

# City Council Meeting

COUNCIL CHAMBERS, 33 SOUTH MAIN STREET, COLFAX, CA

Mayor Marnie Mendoza · Mayor Pro Tem Sean Lomen  
Councilmembers · Kim Douglass · Trinity Burruss · Joe Fatula

## REGULAR MEETING AGENDA

September 23, 2020

Regular Session: 6:00PM

### The open session will be performed via TELECONFERENCE

Join via ZOOM on a computer or mobile device by visiting

<https://us02web.zoom.us/j/83780830403>

Dial in by calling one of the numbers listed below and enter the Webinar ID: 837 8083 0403

1 (669) 900-6833

1 (346) 248-7799

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1 (929) 205-6099

1 (253) 215-8782

1 (301) 715-8592

Or join via Facebook Live on our City of Colfax page: City of Colfax California

**1** CLOSED SESSION (NO CLOSED SESSION)

**2** OPEN SESSION

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.

**3** AGENCY REPORTS

3A. Placer County Sheriff

3B. CHP

**4** PRESENTATION (NO PRESENTATION)

**5** PUBLIC HEARING

**Notice to the Public:** City Council, when considering a matter scheduled for hearing, will take the following actions:

1. Presentation by Staff
2. Open the Public Hearing
3. Presentation, when applicable, by Applicant
4. Accept Public Testimony
5. When applicable, Applicant rebuttal period
6. Close Public Hearing (No public comment is taken, hearing is closed)
7. Council comments and questions
8. City Council Action

*Public Hearings that are continued will be so noted. The continued Public Hearing will be listed on a subsequent council agenda and posting of that agenda will serve as notice.*



- 5A. **Mitigation Impact Fees – Annual Report** (Pages 4-10)  
**Staff Presentation:** Laurie Van Groningen, Finance Director  
**Recommended Action:** Conduct public hearing, review annual report, consider public and staff comments, accept report and adopt Resolution \_\_-2020 accepting and approving the Annual AB 1600 Mitigation Fee Report and making findings pursuant to Colfax Municipal Code Chapter 3.56 and the Mitigation Fee Act (Government Code § 66000 Ed Seq)

## 6 **CONSENT CALENDAR**

*Matters on the Consent Calendar 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**

- 6A. **Minutes – Special Meeting Cannabis Workshop of May 27, 2020** (Pages 11-48)  
**Recommendation:** Approve the Minutes of the Special Meeting Cannabis Workshop of May 27, 2020.
- 6B. **Minutes – Regular Meeting of September 9, 2020** (Pages 49-51)  
**Recommendation:** Approve the Minutes of the Regular Meeting of September 9, 2020.
- 6C. **Cash Summary – August 2020** (Pages 52-64)  
**Recommendation:** Accept and File.
- 6D. **On-Call Construction Inspection Services – UNICO Engineering** (Pages 65-81)  
**Recommendation:** Approve Resolution \_\_-2020 authorizing the City Manager to execute a Consultant Services Agreement with UNICO Engineering for On-Call Construction Inspection Services for a 3-year term in an amount not to exceed \$100,000.
- 6E. **Temporary Wastewater Operator Services – Coleman Engineering** (Pages 82-96)  
**Recommendation:** Approve Resolution \_\_-2020 authorizing the City Manager to execute a Consultant Services Agreement with Coleman Engineering in an amount not to exceed \$62,000.

## 7 **PUBLIC COMMENT**

*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.*

## 8 **COUNCIL AND STAFF**

*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.*

- 8A. **Committee Reports and Colfax Informational Items – All Councilmembers**
- 8B. **City Operations Update – City Manager**

## 9 **COUNCIL BUSINESS** (NO COUNCIL BUSINESS)

## 10 **GOOD OF THE ORDER**

*Informal statements, 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.*



**11**    **ADJOURNMENT**

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I, Jaclyn Collier, 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](http://www.Colfax-ca.gov).

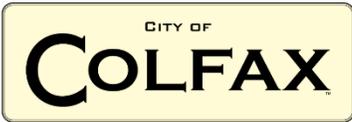
*Jaclyn Collier*  
\_\_\_\_\_  
Jaclyn Collier, City Clerk

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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.

