released during a power outage.
- (b) Each commercial cannabis business shall identify a designated security representative/liaison to the City of Colfax, who shall be reasonably available to meet with the City Manager or his/her designee(s) regarding any security related measures or and operational issues.
 - (c) As part of the application and permitting process each commercial cannabis business shall have a storage and transportation plan, which describes in detail the procedures for safely and securely storing and transporting all cannabis, cannabis products, and any currency.
 - (d) The commercial cannabis business shall cooperate with the City whenever the City Manager or his/her designee(s) makes a request, upon reasonable notice to the commercial cannabis business, to inspect or audit the effectiveness of any security plan or of any other requirement of this Chapter.

- (e) A commercial cannabis business shall notify the City Manager or his/her designee(s) within twenty-four (24) hours after discovering any of the following:
 - (1) Significant discrepancies identified during inventory. The level of significance shall be determined by the regulations promulgated by the City Manager or his/her designee(s).
 - (2) Diversion, theft, loss, or any criminal activity involving the commercial cannabis business or any agent or employee of the commercial cannabis business.
 - (3) The loss or unauthorized alteration of records related to cannabis, registering qualifying patients, primary caregivers, or employees or agents of the commercial cannabis business.
 - (4) Any other breach of security.

Section 5.32.280. Restriction on Alcohol & Tobacco Sales.

- (a) No person shall cause or permit the sale, dispensing, or consumption of alcoholic beverages on or about the premises of the commercial cannabis business.
- (b) No person shall cause or permit the sale of tobacco products on or about the premises of the commercial cannabis business.

Section 5.32.290. Compliance with Laws.

It is the responsibility of the owners and operators of the commercial cannabis business to ensure that it is, at all times, operating in a manner compliant with all applicable state and local laws, and any regulations promulgated thereunder. Nothing in this Chapter shall be construed as authorizing any actions that violate state law or local law with respect to the operation of a commercial cannabis business. It shall be the responsibility of the owners and the operators of the commercial cannabis business to ensure that the commercial cannabis business is, at all times, operating in a manner compliant with all applicable state and local laws, the 2008 Attorney General Guidelines, any subsequently enacted state law or regulatory, licensing, or certification requirements, and any specific, additional operating procedures or requirements which may be imposed as conditions of approval of the commercial cannabis business permit. Nothing in this Chapter shall be construed as authorizing any actions which violate state law with regard to the operation of a commercial cannabis business.

Section 5.32.300. Fees and Charges.

- (a) No person may commence or continue any commercial cannabis activity in the City, without timely paying in full all fees and charges required for the operation of a commercial cannabis activity. Fees and charges associated with the operation of a commercial cannabis activity shall be established by resolution of the City Council which may be amended from time to time.
- (b) All commercial cannabis businesses authorized to operate under this Chapter shall pay all sales, use, business and other applicable taxes, and all license, registration, and other fees required under federal, state and local law. Each commercial cannabis business shall cooperate with City with respect to any reasonable request to audit the commercial cannabis business' books and records for the purpose of verifying compliance with this section, including but not limited to a verification of the amount of taxes required to be paid during any period.
- (c) Prior to operating in the city and as a condition of issuance of a regulatory permit, the operator of the commercial cannabis business shall enter into a development agreement with the city setting forth the terms and conditions under which the commercial cannabis business will operate that are in addition to the requirements of this chapter, including, but not limited to, public outreach and education, community service, payment of fees and other charges as mutually agreed, and such other terms and conditions that will protect and promote the public health, safety and welfare.

Section 5.32.310. Miscellaneous Operating Requirements.

- (a) Commercial cannabis businesses may operate only during the hours specified in the commercial cannabis business permit issued by the City.
- (b) Restriction on Customer Consumption. Cannabis shall not be consumed by any retail customer on the premises of any commercial cannabis businesses.
- (c) No cannabis or cannabis products or graphics depicting cannabis or cannabis products shall be visible from the exterior of any property issued a commercial cannabis business permit, or on any of the vehicles owned or used as part of the commercial cannabis business. No outdoor storage of cannabis or cannabis products is permitted at any time.
- (d) Reporting and Tracking of Product and of Gross Sales. Each commercial cannabis business shall have in place a point-of-sale or management inventory tracking system to track and report on all aspects of the commercial cannabis business including, but not limited to, such matters as cannabis tracking, inventory data, gross sales (by weight and by sale)

and other information which may be deemed necessary by the City. The commercial cannabis business shall ensure that such information is compatible with the City's record-keeping systems. In addition, the system must have the capability to produce historical transactional data for review. Furthermore, any system selected must be approved and authorized by the City Manager or his/her designee(s) prior to being used by the permittee.

- (e) There shall not be a physician located in or around any commercial cannabis business at any time for the purpose of evaluating patients for the issuance of a cannabis recommendation or card where applicable.
- (f) Prior to dispensing medicinal cannabis or medicinal cannabis products where applicable to any person, the commercial cannabis business shall obtain verification from the recommending physician that the person requesting medicinal cannabis or medicinal cannabis products is a qualified patient.
- (g) Emergency Contact. Each commercial cannabis business shall provide the City Manager or his/her designee(s) with the name, telephone number (both land line and mobile, if available) of an on-site employee or owner to whom emergency notice can be provided at any hour of the day.
- (h) Signage and Notices.
 - (1) In addition to the requirements otherwise set forth in this section, business identification signage for a commercial cannabis business shall conform to the requirements of the Colfax Municipal Code, including, but not limited to, seeking the issuance of a City sign permit.
 - (2) No signs placed on the premises of a commercial cannabis business shall obstruct any entrance or exit to the building or any window.
 - (3) Each entrance to a commercial cannabis business shall be visibly posted with a clear and legible notice indicating that smoking, ingesting, or otherwise consuming cannabis on the premises or in the areas adjacent to the commercial cannabis business is prohibited except as provided in 5.32.300(c).
 - (4) Business identification signage shall be limited to that needed for identification only, and shall not contain any logos or information that identifies, advertises, or lists the services or the products offered. No commercial cannabis business shall advertise by having a person holding a sign and advertising the business to

passersby, whether such person is on the premises of the commercial cannabis business or elsewhere including, but not limited to, the public right-of-way.

- (5) Signage shall not be directly illuminated, internally or externally. No banners, flags, billboards or other prohibited signs may be used at any time.
 - (6) In accordance with state law and regulations or as stipulated in the Colfax regulatory permit, holders of a commercial cannabis business permit shall agree that, as an express and ongoing condition of permit issuance and subsequent renewal, the holder of the permit shall be prohibited from advertising any commercial cannabis business located in the City of Colfax utilizing a billboard (fixed or mobile), bus shelter, placard, aircraft, or other similar forms of advertising, anywhere in the state. This paragraph is not intended to place limitations on the ability of a commercial cannabis business to advertise in other legally authorized forms, including on the internet, in magazines, or in other similar ways.
- (i) Minors.
- (1) Persons under the age of eighteen (18) years shall not be allowed on the premises of a commercial cannabis business. It shall be unlawful and a violation of this Chapter for any person to employ any person at a commercial cannabis business who is not at least eighteen (18) years of age.
 - (2) The entrance to the commercial cannabis business shall be clearly and legibly posted with a notice that no person under the age of eighteen (18) years of age is permitted to enter upon the premises of the commercial cannabis business.
- (k) Odor Control. Odor control devices and techniques shall be incorporated in all commercial cannabis businesses to ensure that odors from cannabis are not detectable off-site. Commercial cannabis businesses shall provide a sufficient odor absorbing ventilation and exhaust system so that odor generated inside the commercial cannabis business that is distinctive to its operation is not detected outside of the facility, anywhere on adjacent property or public rights-of-way, on or about the exterior or interior common area walkways, hallways, breezeways, foyers, lobby areas, or any other areas available for use by common tenants or the visiting public, or within any other unit located inside the same building as the commercial cannabis business. As such, commercial cannabis businesses must install and maintain the following equipment, or any other

equipment which the City Planning Director or his/her designee(s) determine is a more effective method or technology:

- (1) An exhaust air filtration system with odor control that prevents internal odors from being emitted externally;
 - (2) An air system that creates negative air pressure between the commercial cannabis business's interior and exterior, so that the odors generated inside the commercial cannabis business are not detectable on the outside of the commercial cannabis business.
- (l) Display of Permit and City Business License. The original copy of the commercial cannabis business permit issued by the City pursuant to this Chapter and the City issued business license shall be posted inside the commercial cannabis business in a location readily-visible to the public.
 - (m) Background Check. Pursuant to California Penal Code Sections 11105(b)(11) and 13300(b)(11), which authorizes city authorities to access state and local summary criminal history information for employment, licensing, or certification purposes; and authorizes access to federal level criminal history information by transmitting fingerprint images and related information to the Department of Justice to be transmitted to the Federal Bureau of Investigation, every person listed as an owner, manager, supervisor, employee or volunteer, of the commercial cannabis business must submit fingerprints and other information deemed necessary by the Sheriff or his/her designee(s) for a background check by the Placer County Sheriff's Office. Pursuant to California Penal Code Sections 11105(b)(11) and 13300(b)(11), which requires that there be a requirement or exclusion from employment, licensing or certification based on specific criminal conduct on the part of the subject of the record. No person shall be issued a permit to operate a commercial cannabis business or a related work permit unless they have first cleared the background check, as determined by the Sheriff or his/her designee(s), as required by this section. A fee for the cost of the background investigation, which shall be the actual cost to the City of Colfax to conduct the background investigation as it deems necessary and appropriate, shall be paid at the time the application for a commercial cannabis business permit is submitted.
 - (n) Loitering. The owner and/or operator of a commercial cannabis business shall prohibit loitering by persons outside the facility both on the premises and within fifty (50) feet of the premises.
 - (o) Permits and other Approvals. Prior to the establishment of any commercial cannabis business or the operation of any such business, the person intending to establish a commercial cannabis business must first obtain all

applicable planning, zoning, building, and other applicable permits from the relevant governmental agency which may be applicable to the zoning district in which such commercial cannabis business intends to establish and to operate.

- (p) If a commercial cannabis business permittee is operating as a collective or cooperative under Health and Safety Code Section 11362.775, subdivision (a), members of the applicant authorized to possess cannabis shall sign an agreement with the commercial cannabis business which states that members shall not distribute cannabis or cannabis products to non-members which violate any applicable state and local laws, regulations, or guidelines.
- (q) If the commercial cannabis business permittee is operating as a collective or cooperative under Health and Safety Code Section 11362.775, subdivision (a), the commercial cannabis business shall terminate the membership of any member violating any of the provisions of this Chapter.

Section 5.32.320. Other Operational Requirements.

The City Manager or his/her designee may develop other commercial cannabis business operational requirements or regulations as are determined to be necessary to protect the public health, safety and welfare.

Section 5.32.330. Operating Requirements for Retailer Facilities.

- (a) Retailer M-type License Owners and Operators are required to verify the age and the necessary documentation of each medical customer to ensure the customer is not under the age of eighteen (18) years, and to verify that the potential customer has a valid doctor's recommendation. Doctor recommendations are not to be obtained or provided at the retail location.
- (b) Operating hours of the Retailer M-type License and or Retailer A-type License shall be limited between the hours of 6:00 a.m. through 10:00 p.m., seven days a week.
- (c) The commercial cannabis retailer shall only sell cannabis or cannabis products to a natural person 21 year of age or older or to a natural person 18 year of age or older who possesses a physician's recommendation.
- (d) Entrances into the dispensary shall be locked at all times with entry strictly controlled. A "buzz-in" electronic/mechanical entry system shall be utilized to limit access to and entry to the dispensary, to separate it from the reception/lobby area.

- (e) Uniformed licensed security personnel shall be employed to monitor site activity, control loitering and site access, and to serve as a visual deterrent to unlawful activities. The City Manager or his/her designee at their discretion may authorize or approve the carrying of a firearm by licensed security personnel which shall be specified in the terms of the regulatory permit.
- (f) The commercial cannabis retailer may have on-site, in the retail sales area of the Licensed facility, only that quantity of cannabis and cannabis products reasonably anticipated to meet the daily demand readily available for sale.
- (g) All restroom facilities shall remain locked and under the control of management.

Section 5.32.340. Retailer Non-Store Front and Delivery Services shall not be permitted.

- (a) It shall be unlawful for any person, limited liability company, corporation, collective, cooperative or any other entity to manage or operate a non-store front facility or a delivery service which sells, exchanges, barter, transfers, delivers and/or promotes, any cannabis or cannabis products in the City for commercial purpose unless they have been issued a commercial cannabis permit pursuant to Section 5.32.230 and are in compliance with Section 5.32.330.

Section 5.32.350. Packaging and Labeling.

- (a) Before a retailer of commercial cannabis sells any edible cannabis or edible cannabis product to a customer, it shall be labeled and placed in tamper-evident packaging which at least meets the requirements of the MAUCRSA and all implementing rules and regulations.
- (b) Labeling must include a warning if nuts or other known allergens are used, and must include the total weight (in ounces or grams) of cannabis in the package.
- (c) A warning that the item is a medication and not a food must be clearly legible on the front of the package and/or must comply with state packing requirements.
- (d) The package must have a label warning that the product is to be kept away from children.
- (e) The label must also state that the product contains cannabis and must specify the date of manufacture.

- (f) Any edible cannabis product that is made to resemble a typical food product must be in a properly labeled opaque (non-see-through) package before it leaves the commercial cannabis retail business.
- (g) Retail sales must be in a properly labeled opaque package when purchased.

The City Council may impose additional packaging and labeling requirements on cannabis or cannabis products by resolution, as permitted by law.

Section 5.32.360. Promulgation of Regulations, Standards and Other Legal Duties.

- (a) In addition to any regulations adopted by the City Council, the City Manager or his/her designee is authorized to establish any additional rules, regulations and standards governing the issuance, denial or renewal of commercial cannabis business permits, the ongoing operation of commercial cannabis businesses and the City's oversight, or concerning any other subject determined to be necessary to carry out the purposes of this Chapter.
- (b) Regulations shall be published on the City's website.
- (c) Regulations promulgated by the City Manager shall become effective upon date of publication. Commercial cannabis businesses shall be required to comply with all state and local laws and regulations, including but not limited to any rules, regulations or standards adopted by the City Manager or his designee.

Section 5.32.370. Community Relations.

- (a) Each commercial cannabis business shall provide the name, telephone number, and email address of a community relations contact to whom notice of problems associated with the commercial cannabis business can be provided. Each commercial cannabis business shall also provide the above information to all businesses and residences located within one hundred (100) feet of the commercial cannabis business.
- (b) During the first year of operation pursuant to this Chapter, the owner, manager, and community relations representative from each commercial cannabis business holding a permit issued pursuant to this Chapter shall attend a quarterly meeting with the City Manager or his/her designee(s) and other interested parties as deemed appropriate by the City Manager, to discuss costs, benefits, and other community issues arising as a result of implementation of this Chapter. After the first year of operation, the

owner, manager, and community relations representative from each such commercial cannabis business shall meet with the City Manager or his/her designee(s) when and as requested by the City Manager or his/her designee(s).

- (c) Commercial cannabis businesses to which a permit is issued pursuant to this Chapter shall develop a City approved public outreach and educational program for youth organizations and educational institutions that outlines the risks of youth addiction to cannabis, and that identifies resources available to youth related to drugs and drug addiction.

Section 5.32.380. Fees Deemed Debt to City of Colfax.

The amount of any fee, cost or charge imposed pursuant to this Chapter shall be deemed a debt to the City of Colfax that is recoverable via an authorized administrative process as set forth in the Municipal Code, or in any court of competent jurisdiction.

Section 5.32.390. Permit Holder Responsible for Violations.

The person to whom a permit is issued pursuant to this Chapter shall be responsible for all violations of the laws of the State of California or of the regulations and/or the ordinances of the City of Colfax, whether committed by the permittee or any employee or agent of the permittee, which violations occur in or about the premises of the commercial cannabis business whether or not said violations occur within the permit holder's presence.

Section 5.32.400. Inspection and Enforcement.

- (a) The City Manager, or his/her designee(s) charged with enforcing the provisions of the Colfax Municipal Code, or any provision thereof, may enter the location of a commercial cannabis business at any time, without notice, and inspect the location of any commercial cannabis business as well as any recordings and records required to be maintained pursuant to this Chapter or under applicable provisions of State law.
- (b) It is unlawful for any person having responsibility over the operation of a commercial cannabis business, to impede, obstruct, interfere with, or otherwise not to allow, the City to conduct an inspection, review or copy records, recordings or other documents required to be maintained by a commercial cannabis business under this Chapter or under state or local law. It is also unlawful for a person to conceal, destroy, deface, damage, or falsify any records, recordings or other documents required to be maintained by a commercial cannabis business under this Chapter or under state or local law.

- (c) The City Manager, Sheriff or his/her designee(s) charged with enforcing the provisions of this Chapter may enter the location of a commercial cannabis business at any time during the hours of operation and without notice to obtain samples of the cannabis to test for public safety purposes. Any samples obtained by the City of Colfax shall be logged, recorded, and maintained in accordance with the Sheriff's Office standards for evidence.

Section 5.32.420. Compliance with State Regulation.

It is the stated intent of this Chapter to regulate commercial cannabis activity in the City of Colfax in compliance with all provisions MAUCRSA and any subsequent state legislation.

Section 5.32.430. Violations declared a public nuisance.

Each and every violation of the provisions of this Chapter is hereby deemed unlawful and a public nuisance.

Section 5.32.440. Each violation a separate offense.

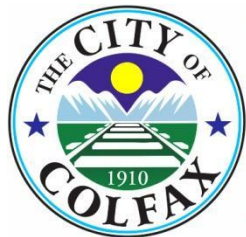
Each and every violation of this Chapter shall constitute a separate violation and shall be subject to all administrative citations and fines provided for in Colfax Municipal Code Chapter 1.25 together with all other remedies and enforcement measures authorized by the Colfax Municipal Code. Additionally, as a nuisance per se, any violation of this Chapter shall be subject to injunctive relief, any permit issued pursuant to this Chapter being deemed null and void, disgorgement and payment to the City of any monies unlawfully obtained, costs of abatement, costs of investigation, attorney fees, and any other relief or remedy available at law or in equity. The City of Colfax may also pursue any and all remedies and actions available and applicable under state and local laws for any violations committed by the commercial cannabis business or persons related to, or associated with, the commercial cannabis activity. Additionally, when there is determined to be an imminent threat to public health, safety or welfare, the City Manager, Sheriff or his/her designee(s), may take immediate action to temporarily suspend a commercial cannabis business permit issued by the City, pending a hearing before the City Council. Each day a violation is committed or permitted to continue shall constitute a separate offense.

Section 5.32.450. Criminal Penalties.

Each and every violation of the provisions of this Chapter may in the discretion of the District Attorney or the City Attorney be prosecuted as a misdemeanor and upon conviction be subject to a fine not to exceed one thousand dollars (\$1,000) or imprisonment in the county jail for a period of not more than twelve (12) months, or by both such fine and imprisonment. Each day a violation is committed or permitted to continue shall constitute a separate offense.

Section 5.32.460. Remedies cumulative and not exclusive.

The remedies provided herein are not to be construed as exclusive remedies. The City is authorized to pursue any proceedings or remedies provided by law.



STAFF REPORT TO THE COLFAX CITY COUNCIL

FOR THE FEBRUARY 28, 2018 REGULAR COUNCIL MEETING

FROM: Alfred A. “Mick” Cabral, City Attorney
PREPARED BY: City Attorney
DATE: February 22, 2018
SUBJECT: Second reading and possible adoption of an ordinance amending Colfax Municipal Code Chapter 17.162.

X	N/A	FUNDED	UN-FUNDED	AMOUNT: N/A	FROM FUND: N/A
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RECOMMENDED ACTION: Read the proposed ordinance by title only, waive the second reading, conduct a public hearing and consider adopting Ordinance 535 Amending Municipal Code Chapter 17.162 Pertaining to Cannabis Regulations, to be effective in 30 days.

BACKGROUND AND SUMMARY:

At the regular meeting of the Colfax City Council on February 14, 2018, Council introduced and read by title only Ordinance 535 and scheduled a second reading and public hearing on the Ordinance for the February 28, 2018 regular Council meeting. The Public Hearing has been noticed in accordance with State Law. After conducting this public hearing Council is authorized to waive the second reading and Council adopt the proposed ordinance which, if adopted, will become effective March 39, 2018.

On October 25, 2017 the City Council adopted Ordinance 534 which repealed and replaced Colfax Municipal Code Chapter 17.162 to prohibit all commercial cannabis activities, cannabis manufacturing, and cannabis dispensaries in Colfax, except one medical marijuana dispensary that existed and had a valid City business license as of November 27, 2009, which Ordinance 534 conditionally allows. Ordinance 534 prohibits cannabis delivery, except primary caregivers are allowed to deliver medical cannabis to qualified patients or persons with an identification card for whom he or she is the primary caregiver. Ordinance 534 conditionally allows limited indoor or outdoor cannabis cultivation of up to six plants in certain locations by authorized growers, qualified patients and primary caregivers, with several conditions. Any violation is a misdemeanor, infraction or public nuisance subject to extensive enforcement mechanisms and administrative penalties.

When Ordinance 534 was adopted, the State of California was promulgating regulations to implement the Medicinal and Adult Use Cannabis Regulation and Safety Act (MAUCRSA), also referred to as SB 94, and other related provisions of California law that regulate the cannabis industry. Ordinance 534 was intended to preserve the City’s regulatory authority and allow the Council to decide which, if any, cannabis-related enterprises it will allow, and, if so, the conditions under which it will do so.

The City Council has since assigned the issue to a committee and hired HdL Companies to develop a cannabis management program. HdL drafted a proposed ordinance which will also be on the February 14, 2018 agenda for first reading. If passed, the ordinance prepared by HdL will add Chapter 5.32 to the Colfax Municipal Code and regulate commercial cannabis activities in the City.

If the ordinance prepared by HdL is approved, then Ordinance 534 will have to be amended because Ordinance 534 prohibits all commercial cannabis activities and manufacturing, prohibits marijuana dispensaries except one, and prohibits cannabis delivery except by a qualified primary caregiver. The proposed Chapter 5.32, Section 5.32.030, precludes commercial cultivation, manufacture, processing, storing, laboratory testing, labeling, sale, delivery, distribution or transportation except as specifically authorized in Chapter 5.32, and allows but regulates commercial cannabis activities. Ordinance 534 allows limited indoor and outdoor cannabis cultivation whereas Chapter 5.32 does not specifically address cultivation.

The proposed changes will harmonize the two ordinances. Specifically, commercial cannabis activity, cannabis retail, cannabis manufacturing, cannabis cultivation, and cannabis delivery will only be allowed if permitted under Chapter 5.32.

The proposed changes to Ordinance 534 are simple. Sections 17.162.060 (commercial cannabis activity), 17.162.070 (cannabis manufacturing), 17.162.080 (cannabis retail), 17.162.040 (cannabis cultivation), and 17.162.090 (cannabis delivery) will be outlawed unless those activities are specifically permitted under new Chapter 5.32. The Ordinance 534 provisions that pertain to the existing retailer are being eliminated because retailers will be regulated by Chapter 5.32 and those provisions are no longer needed. No changes are proposed to the Ordinance 534 provisions that relate to indoor and outdoor cultivation, which will continue to be regulated under Colfax Municipal Code Chapter 17.162.

Staff is available to answer any questions or provide additional information.

ATTACHMENTS:

- a. Proposed ordinance

CITY OF COLFAX

ORDINANCE NO. 535

**AN ORDINANCE OF THE CITY OF COLFAX AMENDING MUNICIPAL CODE
CHAPTER 17.162 PERTAINING TO CANNABIS REGULATIONS**

The City Council of the City of Colfax does ordain as follows:

Section 1:

Colfax Municipal Code Chapter 17.162 is hereby amended as reflected in the Ordinance attached hereto as Exhibit A which is incorporated herein by this reference.

Section 2. Superceding Provisions

The provisions of this Ordinance and any resolution adopted pursuant hereto shall supersede and repeal any previous Ordinance or resolution to the extent the same is in conflict herewith.

Section 3. Severability

If any section, phrase, sentence or portion of this Ordinance is for any reason held invalid or unconstitutional by the final judgment of any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision; and such holding shall not affect the validity of the remaining portions hereof.

Section 4. California Environmental Quality Act Findings

The City of Colfax finds that, if the provisions of the California Environmental Quality Act, Public Resources Code §21000 et seq (hereinafter "CEQA") apply, the title of this ordinance would constitute a brief description of the "Project" as required by Section 15062(a)(1) of the Guidelines for Implementation of the California Environmental Quality Act published by the State of California Office of Planning and Research (the "CEQA Guidelines").

FINDING OF NO PROJECT

The City of Colfax finds that adoption of this ordinance does not constitute a "Project" as that term is defined by or used in CEQA, the CEQA Guidelines or any court or attorney general opinion construing the same. Accordingly, the City of Colfax finds that the provisions of CEQA and the CEQA Guidelines are not applicable to said action.

FINDING OF EXEMPTION

In the event that it is found that the said action constitutes a "Project" as defined by or used in CEQA or the CEQA Guidelines, which finding would be contrary to the City's opinion of its action, the City of Colfax hereby finds that said action is exempt from compliance with CEQA and the CEQA Guidelines, for the following reasons: The action falls within the exemptions provided by Senate Bill 94, and within the "common sense" CEQA exemption provided in 14 CCR 15061(b)(3) in that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the action may have a significant effect on the environment, the action is not subject to CEQA. CEQA Guidelines, Section 15061(b)(3). It can be seen

with certainty that adoption of this ordinance and its provisions cannot possibly have a significant effect on the environment.

Section 5. Effective Date

This Ordinance, and all of its provisions, shall take effect thirty (30) days after its adoption and shall, within 15 days after its adoption, be published or posted in accordance with Section 36933 of the Government Code of the State of California with the names of those City Council members voting for and against it.

The foregoing Ordinance was introduced at a regular meeting of the City Council of the City of Colfax held on the 14th day of February, 2018, and passed at a regular meeting of the City Council held on the 28th day of February, 2018, at a duly held regular meeting of the City of Colfax, by the following vote:

AYES:
NOES:
ABSENT:

Will Stockwin, Mayor

APPROVED AS TO FORM:

ATTEST:

Alfred Cabral
City Attorney

Lorraine Cassidy
City Clerk

~~COLFAX MUNICIPAL CODE~~
~~CHAPTER 17.162~~
~~CANNABIS REGULATIONS~~CITY OF COLFAX
ORDINANCE NO. 535

AN ORDINANCE OF THE CITY OF COLFAX AMENDING MUNICIPAL CODE CHAPTER 17.162
PERTAINING TO CANNABIS REGULATIONS

Colfax Municipal Code Chapter 17.162 is hereby amended as follows:

17.162.010 Application

The provisions of this chapter shall apply generally to all property throughout the City of Colfax wherein any of the conditions herein specified are found to exist. However, nothing in this chapter is intended, nor shall it be construed, to burden any defense to criminal prosecution under the Compassionate Use Act of 1996, codified as California Health and Safety Code Section 11362.5 (the “CUA”), the Medical Marijuana Program codified as California Health and Safety Code Sections 11362.7 et seq., (the “MMP”), the Medical Cannabis Regulation and Safety Act (“MCRSA”) or the Adult Use Of Marijuana Act passed and adopted by the voters in November, 2016 (the “AUMA”) as the MCRSA and AUMA were enacted or as they have been repealed or amended by the Medicinal and Adult-Use Cannabis Regulation and Safety Act (“MAUCRSA”).

17.162.020 Administration.

The City Manager, the Placer County Sheriff, the Placer County Chief Building Official and any employee designated by any of those persons, are authorized to administer and enforce this chapter to ensure compliance.

17.162.030 Definitions

As used herein, the following definitions shall govern the construction of this chapter:

“Abatement costs” mean any costs or expenses reasonably related to the abatement of conditions which violate this chapter, and shall include, but not be limited to, enforcement, investigation, attorneys’ fees, collection and administrative costs, and the costs associated with removal or correction of the violation.

“Accessory structure” means a structure that is accessory to any principal structure and customarily a part thereof, which is clearly incidental and secondary to the principal structure and is significantly smaller in area than the principal structure and does not change the character of the principal structure or principal use of the premises.

“Administrative costs” mean the cost of City staff time and Placer County Sheriff time reasonably related to enforcement, for items including, but not limited to, site inspections, travel time, investigations, telephone contacts and time spent preparing summaries, reports, notices, correspondence, warrants and hearing packets, and the time expended by the code enforcement officer or designee to calculate the above costs and prepare itemized invoices, may also be recovered.

“Authorized grower” means any person, including a person with an identification card, primary caregiver, or qualified patient, who is authorized by state law to grow cannabis for personal medical or non-medical use in compliance with local and state laws that authorize such cannabis cultivation.

“Cannabis,” “marijuana” “medical cannabis,” “medical marijuana,” and/or “marijuana products” shall be used interchangeably and means all parts of the plant *Cannabis sativa* Linnaeus, *Cannabis indica*, or *Cannabis ruderalis*, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. “Cannabis” also means the separated resin, whether crude or purified, obtained from cannabis. “Cannabis” does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. For the purpose of this ~~division~~ [Chapter](#), “cannabis” does not mean “industrial hemp” as defined by Section 11018.5 of the Health and Safety Code.

“Cannabis plant” means any mature or immature cannabis plant (and/or cannabis plant clone), or any cannabis seedling, unless otherwise specifically provided herein.

“Child care center” means any licensed child care center, or any daycare center, or childcare home, or any preschool.

“Church” means a structure or leased portion of a structure, which is used primarily for religious worship and related religious activities.

“Commercial cannabis activity” includes cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, packaging, labeling, transporting, delivery or sale of cannabis or cannabis products.

“Cultivation” means any activity involving the planting, growing, trimming, harvesting, drying, curing, grading, processing or storage of one or more cannabis plants or any part thereof in any location, indoor or outdoor, including a fully enclosed and secure structure or accessory structure.

“[DispensaryRetailer](#)” means any facility, location, establishment or similar entity that distributes, delivers, or supplies cannabis for any purpose and shall include but not be limited to a dispensing collective or cooperative.

“Code enforcement officer” means any person authorized by the City of Colfax to administer this chapter or his or her authorized deputies or designees, each of whom is independently authorized to enforce this chapter.

“Fence (solid)” means a barrier constructed of wood or other materials which form an opaque screen.

“Fence (other than solid)” means a barrier constructed of posts made of wood, metal or any other rigid material connected with wire, fabric, boards or other materials which is intended to demarcate a boundary, separate land uses, secure animals, enclose property, exclude people and animals from a designated area, and the like, and which does not form a visually opaque screen.

“Fully enclosed and secure structure” means a space within a building that has been approved by the City of Colfax and complies with the California Building Code, as adopted by the City of Colfax, or if exempt from the permit requirements of the California Building Code, that has a complete roof enclosure supported by connecting walls extending from the ground to the roof; a foundation, slab or equivalent base to which the floor is secured by bolts or similar attachments, is secured against unauthorized entry; and is accessible through one or more lockable doors. Walls and roofs must be constructed of solid materials that cannot be easily penetrated or breached, such as two-inch by four-inch nominal or thicker studs overlaid with three-eighths inch or thicker plywood or the equivalent. Plastic sheeting, regardless of gauge, or similar products, do not satisfy this requirement. If indoor grow lights or air filtration systems are used, they must comply with the California Building, Electrical, and Fire Codes as adopted or applied by the City of Colfax. Any detached, fully-enclosed and secure structure used for the cultivation of marijuana must have a ventilation and filtration system installed that shall prevent marijuana plant odors from exiting the interior of the structure except through the ventilation and filtration system. Such structure shall be located in the rear yard area of a legal parcel or premises, maintain the setbacks set forth in the Colfax Municipal Code and the area surrounding the structure or back yard must be enclosed by a solid fence at least six feet in height. When this chapter allows that cultivation of marijuana occur indoors, the harvest of such marijuana shall also be accomplished indoors.

“Harvest” includes but is not limited to the drying, processing, or storage of marijuana which may only occur within a fully enclosed and secure structure or accessory structure.

“Immature cannabis plant” means a cannabis plant, whether male or female, that has not yet flowered and which does not yet have buds that are readily observed by unaided visual examination.

“Indoors” means within a fully enclosed and secure structure or accessory structure.

“Legal parcel” means any parcel of real property that may be separately sold in compliance with the Subdivision Map Act (Division 2 (commencing with Section 66410) of Title 7 of the Government Code).

“Manufacture” means to compound, blend, extract, infuse, or otherwise make or prepare a cannabis product.