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# Staff Report to City Council

## FOR THE SEPTEMBER 23, 2020 REGULAR CITY COUNCIL MEETING

**From:** Wes Heathcock, City Manager  
**Prepared by:** Laurie Van Groningen, Finance Director  
**Subject:** Mitigation Impact Fees – Annual Report

*Budget Impact Overview:*

| N/A: ✓ | Funded: | Un-funded: | Amount: | Fund(s): |
|--------|---------|------------|---------|----------|
|--------|---------|------------|---------|----------|

**RECOMMENDED ACTION:** Conduct public hearing, review annual report, consider public and staff comments, accept report and adopt Resolution \_\_-2020 accepting and approving the Annual AB 1600 Mitigation Fee Report and making findings pursuant to Colfax Municipal Code Chapter 3.56 and the Mitigation Fee Act (Government Code §66000 Et Seq)

**Summary/Background**

The State of California, through the enactment of Government Code Section 66000 et seq. (the “Mitigation Fee Act”), conferred upon local government units authority to adopt fees imposed on a broad class of projects and fees imposed on specific projects for the purpose of defraying all or a portion of the cost of public facilities related to the development project. The City of Colfax Municipal Code Chapter 3.56 established the local authority for imposing Mitigation Impact Fees as allowed by the Mitigation Fee Act.

Colfax Municipal Code §3.56.120B requires the City to complete an annual AB1600 Mitigation report and Council to review the annual report at a noticed public hearing. At the close of the hearing, the Council must determine whether the mitigation impact fee amounts continue to be reasonably related to the impact of development and whether the described public facilities are still needed. The Council is authorized to revise the mitigation impact fees to include additional projects not previously foreseen as being needed.

The City maintains separate fund accounts for each mitigation fee type. The City has established the following Mitigation Impact Fees:

1. Fund 210 - Roads
2. Fund 211 - Drainage
3. Fund 212 - Trails
4. Fund 213 - Parks and Recreation
5. Fund 214 - City Buildings
6. Fund 215 - City Vehicles
7. Fund 217 - Downtown Parking
8. Fund 342 - Fire Construction Fees
9. Fund 343 - Recreation Construction Fees

These funds earn and accumulate interest and all expenditures from these funds have been for the purpose for which the fees were collected. A detailed financial analysis by fund and a schedule of mitigation fees are attached as part of this report.

Mitigation Fees are accounted for using the accounting method known as FIFO (first in, first out), which means the first revenue received is assumed to be the first spent. State law and the Colfax Municipal Code require the City to prepare an annual report for each fund established to account for Mitigation Impact Fees. The report must

include (1) A brief description of the type of fee in the account or fund (Government Code §66006(b)(1)(A)) , (2) the amount of the fee (Government Code §66006(b)(1)(B)), (3) the beginning and ending balance of the account or fund (Government Code §66006(b)(1)(C)), (4) the amount of the fees collected and the interest earned (Government Code §66006(b)(1)(D)), (5) an identification of each public improvement on which fees were expended and the amount of the expenditures on each improvement, including the total percentage of the cost of the public improvement that was funded with the fees (Government Code §66006(b)(1)(E)), (6) an identification of an approximate date by which the construction of the public improvement will commence if the city determines that sufficient funds have been collected to complete financing on an incomplete public improvement (Government Code §66006(b)(1)(F)), (7) a description of each inter-fund transfer or loan made from the account or fund, including the public improvement on which the transferred or loaned fees will be expended, and, in the case of an inter-fund loan, the date on which the loan will be repaid, and the rate of interest that the account or fund will receive on the loan (Government Code §66006(b)(1)(G)) and (8) the amount of refunds made and allocations made if the cost of making a refund exceeds the amount to be refunded.

#### Public Contact

This report was available at City Hall counter by: August 31, 2020

Notice of Public Hearing was published: Auburn Journal September 9, 2020

Staff recommends that Council Accepts And Approves the Annual AB 1600 Mitigation Fee Report And Makes Findings Pursuant To Colfax Municipal Code Chapter 3.56 And The Mitigation Fee Act (Government Code §66000 Et Seq).

#### Attachments:

1. Resolution \_\_-2020
2. Annual AB1600 Report
3. Mitigation Fee Schedule

The 2006 Mitigation Fee Study and 2006 Mitigation Fee Council Minutes are available at City Hall.

# City of Colfax

## City Council

Resolution No. \_\_-2020

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ACCEPTING AND APPROVING THE ANNUAL AB 1600 MITIGATION FEE REPORT AND MAKING FINDINGS PURSUANT TO COLFAX MUNICIPAL CODE CHAPTER 3.56 AND THE MITIGATION FEE ACT (GOVERNMENT CODE §66000 Et Seq)

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**WHEREAS**, the State of California, through the enactment of Government Code Section 66000 et seq. (the “Mitigation Fee Act”), conferred upon local government unit’s authority to adopt fees imposed on a broad class of projects and fees imposed on specific projects for the purpose of defraying all or a portion of the cost of public facilities related to the development project; and,

**WHEREAS**, the City of Colfax Municipal Code Chapter 3.56 established the local authority for imposing Mitigation Impact Fees as allowed by the Mitigation Fee Act; and,

**WHEREAS**, Colfax Municipal Code §3.56.120B requires the City to complete an annual AB1600 Mitigation report and Council to review the annual report at a noticed public hearing; and,

**WHEREAS**, at the close of the hearing, the Council must determine whether the mitigation impact fee amounts continue to be reasonably related to the impact of development and whether the described public facilities are still needed; and,

**WHEREAS**, the Council is authorized to revise the mitigation impact fees to include additional projects not previously foreseen as being needed; and,

**WHEREAS**, the City maintains separate fund accounts for each mitigation fee type. The City has established the following Mitigation Impact Fees:

1. Fund 210 - Roads
2. Fund 211 - Drainage
3. Fund 212 - Trails
4. Fund 213 - Parks and Recreation
5. Fund 214 - City Buildings
6. Fund 215 - City Vehicles
7. Fund 217 - Downtown Parking
8. Fund 342 - Fire Construction Fees
9. Fund 343 - Recreation Construction Fees; and,

**WHEREAS**, these funds earn and accumulate interest and all expenditures from these funds have been for the purpose for which the fees were collected; and,

**WHEREAS**, a detailed financial analysis by fund and a schedule of mitigation fees are attached as part of this report; and,

**WHEREAS**, Mitigation Fees are accounted for using the accounting method known as FIFO (first in, first out), which means the first revenue received is assumed to be the first spent; and,

**WHEREAS**, State law and the Colfax Municipal Code require the City to prepare an annual report for each fund established to account for Mitigation Impact Fees; and,

**WHEREAS**, the report must include (1) A brief description of the type of fee in the account or fund (Government Code §66006(b)(1)(A)), (2) the amount of the fee (Government Code §66006(b)(1)(B)), (3) the beginning and ending balance of the account or fund (Government Code §66006(b)(1)(C)), (4) the amount of the fees collected and the interest earned (Government Code §66006(b)(1)(D)), (5) an identification of each public improvement on which fees were expended and the amount of the expenditures on each improvement, including the total percentage of the cost of the public improvement that was funded with the fees (Government Code §66006(b)(1)(E)), (6) an identification of an approximate date by which the construction of the public improvement will commence if the city determines that sufficient funds have been collected to complete financing on an incomplete public improvement (Government Code §66006(b)(1)(F)), (7) a description of each inter-fund transfer or loan made from the account or fund, including the public improvement on which the transferred or loaned fees will be expended, and, in the case of an inter-fund loan, the date on which the loan will be repaid, and the rate of interest that the account or fund will receive on the loan (Government Code §66006(b)(1)(G)) and (8) the amount of refunds made and allocations made if the cost of making a refund exceeds the amount to be refunded; and,

**WHEREAS**, on September 23, 2020, pursuant to notice duly published and posted, the Colfax City Council opened a public hearing for the purpose of (1) reviewing the Mitigation Fee Report and the Mitigation Impact Fees and determining whether the Mitigation Impact Fee amounts continue to be reasonably related to the impact of development, (2) determining whether the described facilities are still needed, (3) determining whether the Mitigation Impact Fees should be revised to include additional projects not previously foreseen as being needed and (4) making other findings required by law; and,