“Manufacturer” means a person that conducts the production, preparation, propagation, or compounding of cannabis or cannabis products either directly or indirectly or by extraction methods, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis at a fixed location that packages or repackages cannabis or cannabis products or labels or re-labels its container.

“Manufacturing” means the producing, preparing, propagating, or compounding of cannabis or cannabis products either directly or indirectly or by extraction methods, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis at a fixed location that packages or repackages cannabis or cannabis products or labels or re-labels its container.

“Mature cannabis plant” means a cannabis plant, whether male or female, that has flowered and which has buds that are readily observed by unaided visual examination.

“Medical marijuana collective” means qualified patients, persons with valid identification cards, and the designated primary caregivers of qualified patients who associate by agreement, or form a cooperative within the City in order to collectively or cooperatively cultivate marijuana for medical purposes, as provided in Health and Safety Code Section 11362.775. The term collective shall include “cooperative” unless the context clearly indicates otherwise.

“Outdoor” or “outdoors” means any location within the City of Colfax that is not within a fully enclosed and secure structure or accessory structure as defined herein.

“Parcel” means a “legal parcel” as defined herein and a property assigned a separate parcel number by the Placer County assessor.

“Person” means any individual, partnership, co-partnership, firm, association, joint stock company, corporation, limited liability company, cooperative or combination of the above in whatever form or character.

“Premises” means a single, legal parcel of property that includes an occupied legal residence, such as a house, an apartment, a condominium, a mobile home or other similar dwelling, which is a dwelling in compliance with the Colfax Municipal Code and has also met the requirements of this chapter. Where contiguous legal parcels are under common control or ownership, such contiguous legal parcels shall be counted as a single “premises” for purposes of this chapter.

“Primary caregiver” shall have the meaning set forth in Health and Safety Code Section 11362.7(d), as may be amended.

“Private residence” means a house, a duplex, an apartment unit, a condominium, a townhouse, a mobile home or other similar dwelling or premises.

“Qualified patient” shall have the meaning set forth in Health and Safety Code Section 11362.7(f), as may be amended.

“Recommendation” means a written current recommendation signed by a licensed California physician pursuant to Health and Safety Code Sections 11362.5 and 11362.7.

“Residential treatment facility” means a facility provided for treatment of drug and alcohol dependency, including any “sober living facility” run by treatment providers for the benefit of transitional living.

“School” means an institution of learning for minors, whether public or private, offering a regular course of instruction required by the California Education Code, or any child or day care facility. This definition includes a nursery school, kindergarten, elementary school, middle or junior high school, senior high school, or any special institution of education, but it does not include a vocational or professional institution of higher education, including a community or junior college, college or university.

“Youth-oriented facility” means elementary school, middle school, junior high school, high school, public park, and any establishment that advertises in a manner that identifies the establishment as catering to or providing services primarily intended for minors, or the individuals who regularly patronize, congregate or assemble at the establishment are predominantly minors. This shall not include a day care or preschool facility.

17.162.040 Outdoor Cannabis Cultivation

A. When authorized by state law, an authorized grower shall be allowed to cultivate cannabis outdoors for personal use only, subject to the regulations in this chapter and elsewhere in the Colfax Municipal Code and the following restrictions:

1. The regulations of this chapter and the Colfax Municipal Code shall apply to all outdoor cultivation of cannabis; and

2. A maximum of six plants on no more than one-hundred (100) square feet in total is allowed for outdoor cultivation of cannabis per parcel with a private residence. Cannabis plants may be cultivated on no more than one-hundred (100) square feet in total per parcel with a private residence, regardless of the number of authorized growers, qualified patients or primary caregivers residing in a private residence on the parcel. The total combined outdoor cultivation of cannabis per parcel with a private residence shall not exceed one-hundred (100) square feet at any time. For the purposes of this section, the area used to cultivate cannabis shall be measured by the aggregate area of vegetative growth of live cannabis plants on the premises; and

3. All outdoor cultivation of cannabis may only occur on a parcel with the private residence of the authorized grower, and the authorized grower may only cultivate cannabis on one parcel and may not cultivate outdoors if there is any indoor cannabis cultivation occurring on the parcel; and

4. All outdoor cultivation shall be setback by a minimum of ten (10) feet from all parcel property lines; and

5. All outdoor cultivation shall not be closer to an existing private residence on an adjoining property than to the private residence of the authorized grower on the parcel whereon the outdoor cultivation site is located; and

6. All outdoor cultivation shall be screened from all public rights-of-way, private access easements, and exterior property lines of the parcel where the outdoor cultivation takes place to prevent being easily visible to individuals on adjoining parcels or to individuals either passing through or by the subject parcel, and to prevent members of the public from gaining access; and

7. The use of volatile solvents is prohibited. For purposes of this ordinance, “volatile solvent” means volatile organic compounds, including but not limited to: (1) explosive gasses such as Butane, Propane, Xylene, Styrene, Gasoline, Kerosene, O₂ or H₂; and (2) dangerous poisons, toxins, or carcinogens, such as Methanol, Iso-propyl Alcohol, Methylene Chloride, Acetone, Benzene, Toluene, and Tri-chloro-ethylene.

8. The parcel where the outdoor cannabis is cultivated shall not be located within six hundred (600) feet of any school, church, park, library, child care center, or youth-oriented facility. Such distance shall be measured in a straight line from the fence or other enclosure to the nearest boundary line of the premises upon which the school, church, park, child care center, or youth-oriented facility is located. For the purposes of this chapter, a youth-oriented facility is any facility used for and predominantly occupied by individuals under eighteen (18) years of age, including (but not limited to) a boys or girls club, an indoor or outdoor soccer field, a little league baseball field, an amusement park, and a community swimming facility; and

9. The area for the outdoor cultivation of cannabis shall not adversely affect the health or safety of the occupants of the parcel or any other property by creating dust, glare, heat, noise, noxious gasses, odor, smoke, traffic, vibration, mold, or other impacts, and shall not be maintained so as to constitute a hazard due to use or storage of materials, processes, products or wastes; and

10. All outdoor cultivation shall be in accordance with applicable regulations set forth in the Colfax Municipal Code and any codes incorporated therein; and

11. All outdoor cultivation which exists prior to the enactment of this ordinance must be in compliance with applicable regulations set forth in the Colfax Municipal Code and any codes incorporated therein, and the regulations in this chapter.

B. It is hereby declared to be unlawful, a public nuisance and a violation of this chapter for any person owning, leasing, occupying, or having charge or possession of any parcel within the City of Colfax to cause or allow such parcel to be used for the outdoor cultivation of cannabis, unless the person is authorized by state law to grow cannabis, and such authorized grower is

complying with the Colfax Municipal Code and any codes incorporated therein, and the regulations in this chapter.

C. A public nuisance may also be deemed to exist, if such activity produces: (1) odors which are disturbing to people of normal sensitivity residing or present on adjacent or nearby property or areas open to the public; (2) repeated responses to the parcel or residence from enforcement officers; (3) a repeated disruption to the free passage of persons or vehicles in the immediate neighborhood, (4) excessive noise which is disturbing to people of normal sensitivity on adjacent or nearby property or areas open to the public; and (5) any other impacts on the neighborhood which are disruptive of normal activity in the area.

17.162.050 Indoor Cannabis Cultivation

A. When authorized by state law, an authorized grower shall be allowed to cultivate cannabis indoors for personal use, subject to the following restrictions:

1. The regulations of this chapter and the Colfax Municipal Code shall apply to all indoor cultivation of cannabis; and

2. The indoor cultivation of cannabis is on a parcel upon which the private residence of the authorized grower is located. Each authorized grower may use only one private residence for the cultivation of cannabis. If the parcel and private residence are not owned by the authorized grower, the authorized grower must have a legal right to occupy and use the parcel and private residence to cultivate cannabis. The authorized grower shall obtain a written statement from the owner or owners of the parcel and private residence as proof to demonstrate that the owner or owners have acknowledged, consented to and granted permission to the authorized grower for the cultivation of cannabis in an amount in accordance with this chapter. Nothing provided in this chapter requires the owner or owners of the parcel and private residence to consent to and allow the cultivation of cannabis by an authorized grower. Nothing provided in this chapter authorizes the cultivation of cannabis in violation of the rules of a home owner's association, deed restrictions, or other property conditions and covenants. If there is more than one owner of the parcel and private residence, all owners must have acknowledged, consented to and granted permission to the authorized grower for the cultivation of cannabis in an amount in accordance with this chapter. The written statement shall be dated and signed by the owner or owners of the parcel and private residence. The written statement shall be valid for twelve (12) months from the signing of the written statement. If ownership of the parcel or private residence changes during the twelve (12) month period after the previous owner or owners had granted permission for the cultivation of cannabis, the authorized grower must obtain, within thirty (30) days of the change of ownership, a new permission statement from the new owner or owners of the parcel and private residence. Upon request by a code enforcement officer, the authorized grower shall provide the written statement from the owner or owners of the parcel and private residence as proof that the owner or owners have acknowledged, consented to and granted permission to the authorized grower for the cultivation of cannabis; and

3. All indoor cultivation of cannabis may only occur inside a private residence that is a fully enclosed and secure structure located on the parcel or inside an accessory structure to a

private residence that is a fully enclosed and secure structure on the parcel. There shall be no indoor cannabis cultivation if there is any outdoor cannabis cultivation occurring on the parcel at the same time; and

4. A maximum of six plants on no more than one-hundred (100) square feet is allowed for cultivation of cannabis in total per parcel inside a private residence that is a fully enclosed and secure structure or inside an accessory structure to a private residence that is a fully enclosed and secure structure on a parcel. Cannabis plants may be cultivated on no more than one-hundred (100) square feet in total per parcel inside a private residence that is a fully enclosed and secure structure or inside an accessory structure to a private residence that is a fully enclosed and structure on a parcel, regardless of the number of authorized growers, qualified patients or primary caregivers residing in a private residence on the parcel. The total combined indoor cultivation of cannabis per parcel with a private residence shall not exceed one-hundred (100) square feet at any time. For the purposes of this section, the area used to cultivate cannabis shall be measured by the aggregate area of vegetative growth of live cannabis plants on the premises; and

5. The area used for cultivation complies with applicable California Building, Plumbing, Mechanical, Electrical and Fire Codes, and the parcel has: (1) a permitted permanent water well or connection to a public water source drawing water, (2) does not engage in unlawful or unpermitted surface drawing of water for such cultivation, (3) does not permit illegal discharges of water from the parcel, (4) the parcel where the cultivation of cannabis takes place shall either be connected to a public sewer system or have a City or Placer County inspected and permitted sewage disposal system; and

6. The use of volatile solvents is prohibited. For purposes of this ordinance, “volatile solvent” means volatile organic compounds, including but not limited to: (1) explosive gasses such as Butane, Propane, Xylene, Styrene, Gasoline, Kerosene, O₂ or H₂; and (2) dangerous poisons, toxins, or carcinogens, such as Methanol, Iso-propyl Alcohol, Methylene Chloride, Acetone, Benzene, Toluene, and Tri-chloro-ethylene.; and

7. The cultivation of cannabis is concealed/secured so that it is not visible from the exterior of the private residence or accessory structure, the parcel, the public right-of-way, and/or neighboring properties, and is not accessible by underaged occupants or the general public; and

8. The area for the cultivation of cannabis shall not adversely affect the health or safety of the occupants of the private residence or the parcel or any other property by creating dust, glare, heat, noise, noxious gasses, odor, smoke, traffic, vibration, mold, or other impacts, and shall not be maintained to constitute a hazard due to use or storage of materials, processes, products or wastes; and

9. All indoor cultivation is in accordance with applicable regulations set forth in the Colfax Municipal Code and any codes incorporated therein, and the regulations in this chapter; and

10. All indoor cultivation which exists prior to the enactment of this ordinance must be in compliance with applicable regulations set forth in the Colfax Municipal Code and any codes incorporated therein, and the regulations in this chapter.

B. It is hereby declared to be unlawful, a public nuisance and a violation of this chapter for any person owning, leasing, occupying, or having charge or possession of any parcel within the City of Colfax to cause or allow such parcel to be used for the indoor cultivation of cannabis, unless the person is authorized by state law to grow cannabis, and such authorized grower is complying with all requirements of this chapter.

C. A public nuisance may also be deemed to exist, if such activity produces: (1) odors which are disturbing to people of normal sensitivity residing or present on adjacent or nearby property or areas open to the public; (2) repeated responses to the parcel or residence from enforcement officers; (3) a repeated disruption to the free passage of persons or vehicles in the immediate neighborhood, (4) excessive noise which is disturbing to people of normal sensitivity on adjacent or nearby property or areas open to the public; or (5) any other impacts on the neighborhood which are disruptive of normal activity in the area.

17.162.060 Commercial Cannabis Activity Prohibited.

Except as otherwise allowed by Colfax Municipal Code Chapter 5.32, it is unlawful for any person to engage in conduct or carry on, or to permit to be engaged in, conducted or carried on, in or upon any parcel, premises or location within the City of Colfax, commercial cannabis activity, except for the transportation of medical cannabis, medical cannabis products, marijuana and marijuana products on public roads by a state licensee transporting medical cannabis, medical cannabis products, marijuana or marijuana products in compliance with state law.

17.162.070 Manufacturing Cannabis Activity Prohibited

Except as otherwise allowed by Colfax Municipal Code Chapter 5.32, it is unlawful for any person to engage in, conduct or carry on, or to permit to be engaged in, conducted or carried on, in or upon any premises or location within the City of Colfax, manufacturing cannabis activity.

17.162.080 Cannabis Dispensaries Prohibited

Except as otherwise allowed by Colfax Municipal Code Chapter 5.32, it is unlawful for any person to engage in, conduct or carry on, or to permit to be engaged in, conducted or carried on, in or upon any premises or location within the City of Colfax, the operation of a cannabis ~~dispensary~~retailer, and/or processing facility, and/or testing laboratory. ~~The sole exception to this prohibition is that one medical marijuana dispensaryretailer that existed and had a valid City business license as of November 27, 2009 shall be conditionally allowed subject to the provisions of the Colfax Municipal Code, as amended or replaced from time to time. In addition thereto, such dispensaryretailer shall become a prohibited use and shall not be allowed to engage in business in Colfax upon the happening of any of the following events:~~

~~A. The operators of the dispensaryretailer, or any of its owners, are convicted of any crime other than an infraction relating to the operation of the dispensaryretailer;~~

~~B. The dispensaryretailer becomes a public nuisance;~~

~~C. The dispensaryretailer or its operators violate any provision of this Code relating to its operation;~~

~~D. The dispensaryretailer is closed for any reason.~~

~~E. The dispensaryretailer's activities are curtailed by the action of a superior governmental authority, by order of any court of competent jurisdiction, or by other valid legal process; or~~

~~F. The dispensaryretailer becomes a prohibited use by amendment to any provision of the Colfax Municipal Code, any code incorporated therein, or any provision of California law; or~~

~~G. The dispensaryretailer violates any condition of any permit issued by the City of Colfax or any license issued by the State of California.~~

17.162.090 Delivery of Cannabis Prohibited

~~Except as otherwise allowed by Colfax Municipal Code Chapter 5.32, D~~delivery of cannabis or products made from cannabis to or from any person, business, or location in the City of Colfax is prohibited. Notwithstanding the foregoing, a primary caregiver may personally deliver medical cannabis, products made from medical cannabis to a qualified patient or person with an identification card, for whom he or she is the primary caregiver.

17.162.100 Enforcement

A. Public Nuisance. Violation of this chapter is hereby declared to be a public nuisance and subject to the enforcement process as set forth herein.

B. Abatement Authority.

1. The City of Colfax may, in its discretion, abate the violation of this chapter by prosecution of a civil action, including an action for injunctive relief without first going through the administrative procedures set forth herein. The remedy of injunctive relief may take the form of a court order, enforceable through civil contempt proceedings, prohibiting the maintenance of the violation of this chapter or requiring compliance with other terms.

2. The City may also abate the violation of this chapter through any lawful abatement process established by California law.

C. Abatement Procedures.

1. Whenever a code enforcement officer determines that a public nuisance (as defined in this chapter) exists, he or she shall post a seventy-two (72) hour notice to abate on the property where the public nuisance exists, and mail a copy of the same to those persons shown on the latest county tax roll or equivalent registry to be the owners of the property. The seventy-two (72) hour notice to abate shall inform the owner and/or tenants of the basis for the violation, and that an administrative penalty of five hundred dollars (\$500.00) per cannabis plant in excess of six plants or five hundred dollars (\$500.00) per every twenty-five (25) square feet of cannabis outside the allowed one-hundred (100) square feet; explain that if the violation is not corrected, the matter will be set for a nuisance abatement hearing, at which time the administrative penalty will increase to one thousand dollars (\$1,000.00) per cannabis plant in excess of six plants or one thousand dollars (\$1,000.00) per every twenty-five (25) square feet of cannabis outside the allowed one-hundred (100) square feet and explain that to prevent the accrual of additional penalties and costs, the owner or tenant must contact the code enforcement officer and arrange a time for a code enforcement officer to inspect the property, and confirm that the violation(s) have been corrected.

2. If the nuisance continues to exist after the expiration of the seventy-two (72) hour period, a code enforcement officer may set the matter for hearing by issuing a notice of nuisance abatement hearing. If the matter is set for hearing, the code enforcement officer shall post the property upon which the public nuisance exists and shall mail, with a proof of service, notices to those persons known to be in possession of the property, if any, and to persons shown on the latest county tax roll or equivalent registry to be the owners of the property at least five days prior to the hearing. The administrative penalty shall increase to one thousand dollars (\$1,000.00) per cannabis plant in excess of six plants or one thousand dollars (\$1,000.00) per every twenty-five (25) square feet of cannabis outside the allowed one-hundred (100) square feet from the date the notice of nuisance abatement hearing is posted on the property.

3. All hearings conducted under this chapter shall be held before a hearing officer designated by the City.

4. At the time and place set for the hearing, the hearing officer shall hear testimony and receive written and/or documentary evidence relating to the alleged violation. Additional procedural rules may be adopted by resolution of the Colfax City Council. The City shall record the hearing, and provide a copy of the recording to the hearing officer following the conclusion of the hearing. The City shall preserve the record of the hearing, and all photographs and demonstrative and documentary evidence at the time of the hearing, for a period of three years.

5. Within three days after the hearing is closed, the hearing officer shall render his or her written decision relating to the existence or nonexistence of the alleged public nuisance. If a violation is found to have existed at the time the notice of nuisance abatement hearing was posted, the decision shall include a statement that the City is entitled to recover its administrative costs and administrative penalties. If the hearing officer determines that the violation continues to exist, the decision shall also order that the owner of the property, or persons known to be in possession of the property, abate the violation within a reasonable time, not to exceed five days from the date the decision is placed in the mail. A copy of the decision shall be mailed by certified mail, return receipt requested, to the person or persons shown on the last City tax roll or

equivalent registry to be the owners of the property which is the subject of the hearing and the occupant of such parcel, if any. All other persons noticed pursuant to this section shall be mailed a copy of the decision by first class mail, postage prepaid. The decision of the hearing officer shall be final and conclusive on the date the decision is deposited in the mail.

6. a. Notwithstanding any other provisions of this code, if a final decision of the hearing officer finds that a violation exists and the public nuisance is not voluntarily abated within five days of said decision being placed in the mail by the hearing officer, the City may abate the public nuisance by cutting and/or removing all cannabis plants from the property, pursuant to a warrant issued by a court of competent jurisdiction. The owner or owners of the property shall be responsible for paying all of the City's abatement costs and administrative costs, and administrative penalties. The code enforcement officer, or designee, shall keep an accounting of the abatement and administrative costs for each case. Upon completion of the abatement of the nuisance, whether by the City or the owner or tenant, the code enforcement officer, or designee, shall post the property and send a bill to the owner, and any persons known to be in possession of the property, requesting payment of the City's abatement and administrative costs, as well as all administrative penalties. The bill shall also state that failure to pay the costs and penalties within fifteen (15) days from service of the bill may result in the recording of a lien and the placement of a special assessment against the property.

b. If the City's costs and penalties are not paid within fifteen (15) days from service of the bill, the code enforcement officer, or designee, shall render an itemized report to the City Clerk for submittal to the City Council for hearing and consideration regarding the proposed lien and special assessment. The report shall include the names and addresses of the owner of record and any persons known to be in possession of the property, and an itemized account of the City's abatement costs, administrative costs, and administrative penalties. At least fifteen (15) days prior to said hearing, the City Clerk shall give notice, with proof of service, of said hearing to all persons named in the code enforcement officer, or designee's, report and shall post the property with a copy of the notice. The notice shall describe the property by assessor's parcel number and street number or other description sufficient to enable identification of the property and contain a statement of the amount of the proposed lien and special assessment. The notice shall also contain a statement that the Council will hear and consider objections and protests to the proposed lien and special assessment at the designated time and place.

7. At the time and place fixed in the notice, the City Council shall hear and consider the proposed lien and special assessment together with objections and protests thereto. At the conclusion of the hearing, the City Council may make such modifications and revisions to the proposed lien and special assessment costs it deems just and may order that the proposed lien and special assessment be recorded and specially assessed against the property by the Placer County auditor-controller's office. The lien shall have the same force, priority and effect as a judgment lien and the special assessment shall have the same priority as other City taxes.

8. The notice of lien shall, at a minimum, identify the record owner or possessor of the property, set forth the date upon which the decision of the hearing officer was issued, describe the real property subject to the lien, set forth the amount of the costs and penalties incurred to date and, if applicable, the date upon which the abatement was completed. If the

abatement has not yet been completed, the notice shall so state and shall also indicate that the lien is a partial lien and that additional abatement costs will be incurred in the future.

9. A copy of any notice required by this chapter or decisions of either the hearing officer, City Council or designee as required by this chapter may be recorded in the office of the County Recorder of Placer County.

a. Release of Notice. Where a notice has been served as required by this chapter and a hearing body has determined that sufficient grounds do not exist for nuisance abatement, or where the owner of an affected premises has corrected the condition that was the basis for initiation of enforcement action, the official shall record a satisfaction release and removal of notice of nuisance or notice of nuisance abatement.

b. Payment of Costs Prior to Release. In the event that enforcement costs have been incurred in the investigation/processing of a violation for which a notice is required, the release of such notice shall not be recorded until all such costs have been reimbursed to the City.

c. Attorney Fees. In any action to foreclose on a lien issued pursuant to this chapter, the City shall be entitled to an award of attorney's fees and costs.

D. Abatement Costs—Administrative Costs. In any action, administrative proceeding, or special proceeding to abate a nuisance, attorneys' fees may be recovered by the prevailing party. In no action, administrative proceeding, or special proceeding shall an award of attorneys' fees to a prevailing party exceed the amount of reasonable attorneys' fees incurred by the City in the action or proceeding.

E. Summary Abatement. Notwithstanding any other provision of this chapter, when any unlawful cannabis cultivation constitutes an immediate threat to the public health or safety, and where the procedures set forth in subsection C of this section would not result in abatement of that nuisance within a short enough time period to avoid that threat, the City Manager, Community Services Director or designee may direct any officer or employee of the City to summarily abate the nuisance. The code enforcement officer shall make reasonable efforts to notify the persons identified in subsection C.2 of this section but the formal notice and hearing procedures set forth in this chapter shall not apply. The City may nevertheless recover its costs for abating that nuisance in the manner set forth in this chapter.

17.162.110 Non-Exclusive Remedy

This chapter is cumulative to all other remedies now or hereafter available to abate or otherwise regulate or prevent public nuisances under this chapter or by applicable law.

17.162.120 Administrative Penalties

It is unlawful and a public nuisance to violate any of the provisions of this chapter and the City shall have the authority to cause the abatement and removal thereof in accordance with the procedure prescribed in this chapter. The violation of any provision of this chapter shall be and is hereby declared to be contrary to the public interest and shall, at the discretion of the City, create

a cause of action for injunctive relief. In addition to the penalties set forth herein, any person that violates the provisions of this chapter may be subject to administrative remedies, as set forth by City ordinance. Unless otherwise expressly provided, the remedies, procedures and penalties provided by this section are cumulative to each other and to any others available under state law or other City ordinances.

A. For violation of Section 17.162.040 (Outdoor cannabis cultivation), a civil penalty of five hundred dollars (\$500.00) per cannabis plant in excess of six plants or five hundred dollars (\$500.00) per every twenty-five (25) square feet of cannabis cultivation outside the allowed one-hundred (100) square feet; however, if a notice of nuisance abatement hearing is issued, the penalty shall increase to one thousand dollars (\$1,000.00) per cannabis plant in excess of six plants and one thousand dollars (\$1,000.00) per every twenty-five (25) square feet of cannabis cultivation outside the allowed one-hundred (100) square feet.

B. For violation of Section 17.162.050 (Indoor cannabis cultivation), a civil penalty of five hundred dollars (\$500.00) per cannabis plant in excess of six plants or five hundred dollars (\$500.00) per every twenty-five (25) square feet of cannabis cultivation outside the allowed one-hundred (100) square feet; however, if a notice of nuisance abatement hearing is issued, the penalty shall increase to one thousand dollars (\$1,000.00) per cannabis plant in excess of six plants or one thousand dollars (\$1,000.00) per every twenty-five (25) square feet of cannabis cultivation outside the allowed one-hundred (100) square feet.

C. For violation of Section 17.162.060 (Prohibition of commercial cannabis activity), a civil penalty of one thousand dollars (\$1,000.00) per plant for each violation of commercial cannabis cultivation and a civil penalty of five thousand dollars (\$5,000.00) per day for all other violations.

D. For violation of Section 17.162.070 (Prohibition of manufacturing cannabis activity), a civil penalty of five thousand dollars (\$5,000.00) per day for each separate violation.

E. For violation of Section 17.162.080 (Prohibition of cannabis dispensaries), a civil penalty of five thousand dollars (\$5,000.00) per day for each separate violation.

F. For violation of Section 17.162.090 (Prohibition of delivery of cannabis activity), a civil penalty of five hundred dollars (\$500.00) for each separate violation.

G. At the nuisance abatement hearing, the hearing officer shall determine the total amount of administrative penalties that have accrued at the time of the hearing, and that amount shall be reflected in the decision and awarded to the City. Administrative penalties shall not be awarded if the property owner establishes all of the following: (1) that, at the time he or she acquired the property, a violation of this chapter already existed on the property; (2) the property owner did not have actual or constructive notice of the existence of that violation; and (3) prior to the nuisance abatement hearing, the property owner initiates and pursues, with due diligence, good faith efforts, to meet the requirements of this code. In his or her decision, the hearing officer may compromise the amount of any administrative penalties. When determining whether to compromise any penalty amount, the hearing officer shall take into consideration the nature,

circumstances, and gravity of the violation(s), any prior history of violations, the degree of culpability, the financial burden to the person(s) upon whom the penalty has been imposed, the degree to which the proposed compromise will facilitate collection of the penalties without the need for further legal action, and any other matters justice may require. If at the time of the hearing the nuisance has yet to be abated, the decision shall state that the administrative penalties shall continue to accrue as specified in subsections A through F of this section until the nuisance is abated. The decision of the hearing officer shall be final and conclusive on the date the decision is deposited in the mail.

H. Any decision regarding the amount of administrative penalties imposed by a hearing officer pursuant to this chapter may be appealed by any aggrieved person to the Colfax City Council as follows:

1. **Appeal Subject.** Any appeal under this section shall be limited to the amount of administrative penalties imposed by the hearing officer.

2. **Timing and Form of Appeal.** An appeal must be filed within ten (10) days from the date the decision was deposited in the mail. Appeals filed more than ten (10) days after the decision was deposited in the mail shall not be accepted for filing. A notice of appeal shall be in writing, shall include a detailed statement of the factual and/or legal grounds upon which the appeal is being taken and shall include a copy of the decision of the hearing officer. The appeal shall be accompanied by the filing fee set by the most current City fee schedule.

3. **Filing and Processing.** An appeal shall be filed with the City Clerk, who shall process the appeal pursuant to this section, including scheduling the matter before the City Council. The Colfax City Council may designate a subcommittee of two or three members to hear and rule upon any appeal provided for in this section.

4. **Effect of Filing.** In the event of an appeal under this section, only the decision as to the amount of the administrative penalties shall be set aside and have no effect until final action by the appeal body pursuant to this section. The appeal shall have no effect on any other factual or legal determination of the hearing officer.

5. **Report and Scheduling of Hearing.** When an appeal has been filed under this section, the City Manager, or designee, shall prepare a report on the matter and shall schedule the matter for consideration by the City Council (or subcommittee so designated) after completion of the report.

6. This Section intentionally omitted.

7. **Action and Findings.** After an appeal has been scheduled by the City Clerk, the City Council (or subcommittee so designated) shall conduct a public hearing. At the hearing, the City Council (or subcommittee so designated) shall initiate a discussion limited only to the amount of the administrative penalties imposed by the hearing officer and, in addition, the specific grounds for appeal.

a. The City Council (or subcommittee so designated) may affirm, affirm in part, reverse or reverse in part the decision or determination of the hearing officer as to the amount of the administrative penalties imposed based upon findings of fact about the particular case. The findings shall identify the reasons for the action on the appeal, and verify the compliance or noncompliance of the subject of the appeal with the provisions of this chapter.

b. A decision by the City Council (or sub-committee so designated) under this section shall be final.

8. Time Limits on Appeals. Upon receipt of an appeal in proper form, the City Council shall schedule the matter for consideration by the City Council. The City Council, or a subcommittee thereof, shall commence a public hearing on the appeal within ninety (90) days of its proper filing, or within such other time period as may be mutually agreed upon by the appellant, in writing, and the appeal body, in writing. If the public hearing is not commenced within ninety days, or an alternative time period is not agreed upon by the appellant and the appeal body, the decision rendered by the hearing officer shall be deemed affirmed. Once commenced, a public hearing on an appeal may be continued from time to time for good cause.

9. Withdrawal of Appeal—Hearing Decisions. After an appeal of a decision has been filed, an appeal shall not be withdrawn except with the consent of the appropriate hearing body.

I. All money and assets collected in payment for penalties for violations of this chapter and all money and assets collected for recovery of costs of enforcement of this chapter shall be used to offset the cost of enforcement of this chapter.

17.162.130 Criminal Penalty Provisions

A. Violation of any provision of this chapter is a misdemeanor unless (1) the city attorney authorizes issuance of an infraction citation or files, or authorizes the filing of, a complaint charging the offense as an infraction or (2) a court with jurisdiction over the matter, upon recommendation of the city attorney, determines that the offense should be prosecuted as an infraction.

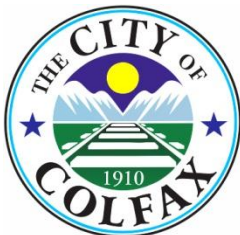
B. Any person who violates any provision of this chapter shall be guilty of a separate offense for each and every day during any portion of which any such person commits, continues, permits, or causes any violation thereof, and shall be penalized accordingly.

17.162.140 No Duty To Enforce

Nothing in this chapter shall be construed as imposing on any code enforcement officer or the City of Colfax any duty to issue a notice to abate, nor to abate any violations of this chapter and neither the code enforcement officer, nor the City, shall be held liable for failure to issue an order to abate any violation of this chapter.

17.162.150 Severability

The provisions of this chapter are declared to be separate and severable. The invalidity of any clause, phrase, sentence, paragraph, subdivision, section or portion of this chapter, or the invalidity of the application thereof to any person or circumstance shall not affect the validity of the remainder of this chapter, or the validity of its application to other persons or circumstances.



STAFF REPORT TO THE COLFAX CITY COUNCIL

FOR THE FEBRUARY 28, 2018 REGULAR COUNCIL MEETING

FROM: Wes Heathcock, City Manager
PREPARED BY: Dane Schilling, City Engineer
DATE: February 28, 2018
SUBJECT: Agreements for Federal Transportation Funds and the S. Auburn St. and I-80 Roundabout Project.

<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>	FUNDED	<input type="checkbox"/>	UN-FUNDED	AMOUNT:	FROM FUND:
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RECOMMENDED ACTION: Adopt Resolution 11-2018 authorizing the City Manager to execute: a Master Agreement Administering Agency-State Agreements for Federal-Aid Projects, a Program Supplement Agreement and, Finance Letters for the S. Auburn Street and I-80 Roundabout Project.

BACKGROUND AND DISCUSSION:

The City of Colfax periodically receives State and Federal grants for transportation related projects which are administered through the California Department of Transportation (Caltrans). Current master agreements between the City and Caltrans are required in order for the City to receive reimbursement of grant funded transportation project expenses.