**WHEREAS**, on September 23, 2020, the public hearing was closed after all public comments were received.

**NOW THEREFORE, BE IT RESOLVED** 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 reference.
2. Based upon all of the evidence in the record before it and the comments received from the public, the Colfax City Council hereby finds and determines:
  - a. The purpose to which each Mitigation Impact Fee identified in the Mitigation Fee Report is adequately identified in Colfax Municipal Code §3.56.050 and the Major Projects and Mitigation Fee Study dated August 14, 2006, as amended.
  - b. It has been adequately demonstrated that there continues to be a reasonable relationship between each Mitigation Impact Fee and the purpose for which it is charged.
  - c. To the extent any improvements to be funded by Mitigation Impact Fees remain incomplete, the sources and amount of funding are identified in the Major Projects and Mitigation Fee Study dated August 14, 2006 as amended and include without limitation future development projects in Colfax.
  - d. The approximate dates on which funding for all projects to be funded by Mitigation Impact Fees will be deposited into the appropriate Mitigation Impact Fee Account or fund is presently unknown because development within the City is unpredictable but is estimated to beat approximately the same time as future development occurs.
  - e. The amounts of the Mitigation Impact Fees continue to be reasonably related to the impact of development.

- f. The public facilities described in the Major Projects and Mitigation Fee Study dated August 14, 2006, as amended, and as provided in Colfax Municipal Code §3.56.050 are still needed.
- 3. The Mitigation Fee Report is hereby approved.

**THE FOREGOING RESOLUTION WAS DULY AND REGULARLY ADOPTED** at the Regular Meeting of the City Council of the City of Colfax held on the 23<sup>rd</sup> day of September, 2020 by the following vote of Council:

**AYES:**  
**NOES:**  
**ABSTAIN:**  
**ABSENT:**

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**Marnie Mendoza, Mayor**

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**Jaclyn Collier, City Clerk**

## Attachment 2

### City of Colfax Annual Report on Mitigation Fees Per Government Code 66000 AB1600 Statement - Fiscal Year 2019-2020

#### Analysis of Change in Fund Balance

|                                   | Roads<br>210      | Drainage<br>211 | Trails<br>212    | Parks & Rec<br>213 | City Building<br>214 | City Vehicle<br>215 | Downtown<br>Parking<br>217 | Recreation<br>Construction<br>342 | Fire<br>Construction<br>343 | Total             |
|-----------------------------------|-------------------|-----------------|------------------|--------------------|----------------------|---------------------|----------------------------|-----------------------------------|-----------------------------|-------------------|
| Beginning Balance 07/01/19        | \$ 284,972        | \$ 3,181        | \$ 45,606        | \$ 4,925           | \$ 4,807             | \$ 914              | \$ 0                       | \$ 10,594                         | \$ 10,594                   | \$ 365,592        |
| <b>REVENUE</b>                    |                   |                 |                  |                    |                      |                     |                            |                                   |                             |                   |
| Fees Collected*                   | 116,676           | 1,110           | 17,874           | 101,696            | 39,303               | 8,397               | 30,892                     | 30,309                            | 30,309                      | 376,566           |
| Interest Earnings                 | 6,451             | 75              | 1,090            | 1,208              | 452                  | 93                  | 273                        | 504                               | 504                         | 10,650            |
| Other Revenue                     | -                 | -               | -                | -                  | -                    | -                   | -                          | -                                 | -                           | -                 |
| Transfers in                      | -                 | -               | -                | -                  | -                    | -                   | -                          | -                                 | -                           | -                 |
|                                   | 123,127           | 1,185           | 18,964           | 102,904            | 39,755               | 8,491               | 31,165                     | 30,813                            | 30,813                      | 387,216           |
| <b>EXPENDITURES</b>               |                   |                 |                  |                    |                      |                     |                            |                                   |                             |                   |
| Project Expenditures              | 191,850           | -               | -                | -                  | -                    | -                   | -                          | -                                 | -                           | 191,850           |
| Refunds                           | -                 | -               | -                | -                  | -                    | -                   | -                          | -                                 | -                           | -                 |
| Transfers Out                     | -                 | -               | -                | -                  | -                    | -                   | -                          | -                                 | -                           | -                 |
|                                   | 191,850           | -               | -                | -                  | -                    | -                   | -                          | -                                 | -                           | 191,850           |
| Revenue Over/(Under) Expenditures | (68,723)          | 1,185           | 18,964           | 102,904            | 39,755               | 8,491               | 31,165                     | 30,813                            | 30,813                      | 195,366           |
| <b>Ending Balance at 06/30/20</b> | <b>\$ 216,249</b> | <b>\$ 4,366</b> | <b>\$ 64,570</b> | <b>\$ 107,829</b>  | <b>\$ 44,561</b>     | <b>\$ 9,404</b>     | <b>\$ 31,165</b>           | <b>\$ 41,407</b>                  | <b>\$ 41,407</b>            | <b>\$ 560,958</b> |