Caltrans uses an agreement called a *Master Agreement Administering Agency-State Agreement for Federal-Aid Projects* (Master Agreement) with local agencies such as the City of Colfax. The City entered into a very similar agreement in 2015 under Resolution 06-2015 however, the existing agreement is now obsolete since it is no longer consistent with current transportation legislation and funding programs. Caltrans has requested that an updated Master Agreement be established between the City and Caltrans.

Under the umbrella of a Master Agreement Caltrans uses Program Supplement Agreements that are specific to individual projects. The City recently received approval for \$2.15M in Caltrans administered grants for the S. Auburn Roundabout Project. In order to begin invoicing for reimbursement for the Project, a Program Supplement Agreement between the City and Caltrans must be executed. In addition, Caltrans provided a Finance Letter to the City for the engineering design phase of the project. Execution of additional Finance Letters will be required during the course of the Project.

FISCAL IMPACT:

In order to receive the \$2.15M of state and federal funding awarded to the City for the S. Auburn Roundabout Project, the City must execute a Master Agreement, Program Supplement Agreement and sign Finance Letters with Caltrans. Entering into these agreements will allow the City to be reimbursed for Project expenses covered under the federal grant funding. It should be noted that administration of federally funded transportation projects requires substantial additional staff effort to process, manage and monitor the grants in compliance with the various State and Federal regulations. Each project is also subject to a process audit which is typically conducted at the conclusion of each project by Caltrans and sometimes the Federal Highway Administration.

ATTACHMENTS:

1. Resolution 11-2018
2. Master Agreement Administering Agency-State Agreement No. 03-518F15
3. Program Supplement Agreement No. 003-F

**City of Colfax
City Council**

Resolution № 11-2018

**AUTHORIZING THE CITY MANAGER TO EXECUTE A MASTER AGREEMENT
ADMINISTERING AGENCY-STATE AGREEMENTS FOR FEDERAL-AID
PROJECTS, A PROGRAM SUPPLEMENT AGREEMENT, AND FINANCE LETTERS
FOR THE S. AUBURN STREET AND I-80 ROUNDABOUT PROJECT.**

WHEREAS, the City of Colfax is eligible to receive State and/or Federal funding for certain transportation projects through the State of California, Department of Transportation; and

WHEREAS, agreements and finance letters must be executed with the State of California, Department of Transportation to receive State or Federal transportation funds; and,

WHEREAS, the City of Colfax desires to enter into an agreement with the State of California, Department of Transportation to allow the City to make use of State administered funds for transportation projects; and,

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Colfax authorizes the City Manager to execute: Federal Master Agreement No. 03-5187F15 for Federal-Aid projects; and Program Supplement Agreement No. 003-F and associated Finance Letters for the S. Auburn Street and I-80 Roundabout Project.

PASSED AND ADOPTED at the Regular Meeting of the City Council of the City of Colfax held on the 28th day of February 2018 by the following vote of the Council:

AYES:

NOES:

ABSTAIN:

ABSENT:

Will Stockwin, Mayor

ATTEST:

Lorraine Cassidy, City Clerk

DEPARTMENT OF TRANSPORTATION

Division of Local Assistance
1120 N STREET
P.O. BOX 942874, MS# 1
Sacramento, CA 94274-0001
TTY 711
(916) 654-3883
Fax (916) 654-2408



February 13, 2018

File : 03-PLA-80-CFX
CML-5187(010)

At the intersection of S. Auburn St.
and WB I-80 on/off ramps.

Mr. Mark Miller
City Manager
City of Colfax
33 S. Main St, PO Box 702
Colfax, CA 95713

Dear Mr. Miller:

Enclosed are two originals of the Administering Agency-State Agreement No. 03-5187F15. The Master Agreement has been revised to incorporate the various changes in regulations and policies.

Please sign both copies of the Master Agreement and return them to this office, Office of Local Assistance - MS1 within 60 days from the date of this letter. If the signed Agreements are not received back in this office within 60 days, this agreement will be rescinded. Alterations should not be made to the agreement language. ATTACH YOUR LOCAL AGENCY'S CERTIFIED AUTHORIZING RESOLUTION THAT CLEARLY IDENTIFIES THE OFFICIAL AUTHORIZED TO EXECUTE THE AGREEMENT ON THE AGENCY'S BEHALF. A fully executed copy of the agreement will be returned to you upon ratification by Caltrans. No invoices for reimbursement can be processed until the agreement is fully executed.

Your prompt action is requested. If you have questions, please contact your District Local Assistance Engineer.

Sincerely,

A handwritten signature in blue ink that reads "Winton Emmett".

WINTON EMMETT, Chief
Office of Project Implementation - North
Division of Local Assistance

Enclosure

c: DLA AE Project Files
(03) DLAE - Martin Villanueva

RECEIVED
FEB 14 2018

CITY OF COLFAX

MASTER AGREEMENT
ADMINISTERING AGENCY-STATE AGREEMENT FOR
FEDERAL-AID PROJECTS

ITEM 6A

5 of 72

03 City of Colfax

District Administering Agency

Agreement No. 03-5187F15

This AGREEMENT, is entered into effective this _____ day of _____, 20____, by and between City of Colfax, hereinafter referred to as "ADMINISTERING AGENCY," and the State of California, acting by and through its Department of Transportation (Caltrans), hereinafter referred to as "STATE", and together referred to as "PARTIES" or individually as a "PARTY."

RECITALS:

1. WHEREAS, the Congress of the United States has enacted the Intermodal Surface Transportation Efficiency Act (ISTEA) of 1991 and subsequent Transportation Authorization Bills to fund transportation programs; and
2. WHEREAS, the Legislature of the State of California has enacted legislation by which certain federal-aid funds may be made available for use on local transportation related projects of public entities qualified to act as recipients of these federal-aid funds in accordance with the intent of federal law; and
3. WHEREAS, before federal funds will be made available for a specific program project, ADMINISTERING AGENCY and STATE are required to enter into an agreement to establish terms and conditions applicable to the ADMINISTERING AGENCY when receiving federal funds for a designated PROJECT facility and to the subsequent operation and maintenance of that completed facility.

NOW, THEREFORE, the PARTIES agree as follows:

ARTICLE I - PROJECT ADMINISTRATION

1. This AGREEMENT shall have no force or effect with respect to any program project unless and until a project-specific "Authorization/Agreement Summary", herein referred to as "E-76" document, is approved by STATE and the Federal Highway Administration (FHWA).
2. The term "PROJECT", as used herein, means that authorized transportation related project and related activities financed in part with federal-aid funds as more fully-described in an "Authorization/ Agreement Summary" or "Amendment/Modification Summary", herein referred to as "E-76" or "E-76 (AMOD)" document authorized by STATE and the Federal Highway Administration (FHWA).
3. The E-76/E-76 (AMOD) shall designate the party responsible for implementing PROJECT, type of work and location of PROJECT.
4. The PROGRAM SUPPLEMENT sets out special covenants as a condition for the ADMINISTERING AGENCY to receive federal-aid funds from/through STATE for designated PROJECT. The PROGRAM SUPPLEMENT shall also show these federal funds that have been initially encumbered for PROJECT along with the matching funds to be provided by ADMINISTERING AGENCY and/or others. Execution of PROGRAM SUPPLEMENT by the PARTIES shall cause ADMINISTERING AGENCY to adopt all of the terms of this AGREEMENT as though fully set forth therein in the PROGRAM SUPPLEMENT. Unless otherwise expressly delegated in a resolution by the governing body of ADMINISTERING AGENCY, and with written concurrence by STATE, the PROGRAM SUPPLEMENT shall be approved and managed by the governing body of ADMINISTERING AGENCY.
5. ADMINISTERING AGENCY agrees to execute and return each project-specific PROGRAM SUPPLEMENT within ninety (90) days of receipt. The PARTIES agree that STATE may suspend future authorizations/obligations and invoice payments for any on-going or future federal-aid project performed by ADMINISTERING AGENCY if any project-specific PROGRAM SUPPLEMENT is not returned within that ninety (90) day period unless otherwise agreed by STATE in writing.
6. ADMINISTERING AGENCY further agrees, as a condition to the release and payment of federal funds encumbered for the PROJECT described in each PROGRAM SUPPLEMENT, to comply with the terms and conditions of this AGREEMENT and all of the agreed-upon Special Covenants or Remarks incorporated within the PROGRAM SUPPLEMENT, and Cooperative/Contribution Agreement where appropriate, defining and identifying the nature of the specific PROJECT.
7. Federal, state and matching funds will not participate in PROJECT work performed in advance of the approval of the E-76 or E-76 (AMOD), unless otherwise stated in the executed project-specific PROGRAM SUPPLEMENT. ADMINISTERING AGENCY agrees that it will only proceed with the work authorized for that specific phase(s) on the project-specific E-76 or E-76 (AMOD). ADMINISTERING AGENCY further agrees to not proceed with future phases of PROJECT prior to receiving an E-76 (AMOD) from STATE for that phase(s) unless no further federal funds are needed or for those future phase(s).

8. That PROJECT or portions thereof, must be included in a federally approved Federal Statewide Transportation Improvement Program (FSTIP) prior to ADMINISTERING AGENCY submitting the "Request for Authorization".

9. ADMINISTERING AGENCY shall conform to all state statutes, regulations and procedures (including those set forth in the Local Assistance Procedures Manual and the Local Assistance Program Guidelines, hereafter collectively referred to as "LOCAL ASSISTANCE PROCEDURES") relating to the federal-aid program, all Title 23 Code of Federal Regulation (CFR) and 2 CFR part 200 federal requirements, and all applicable federal laws, regulations, and policy and procedural or instructional memoranda, unless otherwise specifically waived as designated in the executed project-specific PROGRAM SUPPLEMENT.

10. If PROJECT is not on STATE-owned right of way, PROJECT shall be constructed in accordance with LOCAL ASSISTANCE PROCEDURES that describes minimum statewide design standards for local agency streets and roads. LOCAL ASSISTANCE PROCEDURES for projects off the National Highway System (NHS) allow STATE to accept either the STATE's minimum statewide design standards or the approved geometric design standards of ADMINISTERING AGENCY. Additionally, for projects off the NHS, STATE will accept ADMINISTERING AGENCY-approved standard specifications, standard plans, materials sampling and testing quality assurance programs that meet the conditions described in the then current LOCAL ASSISTANCE PROCEDURES.

11. If PROJECT involves work within or partially within STATE-owned right-of-way, that PROJECT shall also be subject to compliance with the policies, procedures and standards of the STATE Project Development Procedures Manual and Highway Design Manual and, where appropriate, an executed Cooperative Agreement between STATE and ADMINISTERING AGENCY that outlines the PROJECT responsibilities and respective obligations of the PARTIES. ADMINISTERING AGENCY and its contractors shall each obtain an encroachment permit through STATE prior to commencing any work within STATE rights of way or work which affects STATE facilities.

12. When PROJECT is not on the State Highway System but includes work to be performed by a railroad, the contract for such work shall be prepared by ADMINISTERING AGENCY or by STATE, as the PARTIES may hereafter agree. In either event, ADMINISTERING AGENCY shall enter into an agreement with the railroad providing for future maintenance of protective devices or other facilities installed under the contract.

13. If PROJECT is using STATE funds, the Department of General Services, Division of the State Architect, or its designee, shall review the contract PS&E for the construction of buildings, structures, sidewalks, curbs and related facilities for accessibility and usability. ADMINISTERING AGENCY shall not award a PROJECT construction contract for these types of improvements until the State Architect has issued written approval stating that the PROJECT plans and specifications comply with the provisions of sections 4450 and 4454 of the California Government Code, if applicable. Further requirements and guidance are provided in Title 24 of the California Code of Regulations.

14. ADMINISTERING AGENCY will advertise, award and administer PROJECT in accordance with the current LOCAL ASSISTANCE PROCEDURES unless otherwise stated in the executed project-specific PROGRAM SUPPLEMENT.

15. ADMINISTERING AGENCY shall provide or arrange for adequate supervision and inspection of each PROJECT. While consultants may perform supervision and inspection work for PROJECT with a fully qualified and licensed engineer, ADMINISTERING AGENCY shall provide a full-time employee to be in responsible charge of each PROJECT who is not a consultant.

16. ADMINISTERING AGENCY shall submit PROJECT-specific contract award documents to STATE's District Local Assistance Engineer within sixty (60) days after contract award. A copy of the award documents shall also be included with the submittal of the first invoice for a construction contract by ADMINISTERING AGENCY.

17. ADMINISTERING AGENCY shall submit the final report documents that collectively constitute a "Report of Expenditures" within one hundred eighty (180) days of PROJECT completion. Failure by ADMINISTERING AGENCY to submit a "Report of Expenditures" within one hundred eighty (180) days of project completion will result in STATE imposing sanctions upon ADMINISTERING AGENCY in accordance with the current LOCAL ASSISTANCE PROCEDURES.

18. ADMINISTERING AGENCY shall comply with: (i) section 504 of the Rehabilitation Act of 1973 which prohibits discrimination on the basis of disability in federally assisted programs; (ii) the Americans with Disabilities Act (ADA) of 1990 which prohibits discrimination on the basis of disability irrespective of funding; and (iii) all applicable regulations and guidelines issued pursuant to both the Rehabilitation Act and the ADA.

19. The Congress of the United States, the Legislature of the State of California and the Governor of the State of California, each within their respective jurisdictions, have prescribed certain nondiscrimination requirements with respect to contract and other work financed with public funds. ADMINISTERING AGENCY agrees to comply with the requirements of the FAIR EMPLOYMENT PRACTICES ADDENDUM (Exhibit A attached hereto) and the NONDISCRIMINATION ASSURANCES (Exhibit B attached hereto). ADMINISTERING AGENCY further agrees that any agreement entered into by ADMINISTERING AGENCY with a third party for performance of PROJECT-related work shall incorporate Exhibits A and B (with third party's name replacing ADMINISTERING AGENCY) as essential parts of such agreement to be enforced by that third party as verified by ADMINISTERING AGENCY.

1. No contract for the construction of a federal-aid PROJECT shall be awarded until all necessary rights of way have been secured. Prior to the advertising for construction of PROJECT, ADMINISTERING AGENCY shall certify and, upon request, shall furnish STATE with evidence that all necessary rights of way are available for construction purposes or will be available by the time of award of the construction contract.
2. ADMINISTERING AGENCY agrees to indemnify and hold STATE harmless from any liability that may result in the event the right of way for a PROJECT, including, but not limited to, being clear as certified or if said right of way is found to contain hazardous materials requiring treatment or removal to remediate in accordance with Federal and State laws. The furnishing of right of way as provided for herein includes, in addition to all real property required for the PROJECT, title free and clear of obstructions and encumbrances affecting PROJECT and the payment, as required by applicable law, of relocation costs and damages to remainder real property not actually taken but injuriously affected by PROJECT. ADMINISTERING AGENCY shall pay, from its own non-matching funds, any costs which arise out of delays to the construction of PROJECT because utility facilities have not been timely removed or relocated, or because rights of way were not available to ADMINISTERING AGENCY for the orderly prosecution of PROJECT work.
3. Subject to STATE approval and such supervision as is required by LOCAL ASSISTANCE PROCEDURES over ADMINISTERING AGENCY's right of way acquisition procedures, ADMINISTERING AGENCY may claim reimbursement from federal funds for expenditures incurred in purchasing only the necessary rights of way needed for the PROJECT after crediting PROJECT with the fair market value of any excess property retained and not disposed of by ADMINISTERING AGENCY.
4. When real property rights are to be acquired by ADMINISTERING AGENCY for a PROJECT, said ADMINISTERING AGENCY must carry out that acquisition in compliance with all applicable State and Federal laws and regulations, in accordance with State procedures as published in State's current LOCAL ASSISTANCE PROCEDURES and STATE's Right-of-Way Manual, subject to STATE oversight to ensure that the completed work is acceptable under the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended.
5. Whether or not federal-aid is to be requested for right of way, should ADMINISTERING AGENCY, in acquiring right of way for PROJECT, displace an individual, family, business, farm operation, or non-profit organization, relocation payments and services will be provided as set forth in 49 CFR, Part 24. The public will be adequately informed of the relocation payments and services which will be available, and, to the greatest extent practicable, no person lawfully occupying real property shall be required to move from his/her dwelling or to move his/her business or farm operation without at least ninety (90) days written notice from ADMINISTERING AGENCY. ADMINISTERING AGENCY will provide STATE with specific assurances, on each portion of the PROJECT, that no person will be displaced until comparable decent, safe and sanitary replacement housing is available within a reasonable period of time prior to displacement, and that ADMINISTERING AGENCY's relocation program is realistic and adequate to provide orderly, timely and efficient relocation of PROJECT-displaced persons as provided in 49 CFR, Part 24.

6. ADMINISTERING AGENCY shall, along with recording the deed or instrument evidencing title in the name of the ADMINISTERING AGENCY or their assignee, also record an Agreement Declaring Restrictive Covenants (ADRC) as a separate document incorporating the assurances included within Exhibits A and B and Appendices A, B, C and D of this AGREEMENT, as appropriate.

ARTICLE III - MAINTENANCE AND MANAGEMENT

1. ADMINISTERING AGENCY will maintain and operate the property acquired, developed, constructed, rehabilitated, or restored by PROJECT for its intended public use until such time as the parties might amend this AGREEMENT to otherwise provide. With the approval of STATE, ADMINISTERING AGENCY or its successors in interest in the PROJECT property may transfer this obligation and responsibility to maintain and operate PROJECT property for that intended public purpose to another public entity.
2. Upon ADMINISTERING AGENCY's acceptance of the completed federal-aid construction contract or upon contractor being relieved of the responsibility for maintaining and protecting PROJECT, ADMINISTERING AGENCY will be responsible for the maintenance, ownership, liability, and the expense thereof, for PROJECT in a manner satisfactory to the authorized representatives of STATE and FHWA and if PROJECT falls within the jurisdictional limits of another Agency or Agencies, it is the duty of ADMINISTERING AGENCY to facilitate a separate maintenance agreement(s) between itself and the other jurisdictional Agency or Agencies providing for the operation, maintenance, ownership and liability of PROJECT. Until those agreements are executed, ADMINISTERING AGENCY will be responsible for all PROJECT operations, maintenance, ownership and liability in a manner satisfactory to the authorized representatives of STATE and FHWA. If, within ninety (90) days after receipt of notice from STATE that a PROJECT, or any portion thereof, is not being properly operated and maintained and ADMINISTERING AGENCY has not satisfactorily remedied the conditions complained of, the approval of future federal-aid projects of ADMINISTERING AGENCY will be withheld until the PROJECT shall have been put in a condition of operation and maintenance satisfactory to STATE and FHWA. The provisions of this section shall not apply to a PROJECT that has been vacated through due process of law with STATE's concurrence.
3. PROJECT and its facilities shall be maintained by an adequate and well-trained staff of engineers and/or such other professionals and technicians as PROJECT reasonably requires. Said operations and maintenance staff may be employees of ADMINISTERING AGENCY, another unit of government, or a contractor under agreement with ADMINISTERING AGENCY. All maintenance will be performed at regular intervals or as required for efficient operation of the complete PROJECT improvements.

ARTICLE IV - FISCAL PROVISIONS

1. All contractual obligations of STATE are subject to the appropriation of resources by the Legislature and the allocation of resources by the California Transportation Commission (CTC).
2. STATE'S financial commitment of federal funds will occur only upon the execution of this AGREEMENT, the authorization of the project-specific E-76 or E-76 (AMOD), the execution of each project-specific PROGRAM SUPPLEMENT, and STATE's approved finance letter.
3. ADMINISTERING AGENCY may submit signed invoices in arrears for reimbursement of participating PROJECT costs on a regular basis once the project-specific PROGRAM SUPPLEMENT has been executed by STATE.
4. ADMINISTERING AGENCY agrees, at a minimum, to submit invoices at least once every six (6) months commencing after the funds are encumbered on either the project-specific PROGRAM SUPPLEMENT or through a project-specific finance letter approved by STATE. STATE reserves the right to suspend future authorizations/obligations, and invoice payments for any on-going or future federal-aid project by ADMINISTERING AGENCY if PROJECT costs have not been invoiced by ADMINISTERING AGENCY for a six (6) month period.
5. Invoices shall be submitted on ADMINISTERING AGENCY letterhead that includes the address of ADMINISTERING AGENCY and shall be formatted in accordance with LOCAL ASSISTANCE PROCEDURES.
6. ADMINISTERING AGENCY must have at least one copy of supporting backup documentation for costs incurred and claimed for reimbursement by ADMINISTERING AGENCY. ADMINISTERING AGENCY agrees to submit supporting backup documentation with invoices if requested by State. Acceptable backup documentation includes, but is not limited to, agency's progress payment to the contractors, copies of cancelled checks showing amounts made payable to vendors and contractors, and/or a computerized summary of PROJECT costs.
7. Payments to ADMINISTERING AGENCY can only be released by STATE as reimbursement of actual allowable PROJECT costs already incurred and paid for by ADMINISTERING AGENCY.
8. Indirect Cost Allocation Plans/Indirect Cost Rate Proposals (ICAP/ICRP), Central Service Cost Allocation Plans and related documentation are to be prepared and provided to STATE (Caltrans Audits & Investigations) for review and approval prior to ADMINISTERING AGENCY seeking reimbursement of indirect costs incurred within each fiscal year being claimed for State and federal reimbursement. ICAPs/ICRPs must be prepared in accordance with the requirements set forth in 2 CFR, Part 200, Chapter 5 of the Local Assistance Procedural Manual, and the ICAP/ICRP approval procedures established by STATE.
9. Once PROJECT has been awarded, STATE reserves the right to de-obligate any excess federal funds from the construction phase of PROJECT if the contract award amount is less than the obligated amount, as shown on the PROJECT E-76 or E-76 (AMOD).
10. STATE will withhold the greater of either two (2) percent of the total of all federal funds encumbered for each PROGRAM SUPPLEMENT or \$40,000 until ADMINISTERING AGENCY submits the Final Report of Expenditures for each completed PROGRAM SUPPLEMENT PROJECT.

11. The estimated total cost of PROJECT, the amount of federal funds obligated, and the required matching funds may be adjusted by mutual consent of the PARTIES hereto with a finance letter, a detailed estimate, if required, and approved E-76 (AMOD). Federal-aid funding may be increased to cover PROJECT cost increases only if such funds are available and FHWA concurs with that increase.

12. When additional federal-aid funds are not available, ADMINISTERING AGENCY agrees that the payment of federal funds will be limited to the amounts authorized on the PROJECT specific E-76 / E-76 (AMOD) and agrees that any increases in PROJECT costs must be defrayed with ADMINISTERING AGENCY's own funds.

13. ADMINISTERING AGENCY shall use its own non-federal funds to finance the local share of eligible costs and all expenditures or contract items ruled ineligible for financing with federal funds. STATE shall make the determination of ADMINISTERING AGENCY's cost eligibility for federal fund financing of PROJECT costs.

14. ADMINISTERING AGENCY will reimburse STATE for STATE's share of costs for work performed by STATE at the request of ADMINISTERING AGENCY. STATE's costs shall include overhead assessments in accordance with section 8755.1 of the State Administrative Manual.

15. Federal and state funds allocated from the State Transportation Improvement Program (STIP) are subject to the timely use of funds provisions enacted by Senate Bill 45, approved in 1997, and subsequent STIP Guidelines and State procedures approved by the CTC and STATE.

16. Federal funds encumbered for PROJECT are available for liquidation for a period of six (6) years from the beginning of the State fiscal year the funds were appropriated in the State Budget. State funds encumbered for PROJECT are available for liquidation only for six (6) years from the beginning of the State fiscal year the funds were appropriated in the State Budget. Federal or state funds not liquidated within these periods will be reverted unless a Cooperative Work Agreement (CWA) is submitted by ADMINISTERING AGENCY and approved by the California Department of Finance (per Government Code section 16304). The exact date of fund reversion will be reflected in the STATE signed finance letter for PROJECT.

17. Payments to ADMINISTERING AGENCY for PROJECT-related travel and subsistence (per diem) expenses of ADMINISTERING AGENCY forces and its contractors and subcontractors claimed for reimbursement or as local match credit shall not exceed rates authorized to be paid rank and file STATE employees under current State Department of Personnel Administration (DPA) rules. If the rates invoiced by ADMINISTERING AGENCY are in excess of DPA rates, ADMINISTERING AGENCY is responsible for the cost difference, and any overpayments inadvertently paid by STATE shall be reimbursed to STATE by ADMINISTERING AGENCY on demand within thirty (30) days of such invoice.

18. ADMINISTERING AGENCY agrees to comply with 2 CFR, Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirement for Federal Awards.

19. ADMINISTERING AGENCY agrees, and will ensure that its contractors and subcontractors will be obligated to agree, that Contract Cost Principles and Procedures, 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31, et seq., shall be used to determine the allowability of individual PROJECT cost items.

20. Every sub-recipient receiving PROJECT funds under this AGREEMENT shall comply with 2 CFR, Part 200, 23 CFR, 48 CFR Chapter 1, Part 31, Local Assistance Procedures, Public Contract Code (PCC) 10300-10334 (procurement of goods), PCC 10335-10381 (non-A&E services), and other applicable STATE and FEDERAL regulations.

21. Any PROJECT costs for which ADMINISTERING AGENCY has received payment or credit that are determined by subsequent audit to be unallowable under 2 CFR, Part 200, 23 CFR, 48 CFR, Chapter 1, Part 31, and other applicable STATE and FEDERAL regulations, are subject to repayment by ADMINISTERING AGENCY to STATE.

22. Should ADMINISTERING AGENCY fail to refund any moneys due upon written demand by STATE as provided hereunder or should ADMINISTERING AGENCY breach this AGREEMENT by failing to complete PROJECT without adequate justification and approval by STATE, then, within thirty 30 days of demand, or within such other period as may be agreed to in writing between the PARTIES, STATE, acting through the State Controller, the State Treasurer, or any other public entity or agency, may withhold or demand a transfer of an amount equal to the amount paid by or owed to STATE from future apportionments, or any other funds due ADMINISTERING AGENCY from the Highway Users Tax Fund or any other sources of funds, and/or may withhold approval of future ADMINISTERING AGENCY federal-aid projects.

23. Should ADMINISTERING AGENCY be declared to be in breach of this AGREEMENT or otherwise in default thereof by STATE, and if ADMINISTERING AGENCY is constituted as a joint powers authority, special district, or any other public entity not directly receiving funds through the State Controller, STATE is authorized to obtain reimbursement from whatever sources of funding are available, including the withholding or transfer of funds, pursuant to Article IV - 22, from those constituent entities comprising a joint powers authority or by bringing of an action against ADMINISTERING AGENCY or its constituent member entities, to recover all funds provided by STATE hereunder.

24. ADMINISTERING AGENCY acknowledges that the signatory party represents the ADMINISTERING AGENCY and further warrants that there is nothing within a Joint Powers Agreement, by which ADMINISTERING AGENCY was created, if any exists, that would restrict or otherwise limit STATE's ability to recover State funds improperly spent by ADMINISTERING AGENCY in contravention of the terms of this AGREEMENT.

ARTICLE V

AUDITS, THIRD PARTY CONTRACTING, RECORDS RETENTION AND REPORTS

1. STATE reserves the right to conduct technical and financial audits of PROJECT work and records and ADMINISTERING AGENCY agrees, and shall require its contractors and subcontractors to agree, to cooperate with STATE by making all appropriate and relevant PROJECT records available for audit and copying as required by paragraph three (3) of ARTICLE V.
2. ADMINISTERING AGENCY, its contractors and subcontractors shall establish and maintain a financial management system and records that properly accumulate and segregate reasonable, allowable, and allocable incurred PROJECT costs and matching funds by line item for the PROJECT. The financial management system of ADMINISTERING AGENCY, its contractors and all subcontractors shall conform to Generally Accepted Accounting Principles, enable the determination of incurred costs at interim points of completion, and provide support for reimbursement payment vouchers or invoices sent to or paid by STATE.
3. ADMINISTERING AGENCY, ADMINISTERING AGENCY's contractors and subcontractors, and STATE shall each maintain and make available for inspection and audit by STATE, the California State Auditor, or any duly authorized representative of STATE or the United States all books, documents, papers, accounting records, and other evidence pertaining to the performance of such contracts, including, but not limited to, the costs of administering those various contracts and ADMINISTERING AGENCY shall furnish copies thereof if requested. All of the above referenced parties shall make such AGREEMENT, PROGRAM SUPPLEMENT and contract materials available at their respective offices at all reasonable times during the entire PROJECT period and for three (3) years from the date of submission of the final expenditure report by the STATE to the FHWA.
4. ADMINISTERING AGENCY is required to have an audit in accordance with the Single Audit Act of 2 CFR 200 if it expends \$750,000 or more in Federal Funds in a single fiscal year. The Federal Funds received under a PROGRAM SUPPLEMENT are a part of the Catalogue of Federal Domestic Assistance (CFDA) 20.205.
5. ADMINISTERING AGENCY agrees to include all PROGRAM SUPPLEMENTS adopting the terms of this AGREEMENT in the schedule of projects to be examined in ADMINISTERING AGENCY's annual audit and in the schedule of projects to be examined under its single audit prepared in accordance with 2 CFR, Part 200.
6. ADMINISTERING AGENCY shall not award a non-A&E contract over \$5,000, construction contract over \$10,000, or other contracts over \$25,000 (excluding professional service contracts of the type which are required to be procured in accordance with Government Code sections 4525 (d), (e) and (f)) on the basis of a noncompetitive negotiation for work to be performed under this AGREEMENT without the prior written approval of STATE. Contracts awarded by ADMINISTERING AGENCY, if intended as local match credit, must meet the requirements set forth in this AGREEMENT regarding local match funds.

7. Any subcontract entered into by ADMINISTERING AGENCY as a result of this AGREEMENT shall contain provisions 5, 6, 17, 19 and 20 of ARTICLE IV, FISCAL PROVISIONS, and provisions 1, 2, and 3 of this ARTICLE V, AUDITS, THIRD-PARTY CONTRACTING RECORDS RETENTION AND REPORTS.
8. To be eligible for local match credit, ADMINISTERING AGENCY must ensure that local match funds used for a PROJECT meet the fiscal provisions requirements outlined in ARTICLE IV in the same manner as required of all other PROJECT expenditures.
9. In addition to the above, the pre-award requirements of third-party contractor/consultants with ADMINISTERING AGENCY should be consistent with the LOCAL ASSISTANCE PROCEDURES.

1. By execution of this AGREEMENT, ADMINISTERING AGENCY certifies, to the best of the signatory officer's knowledge and belief, that:

A. No federal or state appropriated funds have been paid or will be paid, by or on behalf of ADMINISTERING AGENCY, to any person for influencing or attempting to influence an officer or employee of any STATE or federal agency, a member of the State Legislature or United States Congress, an officer or employee of the Legislature or Congress, or any employee of a Member of the Legislature or Congress in connection with the awarding of any STATE or federal contract, including this AGREEMENT, the making of any STATE or federal loan, the entering into of any cooperative contract, and the extension, continuation, renewal, amendment, or modification of any STATE or federal contract, grant, loan, or cooperative contract.

B. If any funds other than federal appropriated funds have been paid, or will be paid, to any person for influencing or attempting to influence an officer or employee of any federal agency, a member of Congress, an officer or employee of Congress or an employee of a member of Congress in connection with this AGREEMENT, grant, local, or cooperative contract, ADMINISTERING AGENCY shall complete and submit Standard Form-LLL, "Disclosure Form to Rep Lobbying," in accordance with the form instructions.

C. This certification is a material representation of fact upon which reliance was placed when this AGREEMENT and each PROGRAM SUPPLEMENT was or will be made or entered into. Submission of this certification is a prerequisite for making or entering into this AGREEMENT imposed by Section 1352, Title 31, United States Code. Any party who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

2. ADMINISTERING AGENCY also agrees by signing this AGREEMENT that the language of this certification will be included in all lower tier sub-agreements which exceed \$100,000 and that all such sub-recipients shall certify and disclose accordingly.

1. ADMINISTERING AGENCY agrees to use all state funds reimbursed hereunder only for transportation purposes that are in conformance with Article XIX of the California State Constitution and the relevant Federal Regulations.
2. This AGREEMENT is subject to any additional restrictions, limitations, conditions, or any statute enacted by the State Legislature or adopted by the CTC that may affect the provisions, terms, or funding of this AGREEMENT in any manner.
3. ADMINISTERING AGENCY and the officers and employees of ADMINISTERING AGENCY, when engaged in the performance of this AGREEMENT, shall act in an independent capacity and not as officers, employees or agents of STATE or the federal government.
4. Each project-specific E-76 or E-76 (AMOD), PROGRAM SUPPLEMENT and Finance Letter shall separately establish the terms and funding limits for each described PROJECT funded under the AGREEMENT. No federal or state funds are obligated against this AGREEMENT.
5. ADMINISTERING AGENCY certifies that neither ADMINISTERING AGENCY nor its principals are suspended or debarred at the time of the execution of this AGREEMENT. ADMINISTERING AGENCY agrees that it will notify STATE immediately in the event a suspension or a debarment occurs after the execution of this AGREEMENT.
6. ADMINISTERING AGENCY warrants, by execution of this AGREEMENT, that no person or selling agency has been employed or retained to solicit or secure this AGREEMENT upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by ADMINISTERING AGENCY for the purpose of securing business. For breach or violation of this warranty, STATE has the right to annul this AGREEMENT without liability, pay only for the value of the work actually performed, or in STATE's discretion, to deduct from the price of consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.
7. In accordance with Public Contract Code section 10296, ADMINISTERING AGENCY hereby certifies under penalty of perjury that no more than one final unappealable finding of contempt of court by a federal court has been issued against ADMINISTERING AGENCY within the immediate preceding two (2) year period because of ADMINISTERING AGENCY's failure to comply with an order of a federal court that orders ADMINISTERING AGENCY to comply with an order of the National Labor Relations Board.
8. ADMINISTERING AGENCY shall disclose any financial, business, or other relationship with STATE, FHWA or Federal Transit Administration (FTA) that may have an impact upon the outcome of this AGREEMENT. ADMINISTERING AGENCY shall also list current contractors who may have a financial interest in the outcome of this AGREEMENT.
9. ADMINISTERING AGENCY hereby certifies that it does not have nor shall it acquire any financial or business interest that would conflict with the performance of PROJECT under this AGREEMENT.

10. ADMINISTERING AGENCY warrants that this AGREEMENT was not obtained or secured through rebates, kickbacks or other unlawful consideration either promised or paid to any STATE employee. For breach or violation of this warranty, STATE shall have the right, in its discretion, to terminate this AGREEMENT without liability, to pay only for the work actually performed, or to deduct from the PROGRAM SUPPLEMENT price or otherwise recover the full amount of such rebate, kickback, or other unlawful consideration.

11. Any dispute concerning a question of fact arising under this AGREEMENT that is not disposed of by agreement shall be decided by the STATE's Contract Officer who may consider any written or verbal evidence submitted by ADMINISTERING AGENCY. The decision of the Contract Officer, issued in writing, shall be conclusive and binding on the PARTIES on all questions of fact considered and determined by the Contract Officer.

12. Neither the pending of a dispute nor its consideration by the Contract Officer will excuse ADMINISTERING AGENCY from full and timely performance in accordance with the terms of this AGREEMENT.

13. Neither ADMINISTERING AGENCY nor any officer or employee thereof is responsible for any injury, damage or liability occurring by reason of anything done or omitted to be done by STATE, under or in connection with any work, authority or jurisdiction arising under this AGREEMENT. It is understood and agreed that STATE shall fully defend, indemnify and save harmless the ADMINISTERING AGENCY and all of its officers and employees from all claims, suits or actions of every name, kind and description brought forth under, including, but not limited to, tortious, contractual, inverse condemnation and other theories or assertions of liability occurring by reason of anything done or omitted to be done by STATE under this AGREEMENT.

14. Neither STATE nor any officer or employee thereof shall be responsible for any injury, damage or liability occurring by reason of anything done or omitted to be done by ADMINISTERING AGENCY under, or in connection with, any work, authority or jurisdiction arising under this AGREEMENT. It is understood and agreed that ADMINISTERING AGENCY shall fully defend, indemnify and save harmless STATE and all of its officers and employees from all claims, suits or actions of every name, kind and description brought forth under, including, but not limited to, tortious, contractual, inverse condemnation or other theories or assertions of liability occurring by reason of anything done or omitted to be done by ADMINISTERING AGENCY under this AGREEMENT.

15. STATE reserves the right to terminate funding for any PROJECT upon written notice to ADMINISTERING AGENCY in the event that ADMINISTERING AGENCY fails to proceed with PROJECT work in accordance with the project-specific PROGRAM SUPPLEMENT, the bonding requirements if applicable, or otherwise violates the conditions of this AGREEMENT and/or PROGRAM SUPPLEMENT, or the funding allocation such that substantial performance is significantly endangered.

16. No termination shall become effective if, within thirty (30) days after receipt of a Notice of Termination, ADMINISTERING AGENCY either cures the default involved or, if not reasonably susceptible of cure within said thirty (30) day period, ADMINISTERING AGENCY proceeds thereafter to complete the cure in a manner and time line acceptable to STATE. Any such termination shall be accomplished by delivery to ADMINISTERING AGENCY of a Notice of Termination, which notice shall become effective not less than thirty (30) days after receipt, specifying the reason for the termination, the extent to which funding of work under this AGREEMENT is terminated and the date upon which such termination becomes effective, if beyond thirty (30) days after receipt. During the period before the effective termination date, ADMINISTERING AGENCY and STATE shall meet to attempt to resolve any dispute. In the event of such termination, STATE may proceed with the PROJECT work in a manner deemed proper by STATE. If STATE terminates funding for PROJECT with ADMINISTERING AGENCY, STATE shall pay ADMINISTERING AGENCY the sum due ADMINISTERING AGENCY under the PROGRAM SUPPLEMENT and/or STATE approved finance letter prior to termination, provided, however, ADMINISTERING AGENCY is not in default of the terms and conditions of this AGREEMENT or the project-specific PROGRAM SUPPLEMENT and that the cost of PROJECT completion to STATE shall first be deducted from any sum due ADMINISTERING AGENCY.

17. In case of inconsistency or conflicts with the terms of this AGREEMENT and that of a project-specific PROGRAM SUPPLEMENT, the terms stated in that PROGRAM SUPPLEMENT shall prevail over those in this AGREEMENT.

18. Without the written consent of STATE, this AGREEMENT is not assignable by ADMINISTERING AGENCY either in whole or in part.

19. No alteration or variation of the terms of this AGREEMENT shall be valid unless made in writing and signed by the PARTIES, and no oral understanding or agreement not incorporated herein shall be binding on any of the PARTIES.

IN WITNESS WHEREOF, the PARTIES have executed this AGREEMENT by their duly authorized officers.

STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION

City of Colfax

By _____

By _____

Chief, Office of Project Implementation
Division of Local Assistance

City of Colfax
Representative Name & Title
(Authorized Governing Body Representative)

Date _____

Date _____

EXHIBIT A

FAIR EMPLOYMENT PRACTICES ADDENDUM

1. In the performance of this Agreement, ADMINISTERING AGENCY will not discriminate against any employee for employment because of race, color, sex, sexual orientation, religion, ancestry or national origin, physical disability, medical condition, marital status, political affiliation, family and medical care leave, pregnancy leave, or disability leave. ADMINISTERING AGENCY will take affirmative action to ensure that employees are treated during employment without regard to their race, sex, sexual orientation, color, religion, ancestry, or national origin, physical disability, medical condition, marital status, political affiliation, family and medical care leave, pregnancy leave, or disability leave. Such action shall include, but not be limited to, the following: employment; upgrading; demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. ADMINISTERING AGENCY shall post in conspicuous places, available to employees for employment, notices to be provided by STATE setting forth the provisions of this Fair Employment section.

2. ADMINISTERING AGENCY, its contractor(s) and all subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code Section 1290-0 et seq.), and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285.0 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, Section 12900(a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations are incorporated into this AGREEMENT by reference and made a part hereof as if set forth in full. Each of the ADMINISTERING AGENCY'S contractors and all subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreements, as appropriate.

3. ADMINISTERING AGENCY shall include the nondiscrimination and compliance provisions of this clause in all contracts and subcontracts to perform work under this AGREEMENT.

4. ADMINISTERING AGENCY will permit access to the records of employment, employment advertisements, application forms, and other pertinent data and records by STATE, the State Fair Employment and Housing Commission, or any other agency of the State of California designated by STATE, for the purposes of investigation to ascertain compliance with the Fair Employment section of this Agreement.

5. Remedies for Willful Violation:

(a) STATE may determine a willful violation of the Fair Employment provision to have occurred upon receipt of a final judgment to that effect from a court in an action to which ADMINISTERING AGENCY was a party, or upon receipt of a written notice from the Fair Employment and Housing Commission that it has investigated and determined that ADMINISTERING AGENCY has violated the Fair Employment Practices Act and had issued an order under Labor Code Section 1426 which has become final or has obtained an injunction under Labor Code Section 1429.

(b) For willful violation of this Fair Employment Provision, STATE shall have the right to terminate this Agreement either in whole or in part, and any loss or damage sustained by STATE in securing the goods or services thereunder shall be borne and paid for by ADMINISTERING AGENCY and by the surety under the performance bond, if any, and STATE may deduct from any moneys due or thereafter may become due to ADMINISTERING AGENCY, the difference between the price named in the Agreement and the actual cost thereof to STATE to cure ADMINISTERING AGENCY's breach of this Agreement.

EXHIBIT B

NONDISCRIMINATION ASSURANCES

ADMINISTERING AGENCY HEREBY AGREES THAT, as a condition to receiving any federal financial assistance from the STATE, acting for the U.S. Department of Transportation, it will comply with Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 U.S.C. 2000d-42 U.S.C. 2000d-4 (hereinafter referred to as the ACT), and all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, "Nondiscrimination in Federally-Assisted Programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964" (hereinafter referred to as the REGULATIONS), the Federal-aid Highway Act of 1973, and other pertinent directives, to the end that in accordance with the ACT, REGULATIONS, and other pertinent directives, no person in the United States shall, on the grounds of race, color, sex, national origin, religion, age or disability, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which ADMINISTERING AGENCY receives federal financial assistance from the Federal Department of Transportation. ADMINISTERING AGENCY HEREBY GIVES ASSURANCE THAT ADMINISTERING AGENCY will promptly take any measures necessary to effectuate this agreement. This assurance is required by subsection 21.7(a) (1) of the REGULATIONS.

More specifically, and without limiting the above general assurance, ADMINISTERING AGENCY hereby gives the following specific assurances with respect to its federal-aid Program:

1. That ADMINISTERING AGENCY agrees that each "program" and each "facility" as defined in subsections 21.23 (e) and 21.23 (b) of the REGULATIONS, will be (with regard to a "program") conducted, or will be (with regard to a "facility") operated in compliance with all requirements imposed by, or pursuant to, the REGULATIONS.

2. That ADMINISTERING AGENCY shall insert the following notification in all solicitations for bids for work or material subject to the REGULATIONS made in connection with the federal-aid Program and, in adapted form, in all proposals for negotiated agreements:

ADMINISTERING AGENCY hereby notifies all bidders that it will affirmatively ensure that in any agreement entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, sex, national origin, religion, age, or disability in consideration for an award.

3. That ADMINISTERING AGENCY shall insert the clauses of Appendix A of this assurance in every agreement subject to the ACT and the REGULATIONS.

4. That the clauses of Appendix B of this Assurance shall be included as a covenant running with the land, in any deed effecting a transfer of real property, structures, or improvements thereon, or interest therein.

5. That where ADMINISTERING AGENCY receives federal financial assistance to construct a facility, or part of a facility, the Assurance shall extend to the entire facility and facilities operated in connection therewith.

6. That where ADMINISTERING AGENCY receives federal financial assistance in the form, or for the acquisition, of real property or an interest in real property, the Assurance shall extend to rights to space on, over, or under such property.

7. That ADMINISTERING AGENCY shall include the appropriate clauses set forth in Appendix C and D of this Assurance, as a covenant running with the land, in any future deeds, leases, permits, licenses, and similar agreements entered into by the ADMINISTERING AGENCY with other parties:

Appendix C;

(a) for the subsequent transfer of real property acquired or improved under the federal-aid Program; and

Appendix D;

(b) for the construction or use of or access to space on, over, or under real property acquired, or improved under the federal-aid Program.

8. That this assurance obligates ADMINISTERING AGENCY for the period during which federal financial assistance is extended to the program, except where the federal financial assistance is to provide, or is in the form of, personal property or real property or interest therein, or structures, or improvements thereon, in which case the assurance obligates ADMINISTERING AGENCY or any transferee for the longer of the following periods:

(a) the period during which the property is used for a purpose for which the federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits; or

(b) the period during which ADMINISTERING AGENCY retains ownership or possession of the property.

9. That ADMINISTERING AGENCY shall provide for such methods of administration for the program as are found by the U.S. Secretary of Transportation, or the official to whom he delegates specific authority, to give reasonable guarantee that ADMINISTERING AGENCY, other recipients, sub-grantees, applicants, sub-applicants, transferees, successors in interest, and other participants of federal financial assistance under such program will comply with all requirements imposed by, or pursuant to, the ACT, the REGULATIONS, this Assurance and the Agreement.

10. That ADMINISTERING AGENCY agrees that the United States and the State of California have a right to seek judicial enforcement with regard to any matter arising under the ACT, the REGULATIONS, and this Assurance.

11. ADMINISTERING AGENCY shall not discriminate on the basis of race, religion, age, disability, color, national origin or sex in the award and performance of any STATE assisted contract or in the administration on its DBE Program or the requirements of 49 CFR Part 26. ADMINISTERING AGENCY shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure non-discrimination in the award and administration of STATE assisted contracts. ADMINISTERING AGENCY'S DBE Implementation Agreement is incorporated by reference in this AGREEMENT. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the recipient of its failure to carry out its approved DBE Implementation Agreement, STATE may impose sanctions as provided for under 49 CFR Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 USC 1001 and/or the Program Fraud Civil Remedies Act of 1985 (31USC 3801 et seq.)

THESE ASSURANCES are given in consideration of and for the purpose of obtaining any and all federal grants, loans, agreements, property, discounts or other federal financial assistance extended after the date hereof to ADMINISTERING AGENCY by STATE, acting for the U.S. Department of Transportation, and is binding on ADMINISTERING AGENCY, other recipients, subgrantees, applicants, sub-applicants, transferees, successors in interest and other participants in the federal-aid Highway Program.

APPENDIX A TO EXHIBIT B

During the performance of this Agreement, ADMINISTERING AGENCY, for itself, its assignees and successors in interest (hereinafter collectively referred to as ADMINISTERING AGENCY) agrees as follows:

(1) **Compliance with Regulations:** ADMINISTERING AGENCY shall comply with the regulations relative to nondiscrimination in federally assisted programs of the Department of Transportation, Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time, (hereinafter referred to as the REGULATIONS), which are herein incorporated by reference and made a part of this agreement.

(2) **Nondiscrimination:** ADMINISTERING AGENCY, with regard to the work performed by it during the AGREEMENT, shall not discriminate on the grounds of race, color, sex, national origin, religion, age, or disability in the selection and retention of sub-applicants, including procurements of materials and leases of equipment. ADMINISTERING AGENCY shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the REGULATIONS, including employment practices when the agreement covers a program set forth in Appendix B of the REGULATIONS.

(3) **Solicitations for Sub-agreements, Including Procurements of Materials and Equipment:** In all solicitations either by competitive bidding or negotiation made by ADMINISTERING AGENCY for work to be performed under a Sub-agreement, including procurements of materials or leases of equipment, each potential sub-applicant or supplier shall be notified by ADMINISTERING AGENCY of the ADMINISTERING AGENCY's obligations under this Agreement and the REGULATIONS relative to nondiscrimination on the grounds of race, color, or national origin.

(4) **Information and Reports:** ADMINISTERING AGENCY shall provide all information and reports required by the REGULATIONS, or directives issued pursuant thereto, and shall permit access to ADMINISTERING AGENCY's books, records, accounts, other sources of information, and its facilities as may be determined by STATE or FHWA to be pertinent to ascertain compliance with such REGULATIONS or directives. Where any information required of ADMINISTERING AGENCY is in the exclusive possession of another who fails or refuses to furnish this information, ADMINISTERING AGENCY shall so certify to STATE or the FHWA as appropriate, and shall set forth what efforts ADMINISTERING AGENCY has made to obtain the information.

(5) **Sanctions for Noncompliance:** In the event of ADMINISTERING AGENCY's noncompliance with the nondiscrimination provisions of this agreement, STATE shall impose such agreement sanctions as it or the FHWA may determine to be appropriate, including, but not limited to:

(a) withholding of payments to ADMINISTERING AGENCY under the Agreement within a reasonable period of time, not to exceed 90 days; and/or

(b) cancellation, termination or suspension of the Agreement, in whole or in part.

(6) Incorporation of Provisions: ADMINISTERING AGENCY shall include the provisions of paragraphs (1) through (6) in every sub-agreement, including procurements of materials and leases of equipment, unless exempt by the REGULATIONS, or directives issued pursuant thereto. ADMINISTERING AGENCY shall take such action with respect to any sub-agreement or procurement as STATE or FHWA may direct as a means of enforcing such provisions including sanctions for noncompliance, provided, however, that, in the event ADMINISTERING AGENCY becomes involved in, or is threatened with, litigation with a sub-applicant or supplier as a result of such direction, ADMINISTERING AGENCY may request STATE enter into such litigation to protect the interests of STATE, and, in addition, ADMINISTERING AGENCY may request the United States to enter into such litigation to protect the interests of the United States.

The following clauses shall be included in any and all deeds effecting or recording the transfer of PROJECT real property, structures or improvements thereon, or interest therein from the United States.

(GRANTING CLAUSE)

NOW, THEREFORE, the U.S. Department of Transportation, as authorized by law, and upon the condition that ADMINISTERING AGENCY will accept title to the lands and maintain the project constructed thereon, in accordance with Title 23, United States Code, the Regulations for the Administration of federal-aid for Highways and the policies and procedures prescribed by the Federal Highway Administration of the Department of Transportation and, also in accordance with and in compliance with the Regulations pertaining to and effectuating the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252; 42 U.S.C. 2000d to 2000d-4), does hereby remise, release, quitclaim and convey unto the ADMINISTERING AGENCY all the right, title, and interest of the U.S. Department of Transportation in, and to, said lands described in Exhibit "A" attached hereto and made a part hereof.

(HABENDUM CLAUSE)

TO HAVE AND TO HOLD said lands and interests therein unto ADMINISTERING AGENCY and its successors forever, subject, however, to the covenant, conditions, restrictions and reservations herein contained as follows, which will remain in effect for the period during which the real property or structures are used for a purpose for which federal financial assistance is extended or for another purpose involving the provision of similar services or benefits and shall be binding on ADMINISTERING AGENCY, its successors and assigns.

ADMINISTERING AGENCY, in consideration of the conveyance of said lands and interests in lands, does hereby covenant and agree as a covenant running with the land for itself, its successors and assigns,

(1) that no person shall on the grounds of race, color, sex, national origin, religion, age or disability, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination with regard to any facility located wholly or in part on, over, or under such lands hereby conveyed (:) (and) *

(2) that ADMINISTERING AGENCY shall use the lands and interests in lands so conveyed, in compliance with all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in federally-assisted programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended (:) and

(3) that in the event of breach of any of the above-mentioned nondiscrimination conditions, the U.S. Department of Transportation shall have a right to re-enter said lands and facilities on said land, and the above-described land and facilities shall thereon revert to and vest in and become the absolute property of the U.S. Department of Transportation and its assigns as such interest existed prior to this deed.*

* Reverter clause and related language to be used only when it is determined that such a clause is necessary in order to effectuate the purposes of Title VI of the Civil Rights Act of 1964.

APPENDIX C TO EXHIBIT B

The following clauses shall be included in any and all deeds, licenses, leases, permits, or similar instruments entered into by ADMINISTERING AGENCY, pursuant to the provisions of Assurance 7(a) of Exhibit B.

The grantee (licensee, lessee, permittee, etc., as appropriate) for himself, his heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree (in the case of deeds and leases add "as covenant running with the land") that in the event facilities are constructed, maintained, or otherwise operated on the said property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation program or activity is extended or for another purpose involving the provision of similar services or benefits, the (grantee, licensee, lessee, permittee, etc.), shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, U.S. Department of Transportation, Subtitle A, Office of Secretary, Part 21, Nondiscrimination in federally-assisted programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

(Include in licenses, leases, permits, etc.)*

That in the event of breach of any of the above nondiscrimination covenants, ADMINISTERING AGENCY shall have the right to terminate the (license, lease, permit etc.) and to re-enter and repossess said land and the facilities thereon, and hold the same as if said (license, lease, permit, etc.) had never been made or issued.

(Include in deeds)*

That in the event of breach of any of the above nondiscrimination covenants, ADMINISTERING AGENCY shall have the right to re-enter said land and facilities thereon, and the above-described lands and facilities shall thereupon revert to and vest in and become the absolute property of ADMINISTERING AGENCY and its assigns.

* Reverter clause and related language to be used only when it is determined that such a clause is necessary in order to effectuate the purposes of Title VI of the Civil Rights Act of 1964.

APPENDIX D TO EXHIBIT B

The following shall be included in all deeds, licenses, leases, permits, or similar agreements entered into by the ADMINISTERING AGENCY, pursuant to the provisions of Assurance 7 (b) of Exhibit B.

The grantee (licensee, lessee, permittee, etc., as appropriate) for himself, his personal representatives, successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree (in the case of deeds, and leases add "as a covenant running with the land") that:

(1) no person on the ground of race, color, sex, national origin, religion, age or disability, shall be excluded from participation in, denied the benefits of, or otherwise subjected to discrimination in the use of said facilities;

(2) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the ground of race, color, sex, national origin, religion, age or disability shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; and

(3) that the (grantee, licensee, lessee, permittee, etc.,) shall use the premises in compliance with the Regulations.

(Include in licenses, leases, permits, etc.)*

That in the event of breach of any of the above nondiscrimination covenants, ADMINISTERING AGENCY shall have the right to terminate the (license, lease, permit, etc.) and to re-enter and repossess said land and the facilities thereon, and hold the same as if said (license, lease, permit, etc.) had never been made or issued.

(Include in deeds)*

That in the event of breach of any of the above nondiscrimination covenants, ADMINISTERING AGENCY shall have the right to re-enter said land and facilities thereon, and the above-described lands and facilities shall thereupon revert to and vest in and become the absolute property of ADMINISTERING AGENCY, and its assigns.

* Reverter clause and related language to be used only when it is determined that such a clause is necessary in order to effectuate the purposes of Title VI of the Civil Rights Act of 1964.

MASTER AGREEMENT
ADMINISTERING AGENCY-STATE AGREEMENT FOR
FEDERAL-AID PROJECTS

ITEM 6A

31 of 72

03 City of Colfax

District Administering Agency

Agreement No. 03-5187F15

This AGREEMENT, is entered into effective this _____ day of _____, 20____, by and between City of Colfax, hereinafter referred to as "ADMINISTERING AGENCY," and the State of California, acting by and through its Department of Transportation (Caltrans), hereinafter referred to as "STATE", and together referred to as "PARTIES" or individually as a "PARTY."

RECITALS:

1. WHEREAS, the Congress of the United States has enacted the Intermodal Surface Transportation Efficiency Act (ISTEA) of 1991 and subsequent Transportation Authorization Bills to fund transportation programs; and
2. WHEREAS, the Legislature of the State of California has enacted legislation by which certain federal-aid funds may be made available for use on local transportation related projects of public entities qualified to act as recipients of these federal-aid funds in accordance with the intent of federal law; and
3. WHEREAS, before federal funds will be made available for a specific program project, ADMINISTERING AGENCY and STATE are required to enter into an agreement to establish terms and conditions applicable to the ADMINISTERING AGENCY when receiving federal funds for a designated PROJECT facility and to the subsequent operation and maintenance of that completed facility.

NOW, THEREFORE, the PARTIES agree as follows:

ARTICLE I - PROJECT ADMINISTRATION

1. This AGREEMENT shall have no force or effect with respect to any program project unless and until a project-specific "Authorization/Agreement Summary", herein referred to as "E-76" document, is approved by STATE and the Federal Highway Administration (FHWA).
2. The term "PROJECT", as used herein, means that authorized transportation related project and related activities financed in part with federal-aid funds as more fully-described in an "Authorization/ Agreement Summary" or "Amendment/Modification Summary", herein referred to as "E-76" or "E-76 (AMOD)" document authorized by STATE and the Federal Highway Administration (FHWA).
3. The E-76/E-76 (AMOD) shall designate the party responsible for implementing PROJECT, type of work and location of PROJECT.
4. The PROGRAM SUPPLEMENT sets out special covenants as a condition for the ADMINISTERING AGENCY to receive federal-aid funds from/through STATE for designated PROJECT. The PROGRAM SUPPLEMENT shall also show these federal funds that have been initially encumbered for PROJECT along with the matching funds to be provided by ADMINISTERING AGENCY and/or others. Execution of PROGRAM SUPPLEMENT by the PARTIES shall cause ADMINISTERING AGENCY to adopt all of the terms of this AGREEMENT as though fully set forth therein in the PROGRAM SUPPLEMENT. Unless otherwise expressly delegated in a resolution by the governing body of ADMINISTERING AGENCY, and with written concurrence by STATE, the PROGRAM SUPPLEMENT shall be approved and managed by the governing body of ADMINISTERING AGENCY.
5. ADMINISTERING AGENCY agrees to execute and return each project-specific PROGRAM SUPPLEMENT within ninety (90) days of receipt. The PARTIES agree that STATE may suspend future authorizations/obligations and invoice payments for any on-going or future federal-aid project performed by ADMINISTERING AGENCY if any project-specific PROGRAM SUPPLEMENT is not returned within that ninety (90) day period unless otherwise agreed by STATE in writing.
6. ADMINISTERING AGENCY further agrees, as a condition to the release and payment of federal funds encumbered for the PROJECT described in each PROGRAM SUPPLEMENT, to comply with the terms and conditions of this AGREEMENT and all of the agreed-upon Special Covenants or Remarks incorporated within the PROGRAM SUPPLEMENT, and Cooperative/Contribution Agreement where appropriate, defining and identifying the nature of the specific PROJECT.
7. Federal, state and matching funds will not participate in PROJECT work performed in advance of the approval of the E-76 or E-76 (AMOD), unless otherwise stated in the executed project-specific PROGRAM SUPPLEMENT. ADMINISTERING AGENCY agrees that it will only proceed with the work authorized for that specific phase(s) on the project-specific E-76 or E-76 (AMOD). ADMINISTERING AGENCY further agrees to not proceed with future phases of PROJECT prior to receiving an E-76 (AMOD) from STATE for that phase(s) unless no further federal funds are needed or for those future phase(s).

8. That PROJECT or portions thereof, must be included in a federally approved Federal Statewide Transportation Improvement Program (FSTIP) prior to ADMINISTERING AGENCY submitting the "Request for Authorization".

9. ADMINISTERING AGENCY shall conform to all state statutes, regulations and procedures (including those set forth in the Local Assistance Procedures Manual and the Local Assistance Program Guidelines, hereafter collectively referred to as "LOCAL ASSISTANCE PROCEDURES") relating to the federal-aid program, all Title 23 Code of Federal Regulation (CFR) and 2 CFR part 200 federal requirements, and all applicable federal laws, regulations, and policy and procedural or instructional memoranda, unless otherwise specifically waived as designated in the executed project-specific PROGRAM SUPPLEMENT.

10. If PROJECT is not on STATE-owned right of way, PROJECT shall be constructed in accordance with LOCAL ASSISTANCE PROCEDURES that describes minimum statewide design standards for local agency streets and roads. LOCAL ASSISTANCE PROCEDURES for projects off the National Highway System (NHS) allow STATE to accept either the STATE's minimum statewide design standards or the approved geometric design standards of ADMINISTERING AGENCY. Additionally, for projects off the NHS, STATE will accept ADMINISTERING AGENCY-approved standard specifications, standard plans, materials sampling and testing quality assurance programs that meet the conditions described in the then current LOCAL ASSISTANCE PROCEDURES.

11. If PROJECT involves work within or partially within STATE-owned right-of-way, that PROJECT shall also be subject to compliance with the policies, procedures and standards of the STATE Project Development Procedures Manual and Highway Design Manual and, where appropriate, an executed Cooperative Agreement between STATE and ADMINISTERING AGENCY that outlines the PROJECT responsibilities and respective obligations of the PARTIES. ADMINISTERING AGENCY and its contractors shall each obtain an encroachment permit through STATE prior to commencing any work within STATE rights of way or work which affects STATE facilities.

12. When PROJECT is not on the State Highway System but includes work to be performed by a railroad, the contract for such work shall be prepared by ADMINISTERING AGENCY or by STATE, as the PARTIES may hereafter agree. In either event, ADMINISTERING AGENCY shall enter into an agreement with the railroad providing for future maintenance of protective devices or other facilities installed under the contract.

13. If PROJECT is using STATE funds, the Department of General Services, Division of the State Architect, or its designee, shall review the contract PS&E for the construction of buildings, structures, sidewalks, curbs and related facilities for accessibility and usability. ADMINISTERING AGENCY shall not award a PROJECT construction contract for these types of improvements until the State Architect has issued written approval stating that the PROJECT plans and specifications comply with the provisions of sections 4450 and 4454 of the California Government Code, if applicable. Further requirements and guidance are provided in Title 24 of the California Code of Regulations.

14. ADMINISTERING AGENCY will advertise, award and administer PROJECT in accordance with the current LOCAL ASSISTANCE PROCEDURES unless otherwise stated in the executed project-specific PROGRAM SUPPLEMENT.

15. ADMINISTERING AGENCY shall provide or arrange for adequate supervision and inspection of each PROJECT. While consultants may perform supervision and inspection work for PROJECT with a fully qualified and licensed engineer, ADMINISTERING AGENCY shall provide a full-time employee to be in responsible charge of each PROJECT who is not a consultant.

16. ADMINISTERING AGENCY shall submit PROJECT-specific contract award documents to STATE's District Local Assistance Engineer within sixty (60) days after contract award. A copy of the award documents shall also be included with the submittal of the first invoice for a construction contract by ADMINISTERING AGENCY.

17. ADMINISTERING AGENCY shall submit the final report documents that collectively constitute a "Report of Expenditures" within one hundred eighty (180) days of PROJECT completion. Failure by ADMINISTERING AGENCY to submit a "Report of Expenditures" within one hundred eighty (180) days of project completion will result in STATE imposing sanctions upon ADMINISTERING AGENCY in accordance with the current LOCAL ASSISTANCE PROCEDURES.

18. ADMINISTERING AGENCY shall comply with: (i) section 504 of the Rehabilitation Act of 1973 which prohibits discrimination on the basis of disability in federally assisted programs; (ii) the Americans with Disabilities Act (ADA) of 1990 which prohibits discrimination on the basis of disability irrespective of funding; and (iii) all applicable regulations and guidelines issued pursuant to both the Rehabilitation Act and the ADA.

19. The Congress of the United States, the Legislature of the State of California and the Governor of the State of California, each within their respective jurisdictions, have prescribed certain nondiscrimination requirements with respect to contract and other work financed with public funds. ADMINISTERING AGENCY agrees to comply with the requirements of the FAIR EMPLOYMENT PRACTICES ADDENDUM (Exhibit A attached hereto) and the NONDISCRIMINATION ASSURANCES (Exhibit B attached hereto). ADMINISTERING AGENCY further agrees that any agreement entered into by ADMINISTERING AGENCY with a third party for performance of PROJECT-related work shall incorporate Exhibits A and B (with third party's name replacing ADMINISTERING AGENCY) as essential parts of such agreement to be enforced by that third party as verified by ADMINISTERING AGENCY.