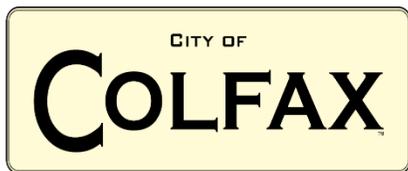
#### Expenditures by Project

|                                      | Roads<br>210      | Drainage<br>211 | Trails<br>212 | Parks & Rec<br>213 | City Building<br>214 | City Vehicle<br>215 | Downtown<br>Parking<br>217 | Recreation<br>Construction<br>342 | Fire<br>Construction<br>343 | Total             | Percentage<br>Funded with<br>Mitigation Fees |
|--------------------------------------|-------------------|-----------------|---------------|--------------------|----------------------|---------------------|----------------------------|-----------------------------------|-----------------------------|-------------------|--|
| Project: Roundabout                  | \$ 191,850        | \$ -            | \$ -          | \$ -               | \$ -                 | \$ -                | \$ -                       | \$ -                              | \$ -                        | \$ 191,850        | 6%   |
|                                      | \$ -              | \$ -            | \$ -          | \$ -               | \$ -                 | \$ -                | \$ -                       | \$ -                              | \$ -                        | \$ -              |  |
|                                      | \$ -              | \$ -            | \$ -          | \$ -               | \$ -                 | \$ -                | \$ -                       | \$ -                              | \$ -                        | \$ -              |  |
|                                      | \$ -              | \$ -            | \$ -          | \$ -               | \$ -                 | \$ -                | \$ -                       | \$ -                              | \$ -                        | \$ -              |  |
|                                      | \$ -              | \$ -            | \$ -          | \$ -               | \$ -                 | \$ -                | \$ -                       | \$ -                              | \$ -                        | \$ -              |  |
| <b>Total Expenditures by Project</b> | <b>\$ 191,850</b> | <b>\$ -</b>     | <b>\$ -</b>   | <b>\$ -</b>        | <b>\$ -</b>          | <b>\$ -</b>         | <b>\$ -</b>                | <b>\$ -</b>                       | <b>\$ -</b>                 | <b>\$ 191,850</b> |  |

**Attachment 3**

**MITIGATION FEE BY LANDUSE & TYPE  
COLFAX MITIGATION FEE STUDY**

| Mitigation Fee 3.56                 |                        | Single             | Multi              | Office                  | Retail                  | Industrial              |
|-------------------------------------|------------------------|--------------------|--------------------|-------------------------|-------------------------|-------------------------|
| Item                                | Code/Ordinance Section | Family<br>per unit | Family<br>per unit | Building<br>per 1000 sf | Building<br>per 1000 sf | Building<br>per 1000 sf |
| Roads                               | 3.56.030A              | \$ 1,802           | \$ 1,301           | \$ 5,285                | \$ 6,342                | \$ 1,172                |
| Drainage Study                      | 3.56.030B              | \$ 74              | \$ 48              | \$ 57                   | \$ 68                   | \$ 43                   |
| Drainage systems on e-w culverts    | 3.56.030C              | \$ 3,416           | \$ 2,216           | \$ 2,616                | \$ 3,139                | \$ 1,962                |
| Trails                              | 3.56.030D              | \$ 1,125           | \$ 787             | \$ 35                   | \$ 31                   | \$ 12                   |
| Park & Rec.                         | 3.56.030E              | \$ 5,731           | \$ 4,011           | \$ 178                  | \$ 160                  | \$ 63                   |
| City Buildings                      | 3.56.030F              | \$ 684             | \$ 494             | \$ 2,007                | \$ 2,409                | \$ 445                  |
| City Vehicles                       | 3.56.030G              | \$ 130             | \$ 94              | \$ 380                  | \$ 456                  | \$ 84                   |
| Downtown Parking                    | 3.56030H               | \$ 581             | \$ 420             | \$ 1,705                | \$ 2,046                | \$ 378                  |
| Mitigation Fee Study                |                        | \$ -               | \$ -               | \$ -                    | \$ -                    | \$ -                    |
|                                     |                        |                    |                    | sf building,<br>example |                         |                         |
|                                     |                        | per unit           | per unit           | Totals for a 10,000     |                         |                         |
| Total                               |                        | \$ 13,543          | \$ 9,372           | \$ 122,628              | \$ 146,522              | \$ 41,595               |
| Totals areas not using e-w culverts |                        | \$ 10,126          | \$ 7,156           | \$ 96,465               | \$ 115,128              | \$ 21,974               |