1. No contract for the construction of a federal-aid PROJECT shall be awarded until all necessary rights of way have been secured. Prior to the advertising for construction of PROJECT, ADMINISTERING AGENCY shall certify and, upon request, shall furnish STATE with evidence that all necessary rights of way are available for construction purposes or will be available by the time of award of the construction contract.
2. ADMINISTERING AGENCY agrees to indemnify and hold STATE harmless from any liability that may result in the event the right of way for a PROJECT, including, but not limited to, being clear as certified or if said right of way is found to contain hazardous materials requiring treatment or removal to remediate in accordance with Federal and State laws. The furnishing of right of way as provided for herein includes, in addition to all real property required for the PROJECT, title free and clear of obstructions and encumbrances affecting PROJECT and the payment, as required by applicable law, of relocation costs and damages to remainder real property not actually taken but injuriously affected by PROJECT. ADMINISTERING AGENCY shall pay, from its own non-matching funds, any costs which arise out of delays to the construction of PROJECT because utility facilities have not been timely removed or relocated, or because rights of way were not available to ADMINISTERING AGENCY for the orderly prosecution of PROJECT work.
3. Subject to STATE approval and such supervision as is required by LOCAL ASSISTANCE PROCEDURES over ADMINISTERING AGENCY's right of way acquisition procedures, ADMINISTERING AGENCY may claim reimbursement from federal funds for expenditures incurred in purchasing only the necessary rights of way needed for the PROJECT after crediting PROJECT with the fair market value of any excess property retained and not disposed of by ADMINISTERING AGENCY.
4. When real property rights are to be acquired by ADMINISTERING AGENCY for a PROJECT, said ADMINISTERING AGENCY must carry out that acquisition in compliance with all applicable State and Federal laws and regulations, in accordance with State procedures as published in State's current LOCAL ASSISTANCE PROCEDURES and STATE's Right-of-Way Manual, subject to STATE oversight to ensure that the completed work is acceptable under the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended.
5. Whether or not federal-aid is to be requested for right of way, should ADMINISTERING AGENCY, in acquiring right of way for PROJECT, displace an individual, family, business, farm operation, or non-profit organization, relocation payments and services will be provided as set forth in 49 CFR, Part 24. The public will be adequately informed of the relocation payments and services which will be available, and, to the greatest extent practicable, no person lawfully occupying real property shall be required to move from his/her dwelling or to move his/her business or farm operation without at least ninety (90) days written notice from ADMINISTERING AGENCY. ADMINISTERING AGENCY will provide STATE with specific assurances, on each portion of the PROJECT, that no person will be displaced until comparable decent, safe and sanitary replacement housing is available within a reasonable period of time prior to displacement, and that ADMINISTERING AGENCY's relocation program is realistic and adequate to provide orderly, timely and efficient relocation of PROJECT-displaced persons as provided in 49 CFR, Part 24.

6. ADMINISTERING AGENCY shall, along with recording the deed or instrument evidencing the same in the name of the ADMINISTERING AGENCY or their assignee, also record an Agreement Declaring Restrictive Covenants (ADRC) as a separate document incorporating the assurances included within Exhibits A and B and Appendices A, B, C and D of this AGREEMENT, as appropriate.

ARTICLE III - MAINTENANCE AND MANAGEMENT

1. ADMINISTERING AGENCY will maintain and operate the property acquired, developed, constructed, rehabilitated, or restored by PROJECT for its intended public use until such time as the parties might amend this AGREEMENT to otherwise provide. With the approval of STATE, ADMINISTERING AGENCY or its successors in interest in the PROJECT property may transfer this obligation and responsibility to maintain and operate PROJECT property for that intended public purpose to another public entity.
2. Upon ADMINISTERING AGENCY's acceptance of the completed federal-aid construction contract or upon contractor being relieved of the responsibility for maintaining and protecting PROJECT, ADMINISTERING AGENCY will be responsible for the maintenance, ownership, liability, and the expense thereof, for PROJECT in a manner satisfactory to the authorized representatives of STATE and FHWA and if PROJECT falls within the jurisdictional limits of another Agency or Agencies, it is the duty of ADMINISTERING AGENCY to facilitate a separate maintenance agreement(s) between itself and the other jurisdictional Agency or Agencies providing for the operation, maintenance, ownership and liability of PROJECT. Until those agreements are executed, ADMINISTERING AGENCY will be responsible for all PROJECT operations, maintenance, ownership and liability in a manner satisfactory to the authorized representatives of STATE and FHWA. If, within ninety (90) days after receipt of notice from STATE that a PROJECT, or any portion thereof, is not being properly operated and maintained and ADMINISTERING AGENCY has not satisfactorily remedied the conditions complained of, the approval of future federal-aid projects of ADMINISTERING AGENCY will be withheld until the PROJECT shall have been put in a condition of operation and maintenance satisfactory to STATE and FHWA. The provisions of this section shall not apply to a PROJECT that has been vacated through due process of law with STATE's concurrence.
3. PROJECT and its facilities shall be maintained by an adequate and well-trained staff of engineers and/or such other professionals and technicians as PROJECT reasonably requires. Said operations and maintenance staff may be employees of ADMINISTERING AGENCY, another unit of government, or a contractor under agreement with ADMINISTERING AGENCY. All maintenance will be performed at regular intervals or as required for efficient operation of the complete PROJECT improvements.

ARTICLE IV - FISCAL PROVISIONS

1. All contractual obligations of STATE are subject to the appropriation of resources by the Legislature and the allocation of resources by the California Transportation Commission (CTC).
2. STATE'S financial commitment of federal funds will occur only upon the execution of this AGREEMENT, the authorization of the project-specific E-76 or E-76 (AMOD), the execution of each project-specific PROGRAM SUPPLEMENT, and STATE's approved finance letter.
3. ADMINISTERING AGENCY may submit signed invoices in arrears for reimbursement of participating PROJECT costs on a regular basis once the project-specific PROGRAM SUPPLEMENT has been executed by STATE.
4. ADMINISTERING AGENCY agrees, at a minimum, to submit invoices at least once every six (6) months commencing after the funds are encumbered on either the project-specific PROGRAM SUPPLEMENT or through a project-specific finance letter approved by STATE. STATE reserves the right to suspend future authorizations/obligations, and invoice payments for any on-going or future federal-aid project by ADMINISTERING AGENCY if PROJECT costs have not been invoiced by ADMINISTERING AGENCY for a six (6) month period.
5. Invoices shall be submitted on ADMINISTERING AGENCY letterhead that includes the address of ADMINISTERING AGENCY and shall be formatted in accordance with LOCAL ASSISTANCE PROCEDURES.
6. ADMINISTERING AGENCY must have at least one copy of supporting backup documentation for costs incurred and claimed for reimbursement by ADMINISTERING AGENCY. ADMINISTERING AGENCY agrees to submit supporting backup documentation with invoices if requested by State. Acceptable backup documentation includes, but is not limited to, agency's progress payment to the contractors, copies of cancelled checks showing amounts made payable to vendors and contractors, and/or a computerized summary of PROJECT costs.
7. Payments to ADMINISTERING AGENCY can only be released by STATE as reimbursement of actual allowable PROJECT costs already incurred and paid for by ADMINISTERING AGENCY.
8. Indirect Cost Allocation Plans/Indirect Cost Rate Proposals (ICAP/ICRP), Central Service Cost Allocation Plans and related documentation are to be prepared and provided to STATE (Caltrans Audits & Investigations) for review and approval prior to ADMINISTERING AGENCY seeking reimbursement of indirect costs incurred within each fiscal year being claimed for State and federal reimbursement. ICAPs/ICRPs must be prepared in accordance with the requirements set forth in 2 CFR, Part 200, Chapter 5 of the Local Assistance Procedural Manual, and the ICAP/ICRP approval procedures established by STATE.
9. Once PROJECT has been awarded, STATE reserves the right to de-obligate any excess federal funds from the construction phase of PROJECT if the contract award amount is less than the obligated amount, as shown on the PROJECT E-76 or E-76 (AMOD).
10. STATE will withhold the greater of either two (2) percent of the total of all federal funds encumbered for each PROGRAM SUPPLEMENT or \$40,000 until ADMINISTERING AGENCY submits the Final Report of Expenditures for each completed PROGRAM SUPPLEMENT PROJECT.

11. The estimated total cost of PROJECT, the amount of federal funds obligated, and the required matching funds may be adjusted by mutual consent of the PARTIES hereto with a finance letter, a detailed estimate, if required, and approved E-76 (AMOD). Federal-aid funding may be increased to cover PROJECT cost increases only if such funds are available and FHWA concurs with that increase.
12. When additional federal-aid funds are not available, ADMINISTERING AGENCY agrees that the payment of federal funds will be limited to the amounts authorized on the PROJECT specific E-76 / E-76 (AMOD) and agrees that any increases in PROJECT costs must be defrayed with ADMINISTERING AGENCY's own funds.
13. ADMINISTERING AGENCY shall use its own non-federal funds to finance the local share of eligible costs and all expenditures or contract items ruled ineligible for financing with federal funds. STATE shall make the determination of ADMINISTERING AGENCY's cost eligibility for federal fund financing of PROJECT costs.
14. ADMINISTERING AGENCY will reimburse STATE for STATE's share of costs for work performed by STATE at the request of ADMINISTERING AGENCY. STATE's costs shall include overhead assessments in accordance with section 8755.1 of the State Administrative Manual.
15. Federal and state funds allocated from the State Transportation Improvement Program (STIP) are subject to the timely use of funds provisions enacted by Senate Bill 45, approved in 1997, and subsequent STIP Guidelines and State procedures approved by the CTC and STATE.
16. Federal funds encumbered for PROJECT are available for liquidation for a period of six (6) years from the beginning of the State fiscal year the funds were appropriated in the State Budget. State funds encumbered for PROJECT are available for liquidation only for six (6) years from the beginning of the State fiscal year the funds were appropriated in the State Budget. Federal or state funds not liquidated within these periods will be reverted unless a Cooperative Work Agreement (CWA) is submitted by ADMINISTERING AGENCY and approved by the California Department of Finance (per Government Code section 16304). The exact date of fund reversion will be reflected in the STATE signed finance letter for PROJECT.
17. Payments to ADMINISTERING AGENCY for PROJECT-related travel and subsistence (per diem) expenses of ADMINISTERING AGENCY forces and its contractors and subcontractors claimed for reimbursement or as local match credit shall not exceed rates authorized to be paid rank and file STATE employees under current State Department of Personnel Administration (DPA) rules. If the rates invoiced by ADMINISTERING AGENCY are in excess of DPA rates, ADMINISTERING AGENCY is responsible for the cost difference, and any overpayments inadvertently paid by STATE shall be reimbursed to STATE by ADMINISTERING AGENCY on demand within thirty (30) days of such invoice.
18. ADMINISTERING AGENCY agrees to comply with 2 CFR, Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirement for Federal Awards.
19. ADMINISTERING AGENCY agrees, and will ensure that its contractors and subcontractors will be obligated to agree, that Contract Cost Principles and Procedures, 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31, et seq., shall be used to determine the allowability of individual PROJECT cost items.

20. Every sub-recipient receiving PROJECT funds under this AGREEMENT shall comply with 2 CFR, Part 200, 23 CFR, 48 CFR Chapter 1, Part 31, Local Assistance Procedures, Public Contract Code (PCC) 10300-10334 (procurement of goods), PCC 10335-10381 (non-A&E services), and other applicable STATE and FEDERAL regulations.

21. Any PROJECT costs for which ADMINISTERING AGENCY has received payment or credit that are determined by subsequent audit to be unallowable under 2 CFR, Part 200, 23 CFR, 48 CFR, Chapter 1, Part 31, and other applicable STATE and FEDERAL regulations, are subject to repayment by ADMINISTERING AGENCY to STATE.

22. Should ADMINISTERING AGENCY fail to refund any moneys due upon written demand by STATE as provided hereunder or should ADMINISTERING AGENCY breach this AGREEMENT by failing to complete PROJECT without adequate justification and approval by STATE, then, within thirty 30 days of demand, or within such other period as may be agreed to in writing between the PARTIES, STATE, acting through the State Controller, the State Treasurer, or any other public entity or agency, may withhold or demand a transfer of an amount equal to the amount paid by or owed to STATE from future apportionments, or any other funds due ADMINISTERING AGENCY from the Highway Users Tax Fund or any other sources of funds, and/or may withhold approval of future ADMINISTERING AGENCY federal-aid projects.

23. Should ADMINISTERING AGENCY be declared to be in breach of this AGREEMENT or otherwise in default thereof by STATE, and if ADMINISTERING AGENCY is constituted as a joint powers authority, special district, or any other public entity not directly receiving funds through the State Controller, STATE is authorized to obtain reimbursement from whatever sources of funding are available, including the withholding or transfer of funds, pursuant to Article IV - 22, from those constituent entities comprising a joint powers authority or by bringing of an action against ADMINISTERING AGENCY or its constituent member entities, to recover all funds provided by STATE hereunder.

24. ADMINISTERING AGENCY acknowledges that the signatory party represents the ADMINISTERING AGENCY and further warrants that there is nothing within a Joint Powers Agreement, by which ADMINISTERING AGENCY was created, if any exists, that would restrict or otherwise limit STATE's ability to recover State funds improperly spent by ADMINISTERING AGENCY in contravention of the terms of this AGREEMENT.

ARTICLE V

AUDITS, THIRD PARTY CONTRACTING, RECORDS RETENTION AND REPORTS

1. STATE reserves the right to conduct technical and financial audits of PROJECT work and records and ADMINISTERING AGENCY agrees, and shall require its contractors and subcontractors to agree, to cooperate with STATE by making all appropriate and relevant PROJECT records available for audit and copying as required by paragraph three (3) of ARTICLE V.
2. ADMINISTERING AGENCY, its contractors and subcontractors shall establish and maintain a financial management system and records that properly accumulate and segregate reasonable, allowable, and allocable incurred PROJECT costs and matching funds by line item for the PROJECT. The financial management system of ADMINISTERING AGENCY, its contractors and all subcontractors shall conform to Generally Accepted Accounting Principles, enable the determination of incurred costs at interim points of completion, and provide support for reimbursement payment vouchers or invoices sent to or paid by STATE.
3. ADMINISTERING AGENCY, ADMINISTERING AGENCY's contractors and subcontractors, and STATE shall each maintain and make available for inspection and audit by STATE, the California State Auditor, or any duly authorized representative of STATE or the United States all books, documents, papers, accounting records, and other evidence pertaining to the performance of such contracts, including, but not limited to, the costs of administering those various contracts and ADMINISTERING AGENCY shall furnish copies thereof if requested. All of the above referenced parties shall make such AGREEMENT, PROGRAM SUPPLEMENT and contract materials available at their respective offices at all reasonable times during the entire PROJECT period and for three (3) years from the date of submission of the final expenditure report by the STATE to the FHWA.
4. ADMINISTERING AGENCY is required to have an audit in accordance with the Single Audit Act of 2 CFR 200 if it expends \$750,000 or more in Federal Funds in a single fiscal year. The Federal Funds received under a PROGRAM SUPPLEMENT are a part of the Catalogue of Federal Domestic Assistance (CFDA) 20.205.
5. ADMINISTERING AGENCY agrees to include all PROGRAM SUPPLEMENTS adopting the terms of this AGREEMENT in the schedule of projects to be examined in ADMINISTERING AGENCY's annual audit and in the schedule of projects to be examined under its single audit prepared in accordance with 2 CFR, Part 200.
6. ADMINISTERING AGENCY shall not award a non-A&E contract over \$5,000, construction contract over \$10,000, or other contracts over \$25,000 (excluding professional service contracts of the type which are required to be procured in accordance with Government Code sections 4525 (d), (e) and (f)) on the basis of a noncompetitive negotiation for work to be performed under this AGREEMENT without the prior written approval of STATE. Contracts awarded by ADMINISTERING AGENCY, if intended as local match credit, must meet the requirements set forth in this AGREEMENT regarding local match funds.

7. Any subcontract entered into by ADMINISTERING AGENCY as a result of this **AGREEMENT** shall contain provisions 5, 6, 17, 19 and 20 of ARTICLE IV, FISCAL PROVISIONS, and provisions 1, 2, and 3 of this ARTICLE V, AUDITS, THIRD-PARTY CONTRACTING RECORDS RETENTION AND REPORTS.

8. To be eligible for local match credit, ADMINISTERING AGENCY must ensure that local match funds used for a PROJECT meet the fiscal provisions requirements outlined in ARTICLE IV in the same manner as required of all other PROJECT expenditures.

9. In addition to the above, the pre-award requirements of third-party contractor/consultants with ADMINISTERING AGENCY should be consistent with the LOCAL ASSISTANCE PROCEDURES.

1. By execution of this AGREEMENT, ADMINISTERING AGENCY certifies, to the best of the signatory officer's knowledge and belief, that:

A. No federal or state appropriated funds have been paid or will be paid, by or on behalf of ADMINISTERING AGENCY, to any person for influencing or attempting to influence an officer or employee of any STATE or federal agency, a member of the State Legislature or United States Congress, an officer or employee of the Legislature or Congress, or any employee of a Member of the Legislature or Congress in connection with the awarding of any STATE or federal contract, including this AGREEMENT, the making of any STATE or federal loan, the entering into of any cooperative contract, and the extension, continuation, renewal, amendment, or modification of any STATE or federal contract, grant, loan, or cooperative contract.

B. If any funds other than federal appropriated funds have been paid, or will be paid, to any person for influencing or attempting to influence an officer or employee of any federal agency, a member of Congress, an officer or employee of Congress or an employee of a member of Congress in connection with this AGREEMENT, grant, local, or cooperative contract, ADMINISTERING AGENCY shall complete and submit Standard Form-LLL, "Disclosure Form to Rep Lobbying," in accordance with the form instructions.

C. This certification is a material representation of fact upon which reliance was placed when this AGREEMENT and each PROGRAM SUPPLEMENT was or will be made or entered into. Submission of this certification is a prerequisite for making or entering into this AGREEMENT imposed by Section 1352, Title 31, United States Code. Any party who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

2. ADMINISTERING AGENCY also agrees by signing this AGREEMENT that the language of this certification will be included in all lower tier sub-agreements which exceed \$100,000 and that all such sub-recipients shall certify and disclose accordingly.

1. ADMINISTERING AGENCY agrees to use all state funds reimbursed hereunder only for transportation purposes that are in conformance with Article XIX of the California State Constitution and the relevant Federal Regulations.
2. This AGREEMENT is subject to any additional restrictions, limitations, conditions, or any statute enacted by the State Legislature or adopted by the CTC that may affect the provisions, terms, or funding of this AGREEMENT in any manner.
3. ADMINISTERING AGENCY and the officers and employees of ADMINISTERING AGENCY, when engaged in the performance of this AGREEMENT, shall act in an independent capacity and not as officers, employees or agents of STATE or the federal government.
4. Each project-specific E-76 or E-76 (AMOD), PROGRAM SUPPLEMENT and Finance Letter shall separately establish the terms and funding limits for each described PROJECT funded under the AGREEMENT. No federal or state funds are obligated against this AGREEMENT.
5. ADMINISTERING AGENCY certifies that neither ADMINISTERING AGENCY nor its principals are suspended or debarred at the time of the execution of this AGREEMENT. ADMINISTERING AGENCY agrees that it will notify STATE immediately in the event a suspension or a debarment occurs after the execution of this AGREEMENT.
6. ADMINISTERING AGENCY warrants, by execution of this AGREEMENT, that no person or selling agency has been employed or retained to solicit or secure this AGREEMENT upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by ADMINISTERING AGENCY for the purpose of securing business. For breach or violation of this warranty, STATE has the right to annul this AGREEMENT without liability, pay only for the value of the work actually performed, or in STATE's discretion, to deduct from the price of consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.
7. In accordance with Public Contract Code section 10296, ADMINISTERING AGENCY hereby certifies under penalty of perjury that no more than one final unappealable finding of contempt of court by a federal court has been issued against ADMINISTERING AGENCY within the immediate preceding two (2) year period because of ADMINISTERING AGENCY's failure to comply with an order of a federal court that orders ADMINISTERING AGENCY to comply with an order of the National Labor Relations Board.
8. ADMINISTERING AGENCY shall disclose any financial, business, or other relationship with STATE, FHWA or Federal Transit Administration (FTA) that may have an impact upon the outcome of this AGREEMENT. ADMINISTERING AGENCY shall also list current contractors who may have a financial interest in the outcome of this AGREEMENT.
9. ADMINISTERING AGENCY hereby certifies that it does not have nor shall it acquire any financial or business interest that would conflict with the performance of PROJECT under this AGREEMENT.

10. ADMINISTERING AGENCY warrants that this AGREEMENT was not obtained through rebates, kickbacks or other unlawful consideration either promised or paid to any STATE employee. For breach or violation of this warranty, STATE shall have the right, in its discretion, to terminate this AGREEMENT without liability, to pay only for the work actually performed, or to deduct from the PROGRAM SUPPLEMENT price or otherwise recover the full amount of such rebate, kickback, or other unlawful consideration.

11. Any dispute concerning a question of fact arising under this AGREEMENT that is not disposed of by agreement shall be decided by the STATE's Contract Officer who may consider any written or verbal evidence submitted by ADMINISTERING AGENCY. The decision of the Contract Officer, issued in writing, shall be conclusive and binding on the PARTIES on all questions of fact considered and determined by the Contract Officer.

12. Neither the pending of a dispute nor its consideration by the Contract Officer will excuse ADMINISTERING AGENCY from full and timely performance in accordance with the terms of this AGREEMENT.

13. Neither ADMINISTERING AGENCY nor any officer or employee thereof is responsible for any injury, damage or liability occurring by reason of anything done or omitted to be done by STATE, under or in connection with any work, authority or jurisdiction arising under this AGREEMENT. It is understood and agreed that STATE shall fully defend, indemnify and save harmless the ADMINISTERING AGENCY and all of its officers and employees from all claims, suits or actions of every name, kind and description brought forth under, including, but not limited to, tortious, contractual, inverse condemnation and other theories or assertions of liability occurring by reason of anything done or omitted to be done by STATE under this AGREEMENT.

14. Neither STATE nor any officer or employee thereof shall be responsible for any injury, damage or liability occurring by reason of anything done or omitted to be done by ADMINISTERING AGENCY under, or in connection with, any work, authority or jurisdiction arising under this AGREEMENT. It is understood and agreed that ADMINISTERING AGENCY shall fully defend, indemnify and save harmless STATE and all of its officers and employees from all claims, suits or actions of every name, kind and description brought forth under, including, but not limited to, tortious, contractual, inverse condemnation or other theories or assertions of liability occurring by reason of anything done or omitted to be done by ADMINISTERING AGENCY under this AGREEMENT.

15. STATE reserves the right to terminate funding for any PROJECT upon written notice to ADMINISTERING AGENCY in the event that ADMINISTERING AGENCY fails to proceed with PROJECT work in accordance with the project-specific PROGRAM SUPPLEMENT, the bonding requirements if applicable, or otherwise violates the conditions of this AGREEMENT and/or PROGRAM SUPPLEMENT, or the funding allocation such that substantial performance is significantly endangered.

16. No termination shall become effective if, within thirty (30) days after receipt of a Notice of Termination, ADMINISTERING AGENCY either cures the default involved or, if not reasonably susceptible of cure within said thirty (30) day period, ADMINISTERING AGENCY proceeds thereafter to complete the cure in a manner and time line acceptable to STATE. Any such termination shall be accomplished by delivery to ADMINISTERING AGENCY of a Notice of Termination, which notice shall become effective not less than thirty (30) days after receipt, specifying the reason for the termination, the extent to which funding of work under this AGREEMENT is terminated and the date upon which such termination becomes effective, if beyond thirty (30) days after receipt. During the period before the effective termination date, ADMINISTERING AGENCY and STATE shall meet to attempt to resolve any dispute. In the event of such termination, STATE may proceed with the PROJECT work in a manner deemed proper by STATE. If STATE terminates funding for PROJECT with ADMINISTERING AGENCY, STATE shall pay ADMINISTERING AGENCY the sum due ADMINISTERING AGENCY under the PROGRAM SUPPLEMENT and/or STATE approved finance letter prior to termination, provided, however, ADMINISTERING AGENCY is not in default of the terms and conditions of this AGREEMENT or the project-specific PROGRAM SUPPLEMENT and that the cost of PROJECT completion to STATE shall first be deducted from any sum due ADMINISTERING AGENCY.

17. In case of inconsistency or conflicts with the terms of this AGREEMENT and that of a project-specific PROGRAM SUPPLEMENT, the terms stated in that PROGRAM SUPPLEMENT shall prevail over those in this AGREEMENT.

18. Without the written consent of STATE, this AGREEMENT is not assignable by ADMINISTERING AGENCY either in whole or in part.

19. No alteration or variation of the terms of this AGREEMENT shall be valid unless made in writing and signed by the PARTIES, and no oral understanding or agreement not incorporated herein shall be binding on any of the PARTIES.

IN WITNESS WHEREOF, the PARTIES have executed this AGREEMENT by their duly authorized officers.

STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION

City of Colfax

By _____

By _____

Chief, Office of Project Implementation
Division of Local Assistance

City of Colfax
Representative Name & Title
(Authorized Governing Body Representative)

Date _____

Date _____

EXHIBIT A

FAIR EMPLOYMENT PRACTICES ADDENDUM

1. In the performance of this Agreement, ADMINISTERING AGENCY will not discriminate against any employee for employment because of race, color, sex, sexual orientation, religion, ancestry or national origin, physical disability, medical condition, marital status, political affiliation, family and medical care leave, pregnancy leave, or disability leave. ADMINISTERING AGENCY will take affirmative action to ensure that employees are treated during employment without regard to their race, sex, sexual orientation, color, religion, ancestry, or national origin, physical disability, medical condition, marital status, political affiliation, family and medical care leave, pregnancy leave, or disability leave. Such action shall include, but not be limited to, the following: employment; upgrading; demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. ADMINISTERING AGENCY shall post in conspicuous places, available to employees for employment, notices to be provided by STATE setting forth the provisions of this Fair Employment section.

2. ADMINISTERING AGENCY, its contractor(s) and all subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code Section 1290-0 et seq.), and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285.0 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, Section 12900(a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations are incorporated into this AGREEMENT by reference and made a part hereof as if set forth in full. Each of the ADMINISTERING AGENCY'S contractors and all subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreements, as appropriate.

3. ADMINISTERING AGENCY shall include the nondiscrimination and compliance provisions of this clause in all contracts and subcontracts to perform work under this AGREEMENT.

4. ADMINISTERING AGENCY will permit access to the records of employment, employment advertisements, application forms, and other pertinent data and records by STATE, the State Fair Employment and Housing Commission, or any other agency of the State of California designated by STATE, for the purposes of investigation to ascertain compliance with the Fair Employment section of this Agreement.

5. Remedies for Willful Violation:

(a) STATE may determine a willful violation of the Fair Employment provision to have occurred upon receipt of a final judgment to that effect from a court in an action to which ADMINISTERING AGENCY was a party, or upon receipt of a written notice from the Fair Employment and Housing Commission that it has investigated and determined that ADMINISTERING AGENCY has violated the Fair Employment Practices Act and had issued an order under Labor Code Section 1426 which has become final or has obtained an injunction under Labor Code Section 1429.

(b) For willful violation of this Fair Employment Provision, STATE shall have the right to terminate this Agreement either in whole or in part, and any loss or damage sustained by STATE in securing the goods or services thereunder shall be borne and paid for by ADMINISTERING AGENCY and by the surety under the performance bond, if any, and STATE may deduct from any moneys due or thereafter may become due to ADMINISTERING AGENCY, the difference between the price named in the Agreement and the actual cost thereof to STATE to cure ADMINISTERING AGENCY's breach of this Agreement.

EXHIBIT B

NONDISCRIMINATION ASSURANCES

ADMINISTERING AGENCY HEREBY AGREES THAT, as a condition to receiving any federal financial assistance from the STATE, acting for the U.S. Department of Transportation, it will comply with Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 U.S.C. 2000d-42 U.S.C. 2000d-4 (hereinafter referred to as the ACT), and all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, "Nondiscrimination in Federally-Assisted Programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964" (hereinafter referred to as the REGULATIONS), the Federal-aid Highway Act of 1973, and other pertinent directives, to the end that in accordance with the ACT, REGULATIONS, and other pertinent directives, no person in the United States shall, on the grounds of race, color, sex, national origin, religion, age or disability, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which ADMINISTERING AGENCY receives federal financial assistance from the Federal Department of Transportation. ADMINISTERING AGENCY HEREBY GIVES ASSURANCE THAT ADMINISTERING AGENCY will promptly take any measures necessary to effectuate this agreement. This assurance is required by subsection 21.7(a) (1) of the REGULATIONS.

More specifically, and without limiting the above general assurance, ADMINISTERING AGENCY hereby gives the following specific assurances with respect to its federal-aid Program:

1. That ADMINISTERING AGENCY agrees that each "program" and each "facility" as defined in subsections 21.23 (e) and 21.23 (b) of the REGULATIONS, will be (with regard to a "program") conducted, or will be (with regard to a "facility") operated in compliance with all requirements imposed by, or pursuant to, the REGULATIONS.

2. That ADMINISTERING AGENCY shall insert the following notification in all solicitations for bids for work or material subject to the REGULATIONS made in connection with the federal-aid Program and, in adapted form, in all proposals for negotiated agreements:

ADMINISTERING AGENCY hereby notifies all bidders that it will affirmatively ensure that in any agreement entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, sex, national origin, religion, age, or disability in consideration for an award.

3. That ADMINISTERING AGENCY shall insert the clauses of Appendix A of this assurance in every agreement subject to the ACT and the REGULATIONS.

4. That the clauses of Appendix B of this Assurance shall be included as a covenant running with the land, in any deed effecting a transfer of real property, structures, or improvements thereon, or interest therein.

5. That where ADMINISTERING AGENCY receives federal financial assistance to construct a facility, or part of a facility, the Assurance shall extend to the entire facility and facilities operated in connection therewith.
6. That where ADMINISTERING AGENCY receives federal financial assistance in the form, or for the acquisition, of real property or an interest in real property, the Assurance shall extend to rights to space on, over, or under such property.
7. That ADMINISTERING AGENCY shall include the appropriate clauses set forth in Appendix C and D of this Assurance, as a covenant running with the land, in any future deeds, leases, permits, licenses, and similar agreements entered into by the ADMINISTERING AGENCY with other parties:
- Appendix C;
- (a) for the subsequent transfer of real property acquired or improved under the federal-aid Program; and
- Appendix D;
- (b) for the construction or use of or access to space on, over, or under real property acquired, or improved under the federal-aid Program.
8. That this assurance obligates ADMINISTERING AGENCY for the period during which federal financial assistance is extended to the program, except where the federal financial assistance is to provide, or is in the form of, personal property or real property or interest therein, or structures, or improvements thereon, in which case the assurance obligates ADMINISTERING AGENCY or any transferee for the longer of the following periods:
- (a) the period during which the property is used for a purpose for which the federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits; or
- (b) the period during which ADMINISTERING AGENCY retains ownership or possession of the property.
9. That ADMINISTERING AGENCY shall provide for such methods of administration for the program as are found by the U.S. Secretary of Transportation, or the official to whom he delegates specific authority, to give reasonable guarantee that ADMINISTERING AGENCY, other recipients, sub-grantees, applicants, sub-applicants, transferees, successors in interest, and other participants of federal financial assistance under such program will comply with all requirements imposed by, or pursuant to, the ACT, the REGULATIONS, this Assurance and the Agreement.
10. That ADMINISTERING AGENCY agrees that the United States and the State of California have a right to seek judicial enforcement with regard to any matter arising under the ACT, the REGULATIONS, and this Assurance.

11. ADMINISTERING AGENCY shall not discriminate on the basis of race, religion, age, disability, color, national origin or sex in the award and performance of any STATE assisted contract or in the administration on its DBE Program or the requirements of 49 CFR Part 26. ADMINISTERING AGENCY shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure non-discrimination in the award and administration of STATE assisted contracts. ADMINISTERING AGENCY'S DBE Implementation Agreement is incorporated by reference in this AGREEMENT. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the recipient of its failure to carry out its approved DBE Implementation Agreement, STATE may impose sanctions as provided for under 49 CFR Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 USC 1001 and/or the Program Fraud Civil Remedies Act of 1985 (31USC 3801 et seq.)

THESE ASSURANCES are given in consideration of and for the purpose of obtaining any and all federal grants, loans, agreements, property, discounts or other federal financial assistance extended after the date hereof to ADMINISTERING AGENCY by STATE, acting for the U.S. Department of Transportation, and is binding on ADMINISTERING AGENCY, other recipients, subgrantees, applicants, sub-applicants, transferees, successors in interest and other participants in the federal-aid Highway Program.

APPENDIX A TO EXHIBIT B

During the performance of this Agreement, ADMINISTERING AGENCY, for itself, its assignees and successors in interest (hereinafter collectively referred to as ADMINISTERING AGENCY) agrees as follows:

(1) **Compliance with Regulations:** ADMINISTERING AGENCY shall comply with the regulations relative to nondiscrimination in federally assisted programs of the Department of Transportation, Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time, (hereinafter referred to as the REGULATIONS), which are herein incorporated by reference and made a part of this agreement.

(2) **Nondiscrimination:** ADMINISTERING AGENCY, with regard to the work performed by it during the AGREEMENT, shall not discriminate on the grounds of race, color, sex, national origin, religion, age, or disability in the selection and retention of sub-applicants, including procurements of materials and leases of equipment. ADMINISTERING AGENCY shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the REGULATIONS, including employment practices when the agreement covers a program set forth in Appendix B of the REGULATIONS.

(3) **Solicitations for Sub-agreements, Including Procurements of Materials and Equipment:** In all solicitations either by competitive bidding or negotiation made by ADMINISTERING AGENCY for work to be performed under a Sub-agreement, including procurements of materials or leases of equipment, each potential sub-applicant or supplier shall be notified by ADMINISTERING AGENCY of the ADMINISTERING AGENCY's obligations under this Agreement and the REGULATIONS relative to nondiscrimination on the grounds of race, color, or national origin.

(4) **Information and Reports:** ADMINISTERING AGENCY shall provide all information and reports required by the REGULATIONS, or directives issued pursuant thereto, and shall permit access to ADMINISTERING AGENCY's books, records, accounts, other sources of information, and its facilities as may be determined by STATE or FHWA to be pertinent to ascertain compliance with such REGULATIONS or directives. Where any information required of ADMINISTERING AGENCY is in the exclusive possession of another who fails or refuses to furnish this information, ADMINISTERING AGENCY shall so certify to STATE or the FHWA as appropriate, and shall set forth what efforts ADMINISTERING AGENCY has made to obtain the information.

(5) **Sanctions for Noncompliance:** In the event of ADMINISTERING AGENCY's noncompliance with the nondiscrimination provisions of this agreement, STATE shall impose such agreement sanctions as it or the FHWA may determine to be appropriate, including, but not limited to:

(a) withholding of payments to ADMINISTERING AGENCY under the Agreement within a reasonable period of time, not to exceed 90 days; and/or

(b) cancellation, termination or suspension of the Agreement, in whole or in part.

(6) Incorporation of Provisions: ADMINISTERING AGENCY shall include the provisions of paragraphs (1) through (6) in every sub-agreement, including procurements of materials and leases of equipment, unless exempt by the REGULATIONS, or directives issued pursuant thereto. ADMINISTERING AGENCY shall take such action with respect to any sub-agreement or procurement as STATE or FHWA may direct as a means of enforcing such provisions including sanctions for noncompliance, provided, however, that, in the event ADMINISTERING AGENCY becomes involved in, or is threatened with, litigation with a sub-applicant or supplier as a result of such direction, ADMINISTERING AGENCY may request STATE enter into such litigation to protect the interests of STATE, and, in addition, ADMINISTERING AGENCY may request the United States to enter into such litigation to protect the interests of the United States.

The following clauses shall be included in any and all deeds effecting or recording the transfer of PROJECT real property, structures or improvements thereon, or interest therein from the United States.

(GRANTING CLAUSE)

NOW, THEREFORE, the U.S. Department of Transportation, as authorized by law, and upon the condition that ADMINISTERING AGENCY will accept title to the lands and maintain the project constructed thereon, in accordance with Title 23, United States Code, the Regulations for the Administration of federal-aid for Highways and the policies and procedures prescribed by the Federal Highway Administration of the Department of Transportation and, also in accordance with and in compliance with the Regulations pertaining to and effectuating the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252; 42 U.S.C. 2000d to 2000d-4), does hereby remise, release, quitclaim and convey unto the ADMINISTERING AGENCY all the right, title, and interest of the U.S. Department of Transportation in, and to, said lands described in Exhibit "A" attached hereto and made a part hereof.

(HABENDUM CLAUSE)

TO HAVE AND TO HOLD said lands and interests therein unto ADMINISTERING AGENCY and its successors forever, subject, however, to the covenant, conditions, restrictions and reservations herein contained as follows, which will remain in effect for the period during which the real property or structures are used for a purpose for which federal financial assistance is extended or for another purpose involving the provision of similar services or benefits and shall be binding on ADMINISTERING AGENCY, its successors and assigns.

ADMINISTERING AGENCY, in consideration of the conveyance of said lands and interests in lands, does hereby covenant and agree as a covenant running with the land for itself, its successors and assigns,

(1) that no person shall on the grounds of race, color, sex, national origin, religion, age or disability, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination with regard to any facility located wholly or in part on, over, or under such lands hereby conveyed (;) (and) *

(2) that ADMINISTERING AGENCY shall use the lands and interests in lands so conveyed, in compliance with all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in federally-assisted programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended (;) and

(3) that in the event of breach of any of the above-mentioned nondiscrimination conditions, the U.S. Department of Transportation shall have a right to re-enter said lands and facilities on said land, and the above-described land and facilities shall thereon revert to and vest in and become the absolute property of the U.S. Department of Transportation and its assigns as such interest existed prior to this deed.*

* Reverter clause and related language to be used only when it is determined that such a clause is necessary in order to effectuate the purposes of Title VI of the Civil Rights Act of 1964.

APPENDIX C TO EXHIBIT B

The following clauses shall be included in any and all deeds, licenses, leases, permits, or similar instruments entered into by ADMINISTERING AGENCY, pursuant to the provisions of Assurance 7(a) of Exhibit B.

The grantee (licensee, lessee, permittee, etc., as appropriate) for himself, his heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree (in the case of deeds and leases add "as covenant running with the land") that in the event facilities are constructed, maintained, or otherwise operated on the said property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation program or activity is extended or for another purpose involving the provision of similar services or benefits, the (grantee, licensee, lessee, permittee, etc.), shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, U.S. Department of Transportation, Subtitle A, Office of Secretary, Part 21, Nondiscrimination in federally-assisted programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

(Include in licenses, leases, permits, etc.)*

That in the event of breach of any of the above nondiscrimination covenants, ADMINISTERING AGENCY shall have the right to terminate the (license, lease, permit etc.) and to re-enter and repossess said land and the facilities thereon, and hold the same as if said (license, lease, permit, etc.) had never been made or issued.

(Include in deeds)*

That in the event of breach of any of the above nondiscrimination covenants, ADMINISTERING AGENCY shall have the right to re-enter said land and facilities thereon, and the above-described lands and facilities shall thereupon revert to and vest in and become the absolute property of ADMINISTERING AGENCY and its assigns.

* Reverter clause and related language to be used only when it is determined that such a clause is necessary in order to effectuate the purposes of Title VI of the Civil Rights Act of 1964.

The following shall be included in all deeds, licenses, leases, permits, or similar agreements entered into by the ADMINISTERING AGENCY, pursuant to the provisions of Assurance 7 (b) of Exhibit B.

The grantee (licensee, lessee, permittee, etc., as appropriate) for himself, his personal representatives, successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree (in the case of deeds, and leases add "as a covenant running with the land") that:

(1) no person on the ground of race, color, sex, national origin, religion, age or disability, shall be excluded from participation in, denied the benefits of, or otherwise subjected to discrimination in the use of said facilities;

(2) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the ground of race, color, sex, national origin, religion, age or disability shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; and

(3) that the (grantee, licensee, lessee, permittee, etc.) shall use the premises in compliance with the Regulations.

(Include in licenses, leases, permits, etc.)*

That in the event of breach of any of the above nondiscrimination covenants, ADMINISTERING AGENCY shall have the right to terminate the (license, lease, permit, etc.) and to re-enter and repossess said land and the facilities thereon, and hold the same as if said (license, lease, permit, etc.) had never been made or issued.

(Include in deeds)*

That in the event of breach of any of the above nondiscrimination covenants, ADMINISTERING AGENCY shall have the right to re-enter said land and facilities thereon, and the above-described lands and facilities shall thereupon revert to and vest in and become the absolute property of ADMINISTERING AGENCY, and its assigns.

* Reverter clause and related language to be used only when it is determined that such a clause is necessary in order to effectuate the purposes of Title VI of the Civil Rights Act of 1964.

DEPARTMENT OF TRANSPORTATION

Division of Local Assistance
1120 N STREET
P.O. BOX 942874, MS# 1
Sacramento, CA 94274-0001
TTY 711
(916) 654-3883
Fax (916) 654-2408



February 12, 2018

File : 03-PLA-80-CFX
CML-5187(010)

At the intersection of S. Auburn St.
and WB I-80 on/off ramps.

Mr. Mark Miller
City Manager
City of Colfax
33 S. Main St, PO Box 702
Colfax, CA 95713

Dear Mr. Miller:

Enclosed are two originals of the Program Supplement Agreement No. 003-F to Administering Agency-State Agreement No. 03-5187F15 and an approved Finance Letter for the subject project. Please retain the signed Finance Letter for your records.

Please note that federal funding will be lost if you proceed with future phase(s) of the project prior to getting the "Authorization to Proceed" with that phase.

Please review the covenants and sign both copies of this Agreement and return both to this office, Office of Project Implementation - MS1 within 90 days from the receipt of this letter. If the signed Agreements are not received back in this office within 90 days, funds will be disencumbered and/or deobligated. Alterations should not be made to the agreement language or funding. ATTACH YOUR LOCAL AGENCY'S CERTIFIED AUTHORIZING RESOLUTION THAT CLEARLY IDENTIFIES THE OFFICIAL AUTHORIZED TO EXECUTE THE AGREEMENT ON THE AGENCY'S BEHALF. A fully executed copy of the agreement will be returned to you upon ratification by Caltrans. No invoices for reimbursement can be processed until the agreement is fully executed.

The State budget authority supporting the encumbered funds is only available for liquidation up to specific deadlines. These deadlines are shown on the attached Finance letter as the "Reversion Date". Please ensure that your invoices are submitted at least 60 days prior to the reversion date to avoid any lapse of funds. If your agency is unable to seek reimbursement by this date you may request an extension through a Cooperative Work Agreement (CWA). A CWA is subject to the final approval of the State Department of Finance. If approved, the CWA may extend the deadline for up to two years.

Your prompt action is requested. If you have questions, please contact your District Local Assistance Engineer.

Sincerely,

WINTON EMMETT, Chief
Office of Project Implementation - North
Division of Local Assistance

Enclosure

c: DLA AE Project Files
(03) DLAE - Martin Villanueva

RECEIVED
FEB 15 2018
CITY OF COLFAX

DEPARTMENT OF TRANSPORTATION
 DIVISION OF ACCOUNTING
 LOCAL PROGRAM ACCOUNTING BRANCH

FINANCE LETTER

Date: 02/09/2018
 D_CO_RT: 03-PLA-80-CFX
 Project No: CML-5187(010)
 Adv Project Id: 0318000201
 Period of Performance End Date: 12/31/2018
 Agreement End Date: 09/30/2020

Attention: City of Colfax

FINANCE ITEMS	PRO RATA OR LUMP SUM	TOTAL COST OF WORK	FEDERAL PART. COST	FED. REIMB %	FEDERAL Z400	LOCAL
Agency Preliminary Engineering	Lump Sum	\$350,000.00	\$220,000.00	100.00%	\$220,000.00	\$130,000.00
Totals:		\$350,000.00	\$220,000.00	0.00%	\$220,000.00	\$130,000.00

Participation Ratio: 62.86% This Finance Letter was created based on specific financial information provided by the responsible local agency. The following encumbrance history is prepared by Local Assistance Accounting Office and is provided here for local agency's information and action.

Signature: 

Title: HQ Sr. Area Engineer

For questions regarding finance letter, contact:

Printed Name : Adam Ambrosini
 Telephone No: (916) 653-3840

Remarks: The PE phase is 100% federally funded using TC in lieu of non-federal match.

ACCOUNTING INFORMATION				Cooperative Work Agreement	
ADV. PROJECT ID	APPROP. UNIT	STATE PROG.	FED/STATE	ENCUMBRANCE AMOUNT	APPROVED AMOUNT
0316000201	18102F	2030010820	F	\$220,000.00	
				1718	
				\$0.00	
				\$220,000.00	
				ENCUMBRANCE BALANCE	
				REVERSION DATE	
				06/30/23	
				EXPENDITURE AMOUNT	
				\$0.00	
				EXP. DATE	

PROGRAM SUPPLEMENT NO. F003
 to
**ADMINISTERING AGENCY-STATE AGREEMENT
 FOR FEDERAL-AID PROJECTS NO 03-5187F15**

Adv Project ID **Date:** February 2, 2018
 0318000201 **Location:** 03-PLA-80-CFX
 Project Number: CML-5187(010)
 E.A. Number:
 Locode: 5187

This Program Supplement hereby adopts and incorporates the Administering Agency-State Agreement for Federal Aid which was entered into between the Administering Agency and the State on _____ and is subject to all the terms and conditions thereof. This Program Supplement is executed in accordance with Article I of the aforementioned Master Agreement under authority of Resolution No. _____ approved by the Administering Agency on _____ (See copy attached).

The Administering Agency further stipulates that as a condition to the payment by the State of any funds derived from sources noted below obligated to this PROJECT, the Administering Agency accepts and will comply with the special covenants or remarks set forth on the following pages.

PROJECT LOCATION:

At the intersection of S. Auburn St. and WB I-80 on/off ramps.

TYPE OF WORK: Construct Roundabout

LENGTH: 0.0(MILES)

Estimated Cost	Federal Funds		Matching Funds		
	Z400		LOCAL		OTHER
\$350,000.00		\$220,000.00	\$130,000.00		\$0.00

CITY OF COLFAX

By _____
 Title _____
 Date _____
 Attest _____

STATE OF CALIFORNIA
Department of Transportation

By _____
Chief, Office of Project Implementation
Division of Local Assistance
 Date _____

I hereby certify upon my personal knowledge that budgeted funds are available for this encumbrance:

Accounting Officer  **Date** 2/5/18 **\$220,000.00**

Chapter	Statutes	Item	Year	Program	BC	Category	Fund Source	AMOUNT

SPECIAL COVENANTS OR REMARKS

1. A. The ADMINISTERING AGENCY will advertise, award and administer this project in accordance with the current published Local Assistance Procedures Manual.

B. ADMINISTERING AGENCY agrees that it will only proceed with work authorized for specific phase(s) with an "Authorization to Proceed" and will not proceed with future phase(s) of this project prior to receiving an "Authorization to Proceed" from the STATE for that phase(s) unless no further State or Federal funds are needed for those future phase(s).

C. STATE and ADMINISTERING AGENCY agree that any additional funds which might be made available by future Federal obligations will be encumbered on this PROJECT by use of a STATE-approved "Authorization to Proceed" and Finance Letter. ADMINISTERING AGENCY agrees that Federal funds available for reimbursement will be limited to the amounts obligated by the Federal Highway Administration.

D. Award information shall be submitted by the ADMINISTERING AGENCY to the District Local Assistance Engineer within 60 days of project contract award and prior to the submittal of the ADMINISTERING AGENCY'S first invoice for the construction contract.

Failure to do so will cause a delay in the State processing invoices for the construction phase. Attention is directed to Section 15.7 "Award Package" of the Local Assistance Procedures Manual.

E. ADMINISTERING AGENCY agrees, as a minimum, to submit invoices at least once every six months commencing after the funds are encumbered for each phase by the execution of this Project Program Supplement Agreement, or by STATE's approval of an applicable Finance Letter. STATE reserves the right to suspend future authorizations/obligations for Federal aid projects, or encumbrances for State funded projects, as well as to suspend invoice payments for any on-going or future project by ADMINISTERING AGENCY if PROJECT costs have not been invoiced by ADMINISTERING AGENCY for a six-month period.

If no costs have been invoiced for a six-month period, ADMINISTERING AGENCY agrees to submit for each phase a written explanation of the absence of PROJECT activity along with target billing date and target billing amount.

ADMINISTERING AGENCY agrees to submit the final report documents that collectively constitute a "Report of Expenditures" within one hundred eighty (180) days of PROJECT completion. Failure of ADMINISTERING AGENCY to submit a "Final Report of Expenditures" within 180 days of PROJECT completion will result in STATE imposing sanctions upon ADMINISTERING AGENCY in accordance with the current Local Assistance Procedures Manual.

F. Administering Agency shall not discriminate on the basis of race, religion, age, disability, color, national origin, or sex in the award and performance of any Federal-

SPECIAL COVENANTS OR REMARKS

assisted contract or in the administration of its DBE Program Implementation Agreement. The Administering Agency shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of Federal-assisted contracts. The Administering Agency's DBE Implementation Agreement is incorporated by reference in this Agreement. Implementation of the DBE Implementation Agreement, including but not limited to timely reporting of DBE commitments and utilization, is a legal obligation and failure to carry out its terms shall be treated as a violation of this Agreement. Upon notification to the Administering Agency of its failure to carry out its DBE Implementation Agreement, the State may impose sanctions as provided for under 49 CFR Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).

G. Any State and Federal funds that may have been encumbered for this project are available for disbursement for limited periods of time. For each fund encumbrance the limited period is from the start of the fiscal year that the specific fund was appropriated within the State Budget Act to the applicable fund Reversion Date shown on the State approved project finance letter. Per Government Code Section 16304, all project funds not liquidated within these periods will revert unless an executed Cooperative Work Agreement extending these dates is requested by the ADMINISTERING AGENCY and approved by the California Department of Finance.

ADMINISTERING AGENCY should ensure that invoices are submitted to the District Local Assistance Engineer at least 75 days prior to the applicable fund Reversion Date to avoid the lapse of applicable funds. Pursuant to a directive from the State Controller's Office and the Department of Finance; in order for payment to be made, the last date the District Local Assistance Engineer can forward an invoice for payment to the Department's Local Programs Accounting Office for reimbursable work for funds that are going to revert at the end of a particular fiscal year is May 15th of the particular fiscal year. Notwithstanding the unliquidated sums of project specific State and Federal funding remaining and available to fund project work, any invoice for reimbursement involving applicable funds that is not received by the Department's Local Programs Accounting Office at least 45 days prior to the applicable fixed fund Reversion Date will not be paid. These unexpended funds will be irrevocably reverted by the Department's Division of Accounting on the applicable fund Reversion Date.

H. As a condition for receiving federal-aid highway funds for the PROJECT, the Administering Agency certifies that NO members of the elected board, council, or other key decision makers are on the Federal Government Exclusion List. Exclusions can be found at www.sam.gov.

2. A. ADMINISTERING AGENCY shall conform to all State statutes, regulations and procedures (including those set forth in the Local Assistance Procedures Manual and the Local Assistance Program Guidelines, hereafter collectively referred to as "LOCAL ASSISTANCE PROCEDURES") relating to the federal-aid program, all Title 23 Code of

SPECIAL COVENANTS OR REMARKS

Federal Regulation (CFR) and 2 CFR Part 200 federal requirements, and all applicable federal laws, regulations, and policy and procedural or instructional memoranda, unless otherwise specifically waived as designated in the executed project-specific PROGRAM SUPPLEMENT.

B. Invoices shall be submitted on ADMINISTERING AGENCY letterhead that includes the address of ADMINISTERING AGENCY and shall be formatted in accordance with LOCAL ASSISTANCE PROCEDURES.

C. ADMINISTERING AGENCY must have at least one copy of supporting backup documentation for costs incurred and claimed for reimbursement by ADMINISTERING AGENCY. ADMINISTERING AGENCY agrees to submit supporting backup documentation with invoices if requested by State. Acceptable backup documentation includes, but is not limited to, agency's progress payment to the contractors, copies of cancelled checks showing amounts made payable to vendors and contractors, and/or a computerized summary of PROJECT costs.

D. Indirect Cost Allocation Plan/Indirect Cost Rate Proposals (ICAP/ICRP), Central Service Cost Allocation Plans and related documentation are to be prepared and provided to STATE (Caltrans Audits & Investigations) for review and approval prior to ADMINISTERING AGENCY seeking reimbursement of indirect costs incurred within each fiscal year being claimed for State and federal reimbursement. ICAPs/ICRPs must be prepared in accordance with the requirements set forth in 2 CFR, Part 200, Chapter 5 of the Local Assistance Procedural Manual, and the ICAP/ICRP approval procedures established by STATE.

E. STATE will withhold the greater of either two (2) percent of the total of all federal funds encumbered for each PROGRAM SUPPLEMENT or \$40,000 until ADMINISTERING AGENCY submits the Final Report of Expenditures for each completed PROGRAM SUPPLEMENT PROJECT.

F. Payments to ADMINISTERING AGENCY for PROJECT-related travel and subsistence (per diem) expenses of ADMINISTERING AGENCY forces and its contractors and subcontractors claimed for reimbursement or as local match credit shall not exceed rates authorized to be paid rank and file STATE employees under current State Department of Personnel Administration (DPA) rules. If the rates invoiced by ADMINISTERING AGENCY are in excess of DPA rates, ADMINISTERING AGENCY is responsible for the cost difference, and any overpayments inadvertently paid by STATE shall be reimbursed to STATE by ADMINISTERING AGENCY on demand within thirty (30) days of such invoice.

G. ADMINISTERING AGENCY agrees to comply with 2 CFR, Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirement for Federal Awards.

H. ADMINISTERING AGENCY agrees, and will assure that its contractors and subcontractors will be obligated to agree, that Contract Cost Principles and Procedures,

SPECIAL COVENANTS OR REMARKS

48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31, et seq., shall be used to determine the allowability of individual PROJECT cost items.

I. Every sub-recipient receiving PROJECT funds under this AGREEMENT shall comply with 2 CFR, Part 200, 23 CFR, 48 CFR Chapter 1, Part 31, Local Assistance Procedures, Public Contract Code (PCC) 10300-10334 (procurement of goods), PCC 10335-10381 (non-A&E services), and other applicable STATE and FEDERAL regulations.

J. Any PROJECT costs for which ADMINISTERING AGENCY has received payment or credit that are determined by subsequent audit to be unallowable under 2 CFR, Part 200, 23 CFR, 48 CFR, Chapter 1, Part 31, and other applicable STATE and FEDERAL regulations, are subject to repayment by ADMINISTERING AGENCY to STATE.

K. STATE reserves the right to conduct technical and financial audits of PROJECT WORK and records and ADMINISTERING AGENCY agrees, and shall require its contractors and subcontractors to agree, to cooperate with STATE by making all appropriate and relevant PROJECT records available for audit and copying as required by the following paragraph:

ADMINISTERING AGENCY, ADMINISTERING AGENCY'S contractors and subcontractors, and STATE shall each maintain and make available for inspection and audit by STATE, the California State Auditor, or any duly authorized representative of STATE or the United States all books, documents, papers, accounting records, and other evidence pertaining to the performance of such contracts, including, but not limited to, the costs of administering those various contracts and ADMINISTERING AGENCY shall furnish copies thereof if requested. All of the above referenced parties shall make such AGREEMENT, PROGRAM SUPPLEMENT, and contract materials available at their respective offices at all reasonable times during the entire PROJECT period and for three (3) years from the date of submission of the final expenditure report by the STATE to the FHWA.

L. ADMINISTERING AGENCY, its contractors and subcontractors shall establish and maintain a financial management system and records that properly accumulate and segregate reasonable, allowable, and allocable incurred PROJECT costs and matching funds by line item for the PROJECT. The financial management system of ADMINISTERING AGENCY, its contractors and all subcontractors shall conform to Generally Accepted Accounting Principles, enable the determination of incurred costs at interim points of completion, and provide support for reimbursement payment vouchers or invoices set to or paid by STATE.

M. ADMINISTERING AGENCY is required to have an audit in accordance with the Single Audit Act of 2 CFR 200 if it expends \$750,000 or more in Federal Funds in a single fiscal year of the Catalogue of Federal Domestic Assistance.

N. ADMINISTERING AGENCY agrees to include all PROGRAM SUPPLEMENTS adopting the terms of this AGREEMENT in the schedule of projects to be examined in

SPECIAL COVENANTS OR REMARKS

ADMINISTERING AGENCY's annual audit and in the schedule of projects to be examined under its single audit prepared in accordance with 2 CFR, Part 200.

O. ADMINISTERING AGENCY shall not award a non-A&E contract over \$5,000, construction contracts over \$10,000, or other contracts over \$25,000 [excluding professional service contracts of the type which are required to be procured in accordance with Government Code sections 4525 (d), (e) and (f)] on the basis of a noncompetitive negotiation for work to be performed under this AGREEMENT without the prior written approval of STATE. Contracts awarded by ADMINISTERING AGENCY, if intended as local match credit, must meet the requirements set forth in this AGREEMENT regarding local match funds.

P. Any subcontract entered into by ADMINISTERING AGENCY as a result of this AGREEMENT shall contain provisions B, C, F, H, I, K, and L under Section 2 of this agreement.

3. In the event that right of way acquisition for or construction of this project of the initial federal authorization for preliminary engineering is not started by the close of the tenth fiscal year following the fiscal year in which the project is authorized, the ADMINISTERING AGENCY shall repay the Federal Highway Administration through Caltrans the sum of Federal funds paid under the terms of this agreement.

PROGRAM SUPPLEMENT NO. F003
 to
ADMINISTERING AGENCY-STATE AGREEMENT
FOR FEDERAL-AID PROJECTS NO 03-5187F15

Adv Project ID **Date:** February 2, 2018
 0318000201 **Location:** 03-PLA-80-CFX
 Project Number: CML-5187(010)
 E.A. Number:
 Locode: 5187

This Program Supplement hereby adopts and incorporates the Administering Agency-State Agreement for Federal Aid which was entered into between the Administering Agency and the State on _____ and is subject to all the terms and conditions thereof. This Program Supplement is executed in accordance with Article I of the aforementioned Master Agreement under authority of Resolution No. _____ approved by the Administering Agency on _____ (See copy attached).

The Administering Agency further stipulates that as a condition to the payment by the State of any funds derived from sources noted below obligated to this PROJECT, the Administering Agency accepts and will comply with the special covenants or remarks set forth on the following pages.

PROJECT LOCATION:

At the intersection of S. Auburn St. and WB I-80 on/off ramps.

TYPE OF WORK: Construct Roundabout

LENGTH: 0.0(MILES)

Estimated Cost	Federal Funds		Matching Funds	
	Z400		LOCAL	OTHER
\$350,000.00	\$220,000.00		\$130,000.00	\$0.00

CITY OF COLFAX

By _____

Title _____

Date _____

Attest _____

STATE OF CALIFORNIA

Department of Transportation

By _____

Chief, Office of Project Implementation
Division of Local Assistance

Date _____

I hereby certify upon my personal knowledge that budgeted funds are available for this encumbrance:

Accounting Officer _____

Date 2/5/18

\$220,000.00

Chapter	Statutes	Item	Year	Program	BC	Category	Fund Source	AMOUNT

SPECIAL COVENANTS OR REMARKS

1. A. The ADMINISTERING AGENCY will advertise, award and administer this project in accordance with the current published Local Assistance Procedures Manual.

B. ADMINISTERING AGENCY agrees that it will only proceed with work authorized for specific phase(s) with an "Authorization to Proceed" and will not proceed with future phase(s) of this project prior to receiving an "Authorization to Proceed" from the STATE for that phase(s) unless no further State or Federal funds are needed for those future phase(s).

C. STATE and ADMINISTERING AGENCY agree that any additional funds which might be made available by future Federal obligations will be encumbered on this PROJECT by use of a STATE-approved "Authorization to Proceed" and Finance Letter. ADMINISTERING AGENCY agrees that Federal funds available for reimbursement will be limited to the amounts obligated by the Federal Highway Administration.

D. Award information shall be submitted by the ADMINISTERING AGENCY to the District Local Assistance Engineer within 60 days of project contract award and prior to the submittal of the ADMINISTERING AGENCY'S first invoice for the construction contract.

Failure to do so will cause a delay in the State processing invoices for the construction phase. Attention is directed to Section 15.7 "Award Package" of the Local Assistance Procedures Manual.

E. ADMINISTERING AGENCY agrees, as a minimum, to submit invoices at least once every six months commencing after the funds are encumbered for each phase by the execution of this Project Program Supplement Agreement, or by STATE's approval of an applicable Finance Letter. STATE reserves the right to suspend future authorizations/obligations for Federal aid projects, or encumbrances for State funded projects, as well as to suspend invoice payments for any on-going or future project by ADMINISTERING AGENCY if PROJECT costs have not been invoiced by ADMINISTERING AGENCY for a six-month period.

If no costs have been invoiced for a six-month period, ADMINISTERING AGENCY agrees to submit for each phase a written explanation of the absence of PROJECT activity along with target billing date and target billing amount.

ADMINISTERING AGENCY agrees to submit the final report documents that collectively constitute a "Report of Expenditures" within one hundred eighty (180) days of PROJECT completion. Failure of ADMINISTERING AGENCY to submit a "Final Report of Expenditures" within 180 days of PROJECT completion will result in STATE imposing sanctions upon ADMINISTERING AGENCY in accordance with the current Local Assistance Procedures Manual.

F. Administering Agency shall not discriminate on the basis of race, religion, age, disability, color, national origin, or sex in the award and performance of any Federal-

SPECIAL COVENANTS OR REMARKS

assisted contract or in the administration of its DBE Program Implementation Agreement. The Administering Agency shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of Federal-assisted contracts. The Administering Agency's DBE Implementation Agreement is incorporated by reference in this Agreement. Implementation of the DBE Implementation Agreement, including but not limited to timely reporting of DBE commitments and utilization, is a legal obligation and failure to carry out its terms shall be treated as a violation of this Agreement. Upon notification to the Administering Agency of its failure to carry out its DBE Implementation Agreement, the State may impose sanctions as provided for under 49 CFR Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).

G. Any State and Federal funds that may have been encumbered for this project are available for disbursement for limited periods of time. For each fund encumbrance the limited period is from the start of the fiscal year that the specific fund was appropriated within the State Budget Act to the applicable fund Reversion Date shown on the State approved project finance letter. Per Government Code Section 16304, all project funds not liquidated within these periods will revert unless an executed Cooperative Work Agreement extending these dates is requested by the ADMINISTERING AGENCY and approved by the California Department of Finance.

ADMINISTERING AGENCY should ensure that invoices are submitted to the District Local Assistance Engineer at least 75 days prior to the applicable fund Reversion Date to avoid the lapse of applicable funds. Pursuant to a directive from the State Controller's Office and the Department of Finance; in order for payment to be made, the last date the District Local Assistance Engineer can forward an invoice for payment to the Department's Local Programs Accounting Office for reimbursable work for funds that are going to revert at the end of a particular fiscal year is May 15th of the particular fiscal year. Notwithstanding the unliquidated sums of project specific State and Federal funding remaining and available to fund project work, any invoice for reimbursement involving applicable funds that is not received by the Department's Local Programs Accounting Office at least 45 days prior to the applicable fixed fund Reversion Date will not be paid. These unexpended funds will be irrevocably reverted by the Department's Division of Accounting on the applicable fund Reversion Date.

H. As a condition for receiving federal-aid highway funds for the PROJECT, the Administering Agency certifies that NO members of the elected board, council, or other key decision makers are on the Federal Government Exclusion List. Exclusions can be found at www.sam.gov.

2. A. ADMINISTERING AGENCY shall conform to all State statutes, regulations and procedures (including those set forth in the Local Assistance Procedures Manual and the Local Assistance Program Guidelines, hereafter collectively referred to as "LOCAL ASSISTANCE PROCEDURES") relating to the federal-aid program, all Title 23 Code of

SPECIAL COVENANTS OR REMARKS

Federal Regulation (CFR) and 2 CFR Part 200 federal requirements, and all applicable federal laws, regulations, and policy and procedural or instructional memoranda, unless otherwise specifically waived as designated in the executed project-specific PROGRAM SUPPLEMENT.

B. Invoices shall be submitted on ADMINISTERING AGENCY letterhead that includes the address of ADMINISTERING AGENCY and shall be formatted in accordance with LOCAL ASSISTANCE PROCEDURES.

C. ADMINISTERING AGENCY must have at least one copy of supporting backup documentation for costs incurred and claimed for reimbursement by ADMINISTERING AGENCY. ADMINISTERING AGENCY agrees to submit supporting backup documentation with invoices if requested by State. Acceptable backup documentation includes, but is not limited to, agency's progress payment to the contractors, copies of cancelled checks showing amounts made payable to vendors and contractors, and/or a computerized summary of PROJECT costs.

D. Indirect Cost Allocation Plan/Indirect Cost Rate Proposals (ICAP/ICRP), Central Service Cost Allocation Plans and related documentation are to be prepared and provided to STATE (Caltrans Audits & Investigations) for review and approval prior to ADMINISTERING AGENCY seeking reimbursement of indirect costs incurred within each fiscal year being claimed for State and federal reimbursement. ICAPs/ICRPs must be prepared in accordance with the requirements set forth in 2 CFR, Part 200, Chapter 5 of the Local Assistance Procedural Manual, and the ICAP/ICRP approval procedures established by STATE.

E. STATE will withhold the greater of either two (2) percent of the total of all federal funds encumbered for each PROGRAM SUPPLEMENT or \$40,000 until ADMINISTERING AGENCY submits the Final Report of Expenditures for each completed PROGRAM SUPPLEMENT PROJECT.

F. Payments to ADMINISTERING AGENCY for PROJECT-related travel and subsistence (per diem) expenses of ADMINISTERING AGENCY forces and its contractors and subcontractors claimed for reimbursement or as local match credit shall not exceed rates authorized to be paid rank and file STATE employees under current State Department of Personnel Administration (DPA) rules. If the rates invoiced by ADMINISTERING AGENCY are in excess of DPA rates, ADMINISTERING AGENCY is responsible for the cost difference, and any overpayments inadvertently paid by STATE shall be reimbursed to STATE by ADMINISTERING AGENCY on demand within thirty (30) days of such invoice.

G. ADMINISTERING AGENCY agrees to comply with 2 CFR, Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirement for Federal Awards.

H. ADMINISTERING AGENCY agrees, and will assure that its contractors and subcontractors will be obligated to agree, that Contract Cost Principles and Procedures,

SPECIAL COVENANTS OR REMARKS

48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31, et seq., shall be used to determine the allowability of individual PROJECT cost items.

I. Every sub-recipient receiving PROJECT funds under this AGREEMENT shall comply with 2 CFR, Part 200, 23 CFR, 48 CFR Chapter 1, Part 31, Local Assistance Procedures, Public Contract Code (PCC) 10300-10334 (procurement of goods), PCC 10335-10381 (non-A&E services), and other applicable STATE and FEDERAL regulations.

J. Any PROJECT costs for which ADMINISTERING AGENCY has received payment or credit that are determined by subsequent audit to be unallowable under 2 CFR, Part 200, 23 CFR, 48 CFR, Chapter 1, Part 31, and other applicable STATE and FEDERAL regulations, are subject to repayment by ADMINISTERING AGENCY to STATE.

K. STATE reserves the right to conduct technical and financial audits of PROJECT WORK and records and ADMINISTERING AGENCY agrees, and shall require its contractors and subcontractors to agree, to cooperate with STATE by making all appropriate and relevant PROJECT records available for audit and copying as required by the following paragraph:

ADMINISTERING AGENCY, ADMINISTERING AGENCY'S contractors and subcontractors, and STATE shall each maintain and make available for inspection and audit by STATE, the California State Auditor, or any duly authorized representative of STATE or the United States all books, documents, papers, accounting records, and other evidence pertaining to the performance of such contracts, including, but not limited to, the costs of administering those various contracts and ADMINISTERING AGENCY shall furnish copies thereof if requested. All of the above referenced parties shall make such AGREEMENT, PROGRAM SUPPLEMENT, and contract materials available at their respective offices at all reasonable times during the entire PROJECT period and for three (3) years from the date of submission of the final expenditure report by the STATE to the FHWA.

L. ADMINISTERING AGENCY, its contractors and subcontractors shall establish and maintain a financial management system and records that properly accumulate and segregate reasonable, allowable, and allocable incurred PROJECT costs and matching funds by line item for the PROJECT. The financial management system of ADMINISTERING AGENCY, its contractors and all subcontractors shall conform to Generally Accepted Accounting Principles, enable the determination of incurred costs at interim points of completion, and provide support for reimbursement payment vouchers or invoices set to or paid by STATE.

M. ADMINISTERING AGENCY is required to have an audit in accordance with the Single Audit Act of 2 CFR 200 if it expends \$750,000 or more in Federal Funds in a single fiscal year of the Catalogue of Federal Domestic Assistance.

N. ADMINISTERING AGENCY agrees to include all PROGRAM SUPPLEMENTS adopting the terms of this AGREEMENT in the schedule of projects to be examined in

SPECIAL COVENANTS OR REMARKS

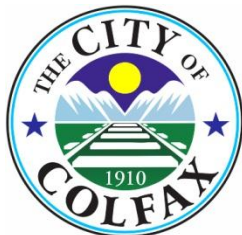
ADMINISTERING AGENCY's annual audit and in the schedule of projects to be examined under its single audit prepared in accordance with 2 CFR, Part 200.

O. ADMINISTERING AGENCY shall not award a non-A&E contract over \$5,000, construction contracts over \$10,000, or other contracts over \$25,000 [excluding professional service contracts of the type which are required to be procured in accordance with Government Code sections 4525 (d), (e) and (f)] on the basis of a noncompetitive negotiation for work to be performed under this AGREEMENT without the prior written approval of STATE. Contracts awarded by ADMINISTERING AGENCY, if intended as local match credit, must meet the requirements set forth in this AGREEMENT regarding local match funds.

P. Any subcontract entered into by ADMINISTERING AGENCY as a result of this AGREEMENT shall contain provisions B, C, F, H, I, K, and L under Section 2 of this agreement.

3. In the event that right of way acquisition for or construction of this project of the initial federal authorization for preliminary engineering is not started by the close of the tenth fiscal year following the fiscal year in which the project is authorized, the ADMINISTERING AGENCY shall repay the Federal Highway Administration through Caltrans the sum of Federal funds paid under the terms of this agreement.

Administrative Services
February 2, 2018



STAFF REPORT TO THE COLFAX CITY COUNCIL

FOR THE FEBRUARY 28, 2018 COUNCIL MEETING

FROM: Alfred A. "Mick" Cabral, City Attorney
PREPARED BY: City Attorney
DATE: February 22, 2018
SUBJECT: Adopt resolutions establishing the application process, fees, and background check for Commercial Cannabis Businesses

<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>	FUNDED	<input type="checkbox"/>	UN-FUNDED	AMOUNT:	FROM FUND:
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RECOMMENDED ACTION:

- 1.) Adopt Resolution 12-2018 approving the procedures to operate a commercial cannabis business in Colfax.
- 2.) Adopt Resolution 13-2018 Establishing and Adopting Fees to Process Applications for Commercial Cannabis Activity Permits.
- 3.) Adopt Resolution 14-2018 authorizing access to State and Federal level Summary Criminal History Information for employment, licensing or certification purposes in order to implement Colfax Municipal Code Chapter 5.32 pertaining to Commercial Cannabis Regulation.

Background

On October 25, 2017 the City Council adopted Ordinance 534 which repealed and replaced Colfax Municipal Code Chapter 17.162 to prohibit all commercial cannabis activities, cannabis manufacturing, and cannabis dispensaries in Colfax, except one medical marijuana dispensary that existed and had a valid City business license as of November 27, 2009, which Ordinance 534 conditionally allows. Ordinance 534 prohibits cannabis delivery, except primary caregivers are allowed to deliver medical cannabis to qualified patients or persons with an identification card for whom he or she is the primary caregiver. Ordinance 534 conditionally allows limited indoor or outdoor cannabis cultivation of up to six plants in certain locations by authorized growers, qualified patients and primary caregivers, with several conditions. Any violation is a misdemeanor, infraction or public nuisance subject to extensive enforcement mechanisms and administrative penalties.

When Ordinance 534 was adopted, the State of California was promulgating regulations to implement the Medicinal and Adult Use Cannabis Regulation and Safety Act (MAUCRSA), also referred to as SB 94, and other related provisions of California law that regulate the cannabis industry. Ordinance 534 was intended to preserve the City’s regulatory authority and allow the Council to decide which, if any, cannabis-related enterprises it will allow, and, if so, the conditions under which it will do so.

The City Council has since assigned the issue to a committee and hired HdL Companies to develop a cannabis management program. On February 14, 2018, the City Council introduced the proposed ordinance drafted by HdL as Ordinance 536 by title only, waived the first reading and ordered it to be considered for adoption after a public hearing at the February 28, 2018 meeting. If passed at the February 28, 2018,

Ordinance 536 prepared by HdL will add Chapter 5.32 to the Colfax Municipal Code and regulate commercial cannabis activities in the City effective March 29, 2018.

The proposed Chapter 5.32, Section 5.32.030, precludes commercial cultivation, manufacture, processing, storing, laboratory testing, labeling, sale, delivery, distribution or transportation except as specifically authorized in Chapter 5.32, and allows but regulates commercial cannabis activities. In addition, ordinance 5.32 allows for the City Council to establish by Resolution the type, number and process for soliciting and awarding commercial cannabis permits for the commercial cannabis activities, and to establish application processing fees.

Resolution 12-2018: The Process for Considering Applications for Commercial Cannabis Business Permits

Attachment 2 contains the proposed application procedure to operate a commercial cannabis business in Colfax. If be adopted by Resolution 12-2018 as staff proposes, this will establish a rigorous vetting process for commercial cannabis business applications and allow the City Manager to administer it.

The proposed procedures create a four-phase application process. Phase 1 will involve a preliminary determination of eligibility. Phase 2 will result in an initial ranking of applicants based on points earned for each of six criteria. Phase 3 will result in a second ranking of applicants, again based upon points earned for meeting specified criteria. Phase 4 will conclude with the City Manager’s recommendation to the City Council. The City Council will have the final authority to decide whether any commercial cannabis business permits will be issued and, if so, to whom.

All applicants will have to undergo a thorough criminal background check. The applications require the address and detailed description of the proposed cannabis business location, a business plan that includes a budget and proof of financial ability, a neighborhood compatibility plan, a description of how the cannabis business will benefit the community, a description of product safety measures, a description of environmental benefits, labor and employment standards, a statement of the extent to which the business will be locally managed, qualifications of the owners and an air quality plan.

There is no guarantee that applicants who successfully complete the application process will obtain a commercial cannabis business license. The City retains the right to reject any or all applications, with or without cause.

Resolution 13-2018: Recovery of City Costs through Application Fees

Resolution13-2018 is the proposed resolution that establishes fees required of applicants to participate in each phase of the commercial cannabis business permit selection process. Applicants will pay a fee to participate in each Phase. The fee is designed to recoup City costs of reviewing the applications and administering the adopted procedures. The proposed fee schedule includes the following elements:

Application Fee Costs		
	Phase 1	\$ 3,696.00
	Phase 2	\$ 1,466.00
	Phase 3	\$ 1,633.00
	Phase 4	\$ 1,165.00
		<hr/>
		\$ 7,960.00
		<hr/>
LiveScan Fee		\$ 159.07
		<hr/>
Zoning Verification Letter		\$ 205.50
		<hr/>
Background Review		\$ 300.00

Resolution 14-2018: Background Investigation

The LiveScan Fee is for a criminal background check. The Background Review comprehensively focuses on employment history, historical business operations, financial history, and places of residence. The fees must be paid for each applicant, principal in the business, and for each business employee.

The LiveScan Fee and Background Review Fee must be paid for the applicant and principals for the Phase 1 Review. Each employee must pay an additional LiveScan Fee and Background Review Fee in order to work for an approved commercial cannabis business, and that potential employee must pass the Background Investigation before that employee can start work. Under CMC Chapter 5.32, the City Manager or designee has the authority to conduct unannounced investigations of all cannabis businesses and has the authority to conduct business financial audits.

The application fees are designed for the City to recover all costs of evaluating each application and conducting investigations. Fees will be established for ongoing inspections while the business is operating. Staff is available to answer any questions or provide additional information.

ATTACHMENTS:

1. Resolution 12-2018 Cannabis Application Procedure
2. Colfax Application Procedure Guidelines
3. Resolution 13-2018 Cannabis Application Fee Structure
4. Colfax Cost Recovery Analysis
5. Resolution 14-2018 Cannabis Application Background Check
6. Colfax Background Application
7. Colfax Limitations on City's Liability

City of Colfax

City Council

Resolution № 12-2018

APPROVING THE APPLICATION PROCEDURES TO OPERATE A COMMERCIAL CANNABIS BUSINESS IN COLFAX

WHEREAS, on February 28, 2018, the City Council of the City of Colfax adopted Ordinance No. 536 adding Chapter 5.32 “Commercial Cannabis Activity” to the Colfax Municipal Code (“CMC”) (the “Commercial Cannabis Ordinance”); and

WHEREAS, the Commercial Cannabis Ordinance takes effect on March 30, 2018; and

WHEREAS, pursuant to CMC Section 5.32.090, the City Council may, in its sole discretion, adopt by resolution the procedures to govern the application process and the manner in which the City Council will decide whether to issue permits for commercial cannabis businesses and, if so, to whom they will be issued; and

WHEREAS, the City Council desires to open the process for accepting applications for commercial cannabis business permit(s) on April 2, 2018, for the commercial cannabis business permits authorized by the Commercial Cannabis Ordinance and adopt the procedures to govern the application process and the manner in which the City Council will decide whether to issue permits for commercial cannabis businesses and, if so, to whom they will be issued; and

WHEREAS, applicants desiring to obtain a commercial cannabis business permit within the City are required to comply with the all application procedures and requirements approved by the City Council; and

WHEREAS, this Resolution does not require or obligate the City Council to award or issue any commercial cannabis business permits following the application process even if applicants are qualified to receive the permit(s).

NOW, THEREFORE, BE IT RESOLVED that the City Council adopts the Application Procedures To Operate A Commercial Cannabis Business In Colfax in the form attached to this Resolution and authorizes the City Manager to administer the application process.

THE FOREGOING RESOLUTION WAS DULY AND REGULARLY ADOPTED at the Regular Meeting of the City Council of the City of Colfax held on the 28th day of February 2018 by the following vote of the Council:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

Will Stockwin, Mayor

Lorraine Cassidy, City Clerk



APPLICATION PROCEDURE TO OPERATE A COMMERCIAL CANNABIS BUSINESS IN COLFAX

The application process to operate a Commercial Cannabis Business (“CCB”) in Colfax will open on Monday, **April 2, 2018**. Applications will be available from the Planning Department located in City Hall. For questions regarding the application process, please review the information on the Colfax webpage: www.colfax-ca.gov which outlines the application process, required materials, FAQ’s, and other information necessary to operate a CCB in Colfax. To be considered for issuance of a Commercial Cannabis Business license, final applications **must be** submitted by **4:00 PM on Monday June 4, 2018** in the Planning Department located at 33 South Main Street, Colfax, CA, 95713. This application process is adopted pursuant to the Colfax Municipal Code Section 5.32.010, 5.32.040, and 5.32.090.

BEFORE YOU APPLY:

- Review the information regarding the application process and which documents you will need.
- Review your application in its entirety to ensure that it is complete and accurate.
- Review the information regarding the commercial cannabis business permit application on the City webpage: www.colfax-ca.gov which includes the following information:
 - Local regulations governing Colfax CCB’s: Colfax Municipal Code (“CMC”) Chapters 5.32.010, 5.32.040, and 5.32.090.
 - Background authorization form and/or Live Scan
 - Additional application information: Ordinance No. 536.
 - Medical and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA)
 - Title 5.32
 - Local Zoning Ordinances Title 17
 - Frequently Asked Questions

- (1) **Application Process: Evaluation and Ranking:** The selection process shall consist of the following four Phases:

Phase 1	Preliminary determination of eligibility	\$3,696
Phase 2	Initial ranking	\$1,466
Phase 3	Second ranking	\$1,633
Phase 4	City Manager’s Final Recommendation to City Council	\$1,165

For more information, see Evaluation and Selection Process below.

- (2) **Criminal History Check:** As part of Phase 1 of the Application Process each owner must undergo a criminal background check demonstrating they do not provide “good cause” for denial per CMC Section 5.32.070(d) or 5.32.310(m), and the background check fee shall be **\$459.00**. The application for the Live Scan will be available on the City website or in the Planning Department in City Hall. Please provide proof of a completed background form and/or Live Scan form along with proof of payment with your application on or before April 2, 2018. This process will be required to meet the minimum threshold qualifications pursuant to CMC Section 5.32.090. Owners who do not meet criminal history eligibility requirements will be disqualified.

- (3) Applicants will be required to obtain a “**Zoning Verification Letter**” from the Planning Department in City Hall located at 33 South Main Street, prior to submitting their CCB application to ensure the proposed location meets requirements. The review process typically takes approximately ten (10) working days and will cost **\$205.00**. The “Zoning Verification Letter” will need to be included with the application package. Please note the issuance of a “Zoning Verification Letter” does not constitute written evidence of permission given by the City of Colfax or any of its officials to operate a CCB, nor does it establish a “permit” within the meaning of the Permit Streamlining Act, nor does it create an entitlement under the Zoning or Building Code. A regulatory permit for a CCB does not constitute a permit that runs with the land on which the CCB is established. Zoning Verification Letters require a written request to the Planning Department and will not be completed over the counter to allow for research and review.
- (4) **Application:** Applicants must hand deliver two (2) complete comprehensive and signed copies of the City of Colfax Commercial Cannabis Business Application Form, all attachments, a flash drive containing one comprehensive and signed copy of the application including attachments in a pdf format, and payment of **\$3,696** for the initial application fee by **4:00 PM on Monday June 4, 2018**. Payment must be made by a certified check, cashier’s check or money order made payable to the City of Colfax. **Please note the City will not accept cash and application fees are non-refundable.** A complete application will consist of the following information:
- The City of Colfax Commercial Cannabis Business Form;
 - Background Authorization Form and/or Proof of Live Scan payment for each of the owners;
 - Zoning Verification Letter; and
 - All information pertaining to the CCB which will be evaluated in Phase 1, Phase 2 and Phase 3 as described in the Application and Evaluation Process section below. The only information that can be submitted after the initial application is proof of property ownership or lease agreement. Remember, any change in location will require a new “Zoning Verification Letter” and must be submitted with the application package prior to being interviewed as part of Phase 3 of the selection process. Please note an applicant may only choose to submit a different location prior to Phase 3 if the initial proposed site was approved as part of the original application package on or before June 4, 2018.

LATE APPLICATIONS WILL NOT BE CONSIDERED.

- (5) **Amendments to the Application:** Applicants will not be allowed to make amendments to their application or to supplement their application, except as otherwise specifically permitted in these procedures or as authorized in writing by the City Manager or his/her designee. During Phase 1, applicants will be notified if any of the owners are ineligible and/or if their application is incomplete. These applications will not move forward in the application process. However, when the City anticipates the Live Scan or background check may be delayed, the City may continue with the application process beyond the background check/Live Scan to prevent undue delays for the applicant. In these cases, applicants acknowledge, by signing the application, that expedition of the application without the positive Live Scan or background check will not create eligibility for a refund of any fees collected resulting from continuing the process while waiting for the background check and Live Scan.
- (6) **Payment of Application Fees:** The individual designated as the CCB contact on the application will be notified by e-mail if the application is advancing to Phase 2 and, subsequently, to Phase 3. A payment of **\$1,466** will be due before Phase 2 and a payment of **\$1,633** will be due before Phase 3. As part of Phase 4 all eligible Applicants, as determined by the Ordinance or by resolution, will be presented to City Council and must pay a fee of **\$1,165** to qualify for final consideration. Deadlines for these payments will be included in the e-mail notification to the primary contact person.

EVALUATION AND SELECTION PROCESS:

The evaluation and selection process shall consist of the following four phases:

- **Phase 1: Determination of Eligibility and Application**
 - Each Owner/Principal must undergo a criminal history check demonstrating compliance with the eligibility requirements of CMC Section 5.32.070 (d) and 5.32.310 (m).
 - Applications must be complete to be considered. Applications will be considered complete only if they include all the information required for Phases 1, 2, and 3.
 - Proposed location of business must be eligible for CCB.
 - Applicant will execute an agreement indemnifying the City from liability.

- **Phase 2: Initial Ranking (1,500 Points)**
 - Applications will be evaluated based on the following criteria:
 - Proposed Location of business (200 Points)
 - Business Plan (400 Points)
 - Neighborhood Compatibility Plan (300 Points)
 - Safety and Security Plan (300 Points)
 - Air Quality Plan (100 Points)
 - Labor and Employment Plan (200 Points)
 - Those applications which score a minimum of 80% (1,200 points) in Phase 2 will move on to Phase 3.

- **Phase 3: Second Ranking (2,500 Points)**
 - All applications that score at least 80% in Phase 2 will be interviewed and evaluated by the Selection Committee based on the criteria listed below.
 - Prior to the scheduling of interviews in Phase 3 each of the applicants may be required to have their proposed site inspected by the assigned City designee to ascertain current conditions of the facility.
 - The second ranking will be scored based on the following criteria:
 - Final Location (proof of ownership or a signed and notarized statement from the Property Owner (200 Points)
 - Business Plan (300 Points)
 - Community Benefits (300 Points)
 - Enhanced Product Safety (200 Points)
 - Environmental Benefits (200 Points)
 - Labor & Employment (200 Points)
 - Local Enterprise (200 Points)
 - Neighborhood Compatibility Plan (200 Points)
 - Qualifications of Owners (300)
 - Safety and Security Plan (200 Points)
 - Air Quality Plan (200 Points)

 - After all the scores from Phase 3 have been tabulated they will be combined with Phase 2 scores to establish a new ranking of the top applicants. All the applications that maintain a score of at least 80% or a percentage determined by resolution will move onto Phase 4 of the selection process.

➤ **Phase 4: City Manager's Recommendations and City Council's Final Approval**

Phase 4 Steps:

- (1) Public Meeting.
- (2) Selection Committee's final review and evaluation.
- (3) City Manager presents final rankings and recommendation report to City Council.
- (4) City Council Approves Final recommendations.

The initial step of Phase 4 for the final applicants chosen from each category is to participate in a public meeting which will be held in the City of Colfax Council Chambers on a date and time to be determined by City staff. Notice of the public meeting shall be noticed in the manner pursuant to CMC Section 5.32.170 (c).

At the Public Meeting, the community will be allowed to present concerns and/or support and provide additional considerations for potential permit conditions that may be implemented by staff. The Public Meeting will not determine who obtains a permit but shall inform staff of potential concerns for which a condition or conditions may be necessary. Furthermore, decisions, recommendations, and conditions will be based primarily upon site inspection results, business feasibility, and the viability of the proposed location. After the completion of the Public Meeting and prior to the Selection Committee's final recommendation to City Council, the City reserves the right to request and obtain additional information from any candidate who submitted a proposal. Upon the completion of the final review process, the Selection Committee will tabulate final scores of all applicants interviewed in Phase 3. The City Manager will present to the City Council the final ranking along with his/her recommendation. City Council may award only as many permits as allowed by CMC Section 5.32.080 (a) and the City Council reserves the right to award a lesser number of permits, or to award no permits at all. Only those applicants on the final list will be eligible to be issued a permit from the initial permit process. The top applicants which are recommended by the City Manager for consideration of the City Council should be prepared to attend a City Council meeting in the City of Colfax to provide a public presentation before the City Council to introduce their team and provide an overview of their proposal.

Please note that being awarded a CCB does not constitute a land use entitlement and does not waive or remove the requirements of applying for and receiving permits for all construction including: electrical, plumbing, fire, planning permits or reviews, and any other permits, licenses, or reviews as may be necessary by the relevant departments or governmental entities in charge of said permits. Nor does it guarantee that the plans submitted via the CCB application process meet the standards or requirements in Chapter 17 and any other permit requirements from other City departments or agencies.

DESCRIPTION OF EVALUATION CRITERIA:➤ **Proposed Location.**

Your application must include the address and a detailed description of the proposed location. (Note that proof of ownership, or a notarized letter of the owner's willingness to lease will not be given any additional consideration until Phase 3). This section should also describe all sensitive uses within six hundred (600) feet of the proposed location from the property line of a K-12 school, daycare center and youth center. The CCB must have the appropriate zoning and meet all the locational requirements as described in CMC Chapter 17.64, CMC Chapter 5.32.170 and 5.32.210.

➤ **Business Plan.**

With as much detail as possible, the Business Plan should describe:

- Day-to-day operations which meet industry best practices for the specific type of permit.
- How the CCB will conform to local and state law. See CMC Sections 5.32.040, 5.32.210, 5.32.270, 5.32.290, 5.32.310 and Ordinance 536.
- How medical and adult-use will be tracked and monitored to prevent diversion.
- A schedule for beginning operation, including a narrative outlining any proposed construction and improvements and a timeline for completion.

The Business Plan should include:

- A **budget** for construction, operation, maintenance, compensation of employees, equipment costs, utility costs, and other operation costs. The budget must demonstrate sufficient capital in place to pay startup costs and at least three months of operating costs, as well as a description of the sources and uses of funds.
- **Proof of capitalization**, in the form of documentation of cash or other liquid assets on hand, Letters of Credit or other equivalent assets.
- A **pro forma** for at least three years of operation.

➤ **Neighborhood Compatibility Plan.**

For the proposed location, your application should address how the CCB, including its exterior areas and surrounding public areas, will be managed to avoid becoming a nuisance or having impacts on its neighbors and the surrounding community.

Furthermore, a site plan (accurate, dimensioned and to-scale [minimum scale of 1/4"] should be included for each potential location.

➤ **Safety and Security Plan.**

For each proposed location, your application should include:

- A detailed **safety plan**. This plan will describe the fire prevention, suppression, HVAC and alarm systems the facility will have in place. **An assessment of the facility's fire safety by a qualified licensed fire prevention and suppression consultant is required.** An appropriate plan will consider all possible fire, hazardous material, and inhalation issues/threats and will have both written and physical mechanisms in place to deal with each specific situation.
- A detailed **security plan**. This plan will include a description and detailed schematic of the overall facility security. It should have details on operational security, including but not limited to general security policies for the facility, employee specific policies, training, sample written policies, transactional security, visitor security, 3rd party contractor security, and delivery security. In particular, applications should address ingress and egress access, perimeter security, product security (at all hours), internal security measures for access (area specific), types of security systems (alarms and cameras), and security personnel to be employed. **The security plan shall also include an assessment of site security by a qualified licensed security consultant.** Security plans will not be made public.

- A **floor plan** showing existing conditions. If changes are proposed as part of the project, then a proposed floor plan should also be submitted. The floor plan(s) should be accurate, dimensioned and to-scale (minimum scale of 1/4").

➤ **Community Benefits.**

The application should describe benefits that the CCB would provide to the local community, such as employment for residents of the City, community contributions, or economic incentives to the City.

➤ **Enhanced Product Safety.**

The application should state how the CCB will ensure enhanced consumer safety as required by State and/or local law.

➤ **Environmental Benefits.**

The application should describe any proposed “green” business practices relating to energy and climate, water conservation, and materials and waste management.

➤ **Labor & Employment.**

The application should describe to what extent the CCB will adhere to heightened pay and benefits standards and practices, including recognition of the collective bargaining rights of employees. Specific practices that are subject to consideration include the following:

- Providing compensation to and opportunities for continuing education and training of employees/staff (applications should provide proof of the CCB policy and regulations to employees);
- Providing a “living wage” to facility staff and employees. Wage scale should be provided in writing for all levels of employment at the facility. “Living Wage” shall mean 150% of the minimum wage mandated by California or Federal law, whichever is greater.

➤ **Local Enterprise.**

The application should state the extent to which the CCB will be a locally managed enterprise whose owners reside within Colfax and/or the County of Placer.

➤ **Qualifications of Owners.**

The application should include information concerning any special business or professional qualifications or licenses of Owners that would add to the number or quality of services that the CCB would provide, especially in areas related to medical cannabis, such as scientific or health care fields.

➤ **Air Quality Plan.**

Must demonstrate the air circulation does not impact the employees’ health and welfare or the surrounding businesses.

THE CITY OF COLFAX RESERVATION OF RIGHTS:

The City reserves the right to reject any and/or all proposals, with or without any cause or reason. The City may also, modify, postpone, or cancel the request for permit applications without liability, obligation, or commitment to any party, firm, or organization. In addition, the City reserves the right to request and obtain additional information from any candidate submitting a proposal. Late proposals WILL BE REJECTED. Furthermore, a proposal RISKS BEING REJECTED for the following reasons:

1. The application or documents submitted are incomplete, filed late, or not responsive to the requirements of this code.
2. The issuance of the permit or operation of the commercial cannabis business at the proposed location is inconsistent with State law, Chapter 5.32, or other applicable City of Colfax Municipal Codes.

CONTACT:

If you have any questions or would like an update on the status of your application, please contact (Wes Heathcock at 530-346-2313) or by email at Wes.Heathcock@colfax-ca.gov.

City of Colfax

City Council

Resolution № 13-2018

ESTABLISHING AND ADOPTING FEES TO PROCESS APPLICATIONS FOR COMMERCIAL CANNABIS ACTIVITY PERMITS

WHEREAS, on February 28, 2018, the City Council of the City of Colfax adopted Ordinance No. 536 adding Chapter 5.32 “Commercial Cannabis Activity” to the Colfax Municipal Code (“CMC”) (the “Commercial Cannabis Ordinance”); and

WHEREAS, the Commercial Cannabis Ordinance takes effect on March 30, 2018; and

WHEREAS, the City retained HDL Companies to assist with establishing the commercial cannabis business permit application process; and

WHEREAS, the commercial cannabis business permit application process will consist of various phases of review, with applicants advancing to a subsequent phase of review only after satisfying the requirements of the prior phase of review; and

WHEREAS, the City Council desires to adopt fees for each phase of review and for other related costs in order for the City to recover the costs of administering the commercial cannabis business permit application process; and

WHEREAS, City staff, with the assistance of HDL Companies, conducted a fee study to determine the cost of administering each phase of the commercial cannabis business permit application process; and

WHEREAS, the fees established by this resolution are fair and reasonable and are equal to, or less than, the cost to the City to implement and administer the commercial cannabis business permit application process.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Colfax as follows:

1. The foregoing recitals are true and correct statements of fact and are incorporated into this Resolution by this reference.
2. The City Council hereby approves and adopts the fees reflected in the fee schedule attached to this Resolution to implement and administer the commercial cannabis business permit application process.

THE FOREGOING RESOLUTION WAS DULY AND REGULARLY ADOPTED at the Regular Meeting of the City Council of the City of Colfax held on the 28th day of February 2018 by the following vote of the Council:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

Will Stockwin, Mayor

Lorraine Cassidy, City Clerk

Application Fee Cost Summary

	Phase 1	\$ 3,696.00
	Phase 2	\$ 1,466.00
	Phase 3	\$ 1,633.00
	Phase 4	<u>\$ 1,165.00</u>
		<u>\$ 7,960.00</u>
LiveScan Fee		<u>\$ 159.07</u>
Zoning Verification Letter		<u>\$ 205.50</u>
Background Review Option		<u>\$ 300.00</u>

LiveScan and Zone Verification Letter fees

<u>Activity</u>	<u>Position</u>	<u>Hourly</u>	<u>Hours spent</u>	<u>Permit fee cost</u>
Zoning Verification Letter	Planner	\$ 137.00	1.50	<u>\$ 205.50</u>
Fingerprinting	Detective	\$ 110.07	0.50	\$ 55.04
DOJ abstract review	Detective	\$ 110.07	0.50	\$ 55.04
DOJ/FBI CORI fee				<u>\$ 49.00</u>
LiveScan Fee				<u>\$ 159.07</u>
<u>Background Review (Provisional)</u>				
HdL Background Provisional Review	HdL staff	\$ 300.00	flat	\$ 300.00

Commercial Cannabis Business Permit Cost Recovery by Phases**Phase-1: Determination of Eligibility and Application**

NAME	RATE	HOURS FOR PHASE 1	TOTAL	OVERHEAD COSTS
Staff				
City Manager	\$ 52.88	20	\$ 1,057.60	\$ 19.57
City Clerk	\$ 27.07	5	\$ 135.35	\$ 10.02
Sheriff Sergeant	\$ 96.56	0	\$ -	\$ 35.73
Accounting Technician	\$ 22.81	1	\$ 22.81	\$ 8.44
Planner Director	\$ 100.00	0	\$ -	\$ 37.00
City Attorney Office				
City Attorney	\$ 225.00	15	\$ 3,375.00	\$ 83.25
HdL Companies				
Subject matter expertise and technical support	\$ 250.00	20	\$ 5,000.00	n/a
Program oversight and management	\$ 250.00	0	\$ -	n/a
Cost recovery fee analysis	\$ 250.00	10	\$ 2,500.00	n/a
Application development and support	\$ 250.00	10	\$ 2,500.00	n/a
		Subtotal	\$ 14,590.76	\$ 194.01
		Total		\$ 14,784.77
		Per applicant		\$ 3,696.19

Commercial Cannabis Business Permit Cost Recovery by Phases**Phase-2: Initial Ranking**

NAME	RATE	HOURS FOR PHASE 2	TOTAL	OVERHEAD COSTS
Staff				
City Manager	\$ 52.88	2	\$ 105.76	\$ 19.57
City Clerk	\$ 27.07	1	\$ 27.07	\$ 10.02
Sheriff Sergeant	\$ 96.56	0	\$ -	\$ 35.73
Accounting Technician	\$ 22.81	5	\$ 114.05	\$ 8.44
Planner Director	\$ 100.00	2	\$ 200.00	\$ 37.00
City Attorney Office				
City Attorney	\$ 225.00	1	\$ 225.00	\$ 83.25
HdL Companies				
Preparation and Interview Panel Support	\$ 250.00	0	\$ -	n/a
Application development and support	\$ 250.00	20	\$ 5,000.00	n/a
		Subtotal	\$ 5,671.88	\$ 194.01
		Total		\$ 5,865.89
		Per applicant		\$ 1,466.47

Commercial Cannabis Business Permit Cost Recovery by Phases**Phase-3: Second Ranking**

NAME	RATE	HOURS FOR PHASE 3	TOTAL	OVERHEAD COSTS
Staff				
City Manager	\$ 52.88	2	\$ 105.76	\$ 19.57
City Clerk	\$ 27.07	1	\$ 27.07	\$ 10.02
Sheriff Sergeant	\$ 96.56	0	\$ -	\$ 35.73
Finance Director	\$ 75.00	0	\$ -	\$ 27.75
Planner Director	\$ 100.00	2	\$ 200.00	\$ 37.00
City Attorney Office				
City Attorney	\$ 225.00	2	\$ 450.00	\$ 83.25
HdL Companies				
Preparation and Interview panel support	\$ 250.00	16	\$ 4,000.00	n/a
Interview Panel				
City Manager	\$ 52.88	8	\$ 423.04	\$ 19.57
City Clerk	\$ 27.07	8	\$ 216.56	\$ 10.02
Sheriff Sergeant	\$ 96.56	0	\$ -	\$ 35.73
Accounting Technician	\$ 22.81	1	\$ 22.81	\$ 8.44
Planner Director	\$ 100.00	8	\$ 800.00	\$ 37.00
		Subtotal	\$ 6,245.24	\$ 287.08
		Total		\$ 6,532.32
		Per applicant		\$ 1,633.08

Commercial Cannabis Business Permit Cost Recovery by Phases
Phase-4: Public Meeting and City Council Final Recommendation

NAME	RATE	HOURS FOR PHASE 4	TOTAL	OVERHEAD COSTS
Staff				
City Manager	\$ 52.88	6	\$ 317.28	\$ 19.57
City Clerk	\$ 27.07	2	\$ 54.14	\$ 10.02
Sheriff Sergeant	\$ 96.56	0	\$ -	\$ 35.73
Accounting Technician	\$ 22.81	2	\$ 45.62	\$ 8.44
Planner Director	\$ 100.00	2	\$ 200.00	\$ 37.00
City Attorney Office				
City Attorney	\$ 225.00	6	\$ 1,350.00	\$ 83.25
HdL Companies				
Final selection and presentation to Council	\$ 250.00	10	\$ 2,500.00	n/a
		Subtotal	\$ 4,467.04	\$ 194.01
		Total		\$ 4,661.05
		Per applicant		\$ 1,165.26

City of Colfax

City Council

Resolution № 14-2018

AUTHORIZING ACCESS TO STATE AND FEDERAL LEVEL SUMMARY CRIMINAL HISTORY INFORMATION FOR EMPLOYMENT, LICENSING OR CERTIFICATION PURPOSES IN ORDER TO IMPLEMENT COLFAX MUNICIPAL CODE CHAPTER 5.32 PERTAINING TO COMMERCIAL CANNABIS REGULATION

WHEREAS, California Penal Code Sections 11105(b)(11) and 13300(b)(11) authorize cities to access state and local summary criminal history information if (1) access is needed to assist the city in fulfilling employment, licensing, or certification duties, and (2) if access is specifically authorized by the City Council if the state summary criminal history information is required to implement a statute, ordinance or regulation that expressly refers to specific criminal conduct applicable to the subject person of the state summary criminal history information, and (3) contains requirements or exclusions, or both, expressly based upon that specific criminal conduct; and

WHEREAS, California Penal Code Section 11105(b)(11) authorizes cities to access federal level criminal history information by transmitting fingerprint images and related information to the Department of Justice to be transmitted to the Federal Bureau of Investigation; and

WHEREAS, access to federal, state and local summary criminal history information is necessary to implement Colfax Municipal Code Chapter 5.32 that establishes commercial cannabis regulations.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Colfax as follows:

1. The foregoing recitals are true and correct statements of fact and are incorporated into this Resolution by this reference.

2. The City Manager or his designee is hereby authorized to access state and federal level summary criminal history information for employment licensing and certification purposes as allowed by California Penal Code Sections 11105 and 13300 and other provisions of law in order to implement the provisions and requirements of Colfax Municipal Code Chapter 5.32. This authorization includes, but is not limited to, access to state and federal level summary criminal history information that pertains to volunteers and contract employees.

3. The form of Commercial Cannabis Business Employee/Owner Background Application attached to this Resolution is approved, as may be modified or amended from time-to-time.

THE FOREGOING RESOLUTION WAS DULY AND REGULARLY ADOPTED at the Regular Meeting of the City Council of the City of Colfax held on the 28th day of February 2018 by the following vote of the Council:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

Will Stockwin, Mayor

Lorraine Cassidy, City Clerk



CITY OF COLFAX

Commercial Cannabis Business
Employee/Owner Background Application

33 S. Main Street
Colfax, CA 95713
(530) 346-2313

COMMERCIAL CANNABIS BUSINESS APPLICANT INFORMATION

Name as Shown On Application	⇒	LAST NAME ON APPLICATION	FIRST NAME ON APPLICATION	MIDDLE NAME ON APPLICATION

APPLICANT INFORMATION

Social Security Number	⇒	LAST NAME ON SOCIAL SECURITY CARD	FIRST NAME ON SOCIAL SECURITY CARD	MIDDLE NAME ON SOCIAL SEC. CARD
California Driver's License	⇒	LAST NAME ON CALIFORNIA DRIVER'S LICENSE	FIRST NAME ON CAL. DRIVER'S LICENSE	MIDDLE NAME ON CAL. DRIVER'S LIC.

SEX <input type="checkbox"/> Male <input type="checkbox"/> Female	AGE	DATE OF BIRTH	RACE	HEIGHT	WEIGHT	HAIR	EYES
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LIST YOUR CURRENT HOME ADDRESS, CITY, ZIP CODE (<u>NO P.O. BOXES ALLOWED</u>)	CELL PHONE #
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LIST ANY OTHER NAMES YOU HAVE EVER USED (Maiden, Married, Nicknames, etc.)	BIRTH COUNTRY/STATE	LANGUAGES SPOKEN
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CRIMINAL HISTORY

List all arrest or convictions other than infractions for traffic violations IF ADDITIONAL SPACE IS NEEDED, ATTACH ADDITIONAL SHEETS TO THE APPLICATION. **PLEASE NOTE ANY FALSE STATEMENTS, MISLEADING STATEMENTS OR OMISSIONS ON THIS APPLICATION OR ON THE CCB PERMIT SHALL BE GROUNDS FOR DISQUALIFICATION.**

1	ARREST DATE	ARRESTING AGENCY / LOCATION / COURT NAME	CHARGE / REASON FOR ARREST
	DISPOSITION (WHAT WAS THE OUTCOME OF THE CASE: Were you sentenced? Did you have to pay a fine? Probation? Parole? Etc.)		
2	ARREST DATE	ARRESTING AGENCY / LOCATION / COURT NAME	CHARGE / REASON FOR ARREST
	DISPOSITION (WHAT WAS THE OUTCOME OF THE CASE: Were you sentenced? Did you have to pay a fine? Probation? Parole? Etc.)		
3	ARREST DATE	ARRESTING AGENCY / LOCATION / COURT NAME	CHARGE / REASON FOR ARREST
	DISPOSITION (WHAT WAS THE OUTCOME OF THE CASE: Were you sentenced? Did you have to pay a fine? Probation? Parole? Etc.)		

STATEMENT OF PERJURY

I DECLARE UNDER THE PENALTY OF PERJURY, UNDER THE LAWS OF THE STATE OF CALIFORNIA AND THE CITY OF COLFAX, THAT THE FOREGOING IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

APPLICANT'S SIGNATURE	JOB TITLE (POSITION ON THE APPLICATION)	DATE
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CITY STAFF USE ONLY

DATE / TIME	\$ FEE AMOUNT PAID	\$ RECEIPT #	CITY STAFF'S NAME	CITY DEPARTMENT
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CITY OF COLFAX
Commercial Cannabis Business
Employee/Owner Background Information

33 S. Main Street
 Colfax, CA 95713
 (530) 346-2313

ADDITIONAL ARREST INFORMATION

ARREST DATE	ARRESTING AGENCY / LOCATION / COURT NAME	CHARGE / REASON FOR ARREST
DISPOSITION (WHAT WAS THE OUTCOME OF THE CASE: Were you sentenced? Did you have to pay a fine? Probation? Parole? Etc.)		
ARREST DATE	ARRESTING AGENCY / LOCATION / COURT NAME	CHARGE / REASON FOR ARREST
DISPOSITION (WHAT WAS THE OUTCOME OF THE CASE: Were you sentenced? Did you have to pay a fine? Probation? Parole? Etc.)		
ARREST DATE	ARRESTING AGENCY / LOCATION / COURT NAME	CHARGE / REASON FOR ARREST
DISPOSITION (WHAT WAS THE OUTCOME OF THE CASE: Were you sentenced? Did you have to pay a fine? Probation? Parole? Etc.)		

LIST ALL REGULATED ONLY COMMERCIAL CANNABIS EMPLOYMENT HISTORY

BUSINESS NAME	CITY / STATE	PHONE	START DATE	END DATE

BACKGROUND INVESTIGATION RELEASE

To Whom It May Concern:

I am an applicant/employee with a Commercial Cannabis Business in the City. I desire and request the City Manager of the City of Colfax, Sheriff and/or his/her agents, employee or lawful representative(s) to take my photograph and fingerprints or use the information in this application for the purpose of conducting a background check to verify that I meet the qualifications required to obtain a Commercial Cannabis Business Permit to operate or to be employed with such business as required by the City Municipal Code and/or State Law.

I agree to provide any information requested or deemed necessary to provide the State of California Department of Justice and the Federal Bureau Investigation, or any other law enforcement agency or third-party consultant authorized by the City Manager or Sheriff.

I understand this will serve to disclose any record of arrests to which I have been the subject that resulted in conviction. I further agree to hold the City of Colfax, its officers, agents, or lawfully delegated representatives, harmless from any action(s), or damages whatsoever or at all, which may result from the taking of such fingerprints or forwarding them to the appropriate law enforcement agency for a record's check and/or obtaining access to any other documentation which pertains to meeting the qualification for a Commercial Cannabis Business Permit or Employee Permit.

Furthermore, I hereby authorize the City Manager or Sheriff and/or his/her agents, employee or lawful representative(s) to obtain and review my consumer credit report and/or any other credit related information pertaining to me. I hereby confirm I have received a copy of my consumer rights.

By signing this form, I acknowledge and agree to comply with all the conditions and terms of this application. I also understand that falsifying and/or omitting any information on this application may be grounds for denial of a permit or is grounds for termination of employment per the Colfax Ordinance.

APPLICANT'S SIGNATURE	DATE	PERSON REVIEWING APPLICATION:	DATE
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Colfax Limitations on City's Liability and Certifications, Assurances and Warranties

(Must be completed by all applicants)

a. WAIVER AND RELEASE OF LIABILITY AND AGREEMENT TO INDEMNIFY THE CITY OF COLFAX

The applicant and all owners and operators hereby waive and release the City from any and all liability for monetary damages related to or arising from the application for a permit, the issuance of the permit, or the enforcement of the conditions of the permit. The applicant certifies that under no circumstances shall the applicant cause any course of action for monetary damages against the City of Colfax, the permitting official, or any City employee or agent as a result of this permit application or issuance or the enforcement of the conditions of the permit.

b. RELEASE CITY OF COLFAX FROM LIABILITY FOR ISSUING THE APPLICANT A PERMIT

By applying for a permit pursuant to the Colfax Commercial Cannabis Business Permit and by accepting a permit, from the City of Colfax Planning Department acting as the Colfax Local Permitting Authority, the applicant/permittee, owners and operators and each of them, waives and releases Colfax, and its elected officials, employees, agents, insurers and attorneys, and each of them, from any liability for injuries, damages, costs and expenses of any nature whatsoever that result or relate to the investigation, arrest or prosecution of business owners, operators, employees; clients or customers of the applicant/permittee for a violation of state or federal laws, rules or regulations relating to cannabis activities.

c. AGREEMENT TO INDEMNIFY CITY OF COLFAX

By applying for a permit pursuant to the Colfax Commercial Cannabis Permit Program and by accepting a permit, from the Colfax Planning Department acting as the Colfax Local Permitting Authority, the applicant/permittee, owners and operators, and each of them, jointly and severally if more than one, agrees to indemnify, defend and hold harmless Colfax, and its elected officials, employees, agents, insurers and attorneys, and each of them, against all liability, claims and demands, of any nature whatsoever, including, but not limited to, those arising from bodily injury, sickness, disease, death, property loss and property damage, arising out of or in any manner related to the operation of the commercial cannabis business that is the subject of the permit.

- d. The applicant, commercial cannabis business manager and anyone with an ownership interest in the business referenced herein represents and certifies they have submitted to a Live Scan and/or background check no earlier than 30 days prior to the date of this application.
- e. For renewals, the applicant represents and certifies that they continue to hold in good standing any permit/license required by the State of California where applicable for a commercial cannabis business operation.
- f. The applicant understands that operators, employees and members of the commercial cannabis business may be subject to prosecution under Federal Laws.

g. The person whose signature appears below is authorized to sign this application on behalf of the business and has submitted this information and all attachments as required by the application process to obtain a commercial cannabis permit from the City of Colfax.

I declare under penalty of perjury that the information provided on this form is true and correct and do hereby apply for a permit pursuant to Colfax Municipal Code Chapter 5.32 and in compliance with Colfax Municipal Code Section 5.32.170, 5.32.230, 5.32.250, and all other applicable Sections of this Ordinance.

Applicant Signature

Printed Name and Title

Date

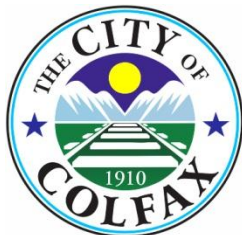
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of _____

Subscribed and sworn to (or affirmed) before me on this _____ day of _____, 20____, by _____, proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

(Seal) Signature _____



STAFF REPORT TO THE COLFAX CITY COUNCIL

FOR THE FEBRUARY 28, 2018 REGULAR COUNCIL MEETING

FROM Wes Heathcock, City Manager
PREPARED BY: Lorraine Cassidy, City Clerk
DATE February 23, 2018
SUBJECT: Consolidation of November 6, 2018 Election and Request for Election Services by the County Clerk.

<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>	FUNDED	<input type="checkbox"/>	UN-FUNDED	AMOUNT: \$2,000	FROM FUND: 100-120-8550
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RECOMMENDED ACTION: Adopt Resolution No. 15-2018: declaring an election to be held in the City of Colfax jurisdiction on November 6, 2018; requesting the Placer County Board of Supervisors to consolidate this election with any other election conducted on said date; and requesting election services by the County Clerk.

ISSUE STATEMENT AND DISCUSSION:

Pursuant to the California Elections Code the City is required to adopt a resolution calling an election and requesting election services to be provided by the County Registrar of Voters. The City's General Election will be held on the same date as the November 6, 2018 statewide General Election. The City will file this resolution with the County of Placer requesting consolidation of the election and setting forth the offices to be voted upon at the election. Three City Council members will be elected for full, four-year terms and one City Council member will be elected for a short, two-year term.

Calling the election normally takes place in May or June. However, the Council is required to call an election to fill the Council seat vacated by Councilmember Hesch within 60 days of the effective date of his resignation. February 28, 2018 is the last day for Council to call that election. Staff, therefore, elected to present the resolution calling for the election to fill all offices at the same time.

The candidate filing period for the November 6, 2018 General Election will be July 16, 2018 through August 10, 2018. If an eligible incumbent does not file by 5:00 PM on August 10, 2018, any qualified person other than an incumbent will have until 5:00 PM on August 15, 2018 to file.

FINANCIAL AND/OR POLICY IMPLICATIONS:

Consolidation with the County during a statewide election allows for a substantial savings over the cost of a "stand-alone" election. The County election fees include a base fee of \$250 dollars plus \$1.25 per registered voter. Placing a measure on the ballot incurs an additional \$0.01 per registered voter. County election fees in previous years have ranged between \$1400 and \$1750. Based on this information \$2000 is being requested in the Fiscal Year 2017-2018 budget for all election activities.

ATTACHMENTS:

Resolution 15-2018

City of Colfax

City Council

Resolution № 15-2018

DECLARING AN ELECTION TO BE HELD IN THE JURISDICTION OF THE CITY OF COLFAX ON NOVEMBER 6, 2018; REQUESTING THE PLACER COUNTY BOARD OF SUPERVISORS TO CONSOLIDATE THIS ELECTION WITH ANY OTHER ELECTION CONDUCTED ON SAID DATE; AND REQUESTING ELECTION SERVICES BY THE COUNTY CLERK

WHEREAS, this City Council orders an election to be held in its jurisdiction on November 6, 2018; at which election the issue(s) to be presented to the voters shall be:

NOMINATION OF CANDIDATES FOR THE GOVERNING BODY

- Said election shall be to fill a vacancy for the following City Councilmembers whose terms expired:

Incumbent's Name	Office	Regular/Short Term
Stephen L Harvey	Council	Regular
Tony Hesch	Council	Regular
Will Stockwin	Council	Regular
Marnie Mendoza	Council	Short

- Said Officeholders for this City are elected in the following manner:

At Large: There are no divisions in the City; all voters within the City vote for all candidates.

- If by the close of candidate filing, the number of qualified candidates does not exceed the number of seats to be filled in a particular office, the City Council shall, in accordance with Elections Code Section 10229(a): appoint to the office the person(s) who has been nominated and/or appoint to the office any eligible elector if no one has been nominated.
- Notwithstanding the section above, item 3 shall not apply if (a) the number of nominees for another City office exceeds the number of seats to be filled, or (b) a City measure has qualified and is to be submitted to the voters at the Municipal Election. If either (a) or (b) occurs, all City offices will be put before the voters of the City, regardless of the number of nominees, in accordance with Elections Code Section 10229(b).

5. Said City has determined the following election particulars:
- The length of the Candidate Statement shall not exceed **200 words**.
 - The cost of the Candidate Statement shall be paid by the **Candidate**.
 - In the case of a tie vote, the election shall be determined by **LOT**.
 - The County Clerk is **requested** to provide election services with all applicable costs paid for by the City.
6. The City hereby certifies that: There have been no City boundary changes since our last election, but the City understands that the Placer County Public Works Mapping Division will verify our City boundary lines prior to the election.

BE IT RESOLVED that the Board of Supervisors of the County of Placer is hereby requested to:

1. Consolidate the election with any other applicable election conducted on the same day;
2. Authorize and direct the County Clerk, at City expense, to provide all necessary election services.

This Resolution shall be considered a **Notice of Election** and **Specification of Election Order** if applicable.

THE FOREGOING RESOLUTION WAS DULY AND REGULARLY ADOPTED at the Regular Meeting of the City Council of the City of Colfax held on the 28th day of February 28, 2018 by the following vote of the Council:

AYES:

NOES:

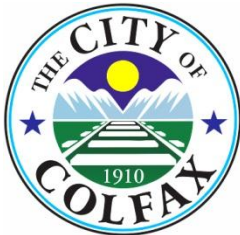
ABSENT:

ABSTAIN:

ATTEST:

Will Stockwin, Mayor

Lorraine Cassidy, City Clerk



STAFF REPORT TO THE COLFAX CITY COUNCIL

FOR THE FEBRUARY 28, 2018 COUNCIL MEETING

FROM: Wes Heathcock, City Manager
PREPARED BY: Laurie Van Groningen, Finance Director
DATE: February 21, 2018
SUBJECT: Mid-Year Budget Review – Fiscal Year 2017-2018

<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>	FUNDED	<input type="checkbox"/>	UN-FUNDED	AMOUNT: \$	FROM FUND:
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RECOMMENDED ACTION: Review and accept the Mid-Year Budget Report FY2017-2018

ISSUE STATEMENT AND DISCUSSION:

The Mid-Year Budget Review analyzes revenues and expenditures during the fiscal year and projects the estimated actuals for the end of the fiscal year. The estimated actual projection is based on six months of actual revenues and expenditures (through December 31, 2017) and projections for the balance of the fiscal year based on current City activities and programs.

This review process is a good start to the bi-annual budget process. Staff will be utilizing this data as we begin to analyze and project City finances for the next two-year budget process.

ANALYSIS

The attached Mid-Year Budget Review – Fund Summary report provides a detailed comparison of year end estimated actuals to the adopted budget by fund and department.

There are projected differences between revenue and expense categories in all funds and departments. Overall the difference is a favorable increase in Projected Net Change in Fund Balance for total City funds in the amount of \$82,131. The chart below summarizes the difference by major fund and revenue/expense category.

	Adopted Budget	Estimated Actuals	Net Change
General Fund Unrestricted			
Revenue	\$ 1,813,500	\$ 1,988,800	\$ 175,300
Expense	\$ (1,720,873)	\$ (1,869,946)	\$ (149,073)
Transfers	\$ (300,727)	\$ (285,240)	\$ 15,487
Net Fund Activity	\$ (208,100)	\$ (166,386)	\$ 41,714
General Fund Restricted			
Revenue	\$ 80,000	\$ 80,000	\$ -
Expense	\$ (96,401)	\$ (94,013)	\$ 2,388
Transfers	\$ 19,483	\$ 20,683	\$ 1,200
Net Fund Activity	\$ 3,082	\$ 6,670	\$ 3,588
Special Revenues/Capital Projects			
Revenue	\$ 333,861	\$ 392,555	\$ 58,694
Expense	\$ (839,701)	\$ (865,785)	\$ (26,084)
Transfers	\$ 250,727	\$ 235,240	\$ (15,487)
Net Fund Activity	\$ (255,113)	\$ (237,990)	\$ 17,123
Enterprise Funds			
Revenue	\$ 1,875,741	\$ 1,906,850	\$ 31,109
Expense	\$ (2,060,968)	\$ (2,072,371)	\$ (11,403)
Transfers			
Net Fund Activity	\$ (185,227)	\$ (165,521)	\$ 19,706
Total City	\$ (645,358)	\$ (563,227)	\$ 82,131

General Fund Unrestricted

The chart below summarizes the Net Change from last Adopted Budget to Estimated Actuals in Revenue and Expenses by the major categories.

General Fund Unrestricted - Net Change		
	Revenues	Expenses
Sales Tax Revenues/Purchase Agreement	\$ 100,000	\$ 50,000
Increase in Planning/Development Activities	\$ 35,000	\$ 27,000
Legal Expenses	\$ -	\$ 81,000
Sale of Equipment	\$ 16,000	\$ -
Public Safety Grant Adjustment	\$ -	\$ (39,000)
Other	\$ 24,000	\$ 31,000
Total	\$ 175,000	\$ 150,000

- Sales tax revenues are expected to be nearly 10% higher than the Adopted budget based on the best estimates available. Year to date actuals indicate a favorable upward trend. The City finished FY2016-2017 higher than expected (and higher than current year adopted budget) so an increase in projection is warranted.
 - Note: The increase in sales tax revenue also increases the payment amount due on the purchase of Winner Chevrolet property (based on a sales tax agreement). This note is currently anticipated to be paid off by the end of calendar year 2018.

- Planning and development activities have increased which results in a higher projection for both revenue and expenses in this category.
- The City has incurred some additional legal expenses related to employment and union disputes.
- The City sold some miscellaneous equipment for a total of approximately \$16,000
- We received an adjustment from the State as part of our grant funding for public safety in the amount of \$39,000 which results in less allocation from the General Fund for our Sheriff Contract. The total cost of the Sheriff contract is not changed – the adjustment increases revenues and expenses in the Special Revenue Fund.

Special Revenues & Capital Projects

The chart below summarizes the Net Change from last Adopted Budget to the current Estimated Actuals in Revenue and Expenses by the major categories.

Special Revenues/Capital Projects		
	Revenues	Expenses
Increase in Transportation Funding	\$ 20,000	\$ -
Public Safety Grant Adjustment	\$ 39,000	\$ 39,000
Mitigation Fee - Project Expenses	\$ -	\$ (17,000)
Other	\$ -	\$ 4,000
	\$ -	\$ -
Total	\$ 59,000	\$ 26,000

- The City actual allocation for State Transit Assistance and Local Transportation Funds, which are allocated through PCTPA, is higher than originally estimated. This increase in revenues reduces the amount of General Funds that are allocated to Streets & Roads Expenditures (note change in Transfers for both General Fund and Special Revenue Funds).
- We received an adjustment from the State as part of our grant funding for public safety in the amount of \$39,000 which results in less allocation from the General Fund for our Sheriff Contract. The total cost of Sheriff contract is not changed – the adjustment increases revenues and expenses in the Special Revenue Fund.
- Mitigation Fee project expenses are projected to be lower than budgeted. This is a timing difference between fiscal years and not a reduction in total project costs.

Enterprise Funds

The chart below summarizes the Net Change from last Adopted Budget to the current Estimated Actuals in Revenue and Expenses by the major categories.

Enterprise Funds - Net Change		
	Revenues	Expenses
Increase in estimated interest income	\$ 17,000	\$ -
Service charge estimate	\$ 14,000	\$ -
Engineering Services	\$ -	\$ 30,000
Equipment repairs & Maintenance	\$ -	\$ (40,000)
Other	\$ -	\$ (1,000)
Total	\$ 31,000	\$ (11,000)

- Revenue projections have been reviewed and adjusted based on year to date actuals. The increase in interest is due to higher interest rates being earned and higher fund balances.

- Engineering expenses are projected to be higher than Adopted Budget due to the Pond 3 fissure project. Some of these remediation design expenses may be reimbursed by FEMA – so this is a worst case forecast.
- Equipment repairs & maintenance expenses are projected to be lower than budget, but are related to timing and will be addressed in the next budget cycle.

STAFF RECOMMENDATION

Staff recommends that Council accepts the Mid-Year Budget Report for FY2017-2018.

SUPPORTING DOCUMENTS:

1. Fiscal Year 2017-2018 Mid-Year Budget Review – Fund Summary
2. Proposed Budget Process Calendar

**City of Colfax - FY2017-2018
Mid Year Budget Review -Fund Summary
Revision Date: February 21, 2018**

Fund	Dept	Revenues			Expenses			Transfers In/(Out)			Net Change in Fund Balance (Revenues - Expenses +/- Transfers)		
		Estimated Actuals	Adopted Budget	Difference	Estimated Actuals	Adopted Budget	Difference	Estimated Actuals	Adopted Budget	Difference	Estimated Actuals	Adopted Budget	Difference
General Fund - Unrestricted													
100	000	1,988,800	1,813,500	175,300			-	(285,240)	(300,727)	15,487	1,703,560	1,512,773	190,787
100	100 Central Services	-		-	233,951	157,594	76,357	-		-	(233,951)	(157,594)	(76,357)
100	110 City Council	-		-	28,075	28,200	(125)	-		-	(28,075)	(28,200)	125
100	120 Administration/Finance	-		-	222,700	205,760	16,940	-		-	(222,700)	(205,760)	(16,940)
100	160 Legal	-		-	65,000	54,000	11,000	-		-	(65,000)	(54,000)	(11,000)
100	200 Fire	-		-	66,100	67,000	(900)	-		-	(66,100)	(67,000)	900
100	300 Sheriff	-		-	515,411	554,300	(38,889)	-		-	(515,411)	(554,300)	38,889
100	400 Building Department	-		-	72,900	72,900	-	-		-	(72,900)	(72,900)	-
100	425 Engineering	-		-	20,000	20,000	-	-		-	(20,000)	(20,000)	-
100	450 Planning	-		-	57,600	57,600	-	-		-	(57,600)	(57,600)	-
100	500 Buildings and Grounds	-		-	428,103	383,045	45,058	-		-	(428,103)	(383,045)	(45,058)
100	530 Parks	-		-	111,606	99,324	12,282	-		-	(111,606)	(99,324)	(12,282)
100	Land Development	-		-	48,500	21,150	27,350	-		-	(48,500)	(21,150)	(27,350)
570	Garbage	-		-			-	-		-	-	-	-
Total General Fund - Unrestricted		1,988,800	1,813,500	175,300	1,869,946	1,720,873	149,073	(285,240)	(300,727)	15,487	(166,386)	(208,100)	41,714
General Fund - Restricted													
	Capital Project Reserve	-	-	-	-	-	-	50,000	50,000	-	50,000	50,000	-
571	AB939 Landfill Diversion	-	-	-	-	-	-	(29,317)	(30,517)	1,200	(29,317)	(30,517)	1,200
572	Landfill - Postclosure Maint	80,000	80,000	-	94,013	96,401	(2,388)	-		-	(14,013)	(16,401)	2,388
Total General Fund - Restricted		80,000	80,000	-	94,013	96,401	(2,388)	20,683	19,483	1,200	6,670	3,082	3,588
Special Revenues													
210-17	Mitigation Funds	2,125	1,143	982	72,117	89,548	(17,431)	-	-	-	(69,992)	(88,405)	18,413
218	Support Law Enforcement	139,400	100,000	39,400	139,400	100,000	39,400	-	-	-	-	-	-
241-44	CDBG Program Income	1,500	2,600	(1,100)	6,000	6,000	-	-	-	-	(4,500)	(3,400)	(1,100)
250	Streets-Roads/Transportation	129,500	110,288	19,212	392,195	388,372	3,823	262,695	278,084	(15,389)	-	-	-
253	Gas Taxes	46,455	46,330	125	19,000	19,000	-	(27,455)	(27,357)	(98)	-	(27)	27
270	Beverage Recycling	-	-	-	-	-	-	-	-	-	-	-	-
280	Used Oil Grant	25	-	25	3,556	3,264	292	-	-	-	(3,531)	(3,264)	(267)
286	Community Projects	-	-	-	-	-	-	-	-	-	-	-	-
292	Fire Capital Fund	73,500	73,500	-	203,000	203,000	-	-	-	-	(129,500)	(129,500)	-
342/343	Fire & Rec Const Mitigation	50	-	50	-	-	-	-	-	-	50	-	50
Total Special Revenues		392,555	333,861	58,694	835,268	809,184	26,084	235,240	250,727	(15,487)	(207,473)	(224,596)	17,123
Capital Projects													
3XX	Corp Yard Security/Recycle Imp	-	-	-	30,517	30,517	-	30,517	30,517	-	-	-	-
3XX		-	-	-	-	-	-	-	-	-	-	-	-
3XX		-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Projects		-	-	-	30,517	30,517	-	30,517	30,517	-	-	-	-
Enterprise Funds													
560	Sewer WWTP Maint and Ops	1,137,250	1,130,180	7,070	1,309,250	1,285,489	23,761	-	-	-	(172,000)	(155,309)	(16,691)
561	Sewer Collections Systems	184,500	184,500	-	323,397	336,505	(13,108)	(37,500)	(37,500)	-	(176,397)	(189,505)	13,108
563	WWTP/Debt Service	500,000	475,861	24,139	438,974	438,974	-	-	-	-	61,026	36,887	24,139
565	G.O. Bonds	-	100	(100)	-	-	-	-	-	-	-	100	(100)
567	Inflows and Infiltration Reserves	85,100	85,100	-	750	-	750	-	-	-	84,350	85,100	(750)
Total Special Revenues		1,906,850	1,875,741	31,109	2,072,371	2,060,968	11,403	(37,500)	(37,500)	-	(203,021)	(222,727)	19,706
TOTAL ALL FUNDS		4,368,205	4,103,102	265,103	4,902,115	4,717,943	184,172	(36,300)	(37,500)	1,200	(570,210)	(652,341)	82,131

City of Colfax - Proposed Budget Process Calendar

Revision Date: February 21, 2018

Date	Action	Comment
Wednesday, February 28, 2018	Mid Year Review 2017-2018	Detailed Analysis of all Revenue and Expenditures during Current fiscal year. Review of budget adjustments as needed. Council to provide general direction for preparation of fiscal year budget
Wednesday, April 18, 2018	2018-2019 and 2019-2020 Preliminary Budget (Staff)	Analysis and projection of all revenue sources, departmental staff requirements and expenditures, Capital Improvements projects, Identification of Broad goals - Fund Reserve requirements and targets, identification of challenges and opportunities.
Wednesday, May 09, 2018	Council/Public Budget Workshop <i>To be Scheduled during Work Day</i>	Council provides feedback and general direction to staff based on review of preliminary budget. Citizens have an opportunity to address Council and staff during this workshop.
Wednesday, June 13, 2018	2018-2019 and 2019-2020 Adopted Budget <i>City Council Meeting</i>	Staff incorporates feedback/amendments to budget as directed by Council.
Wednesday, June 27, 2018	Contingency Meeting	Last date for adoption of budget
Sunday, July 01, 2018	New Fiscal Year Begins	