# City Council Minutes

Special Cannabis Workshop Meeting of Wednesday, May 27, 2020  
 City Hall Council Chambers  
 33 S. Main Street, Colfax CA

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Mayor Mendoza called the Special Meeting to order at 11:10AM.

Roll Call:

Present: Mendoza, Lomen, Burruss, Douglass, Fatula

## **1 PUBLIC COMMENT**

1A. Public Comment

## **2 WORKSHOP**

2A. Commercial Cannabis

Wendy Dion inquired if the City would apply the costs of SCI between all available licenses.

Councilmember Burruss requested input from City Attorney Cabral.

City Attorney Cabral confirmed that the direction from Council at the last meeting, SCI charges would be included, the one applicant would bear the entire cost.

Wendy Dion inquired whether or not the City would align the renewal process with the State rather than continue renewal processes each year.

City Manager Heathcock mentioned the presentation may cover some of the questions being asked and requested to proceed with the presentation and receive questions and public comment after.

Mayor Mendoza agreed and requested to receive the presentation, then public comment. She requested City Manager Heathcock provide information about the presentation.

City Manager Heathcock provided a brief history on the Cannabis topic.

Kyle Tankard with SCI Consulting provided a PowerPoint presentation, noting items he and staff are requesting direction for.

City Manager Heathcock requested to go back to page 7 to start the discussion.

Mayor Mendoza requested to go slide by slide and discuss questions and answer public comment. She inquired whether or not public comment had been received.

Councilmember Burruss agreed.

### **SLIDE 8:**

Councilmember Fatula stated virtually everyone he has talked to is in favor of the medical use but the same amount are opposed to recreational use.

Councilmember Douglass stated he prefers to stay with the medicinal only.

Councilmember Burruss said she would be amicable to allowing for adult use taking into account combined adult use medical use provided there were two retail facilities allowed, otherwise she would agree to stick with medical.

Mayor Pro Tem Lomen said he has heard similar things as Councilmember Fatula that people don't want to see another retail cannabis store but as far as State regulations are going, the best course of action might be to keep it as one medical retail store but allow adult use permitting for the other avenues because adult use can provide their product to medical use but it cannot be the other way around. He said it would cut down on the possible number of applicants, the types of businesses, versus the way the State does it. Mayor Pro Tem Lomen stated he is in favor of keeping it as one retail at this time and keep it a medical permit.

Mayor Mendoza stated she would like to continue this pilot project with what we have in place here, and she is for medicinal.

Councilmember Burruss confirmed public comment has been received.

Wendy Dion commented Section 5019 of State Regulations allows only a set number of retail stores per census tract. She also noted Mayor Pro Tem Lomen was correct in his information about the other licenses.

Denise Helling-Brooks commented she is all for recreational sales in Colfax for adult use, no to an additional dispensary. She added medical for any of the other licenses would be useless.

Councilmember Burruss suggested Mayor Mendoza circle back to Council Members and ask what their opinions are on that as it is a clarification point. She requested clarification on whether or not Council is in agreement to put a medicinal label on license types other than retail.

Mayor Mendoza requested Council provide a yes or no answer.

Councilmember Fatula stated he believes the medical versus retail only applies to retail. He said it doesn't make sense to apply it to anything else and he thinks this is a retail only question.

Mayor Mendoza requested clarification of whether or not Councilmember Fatula is in favor of adult use for retail.

Councilmember Fatula answered he did not believe that was the question being posed by Councilmember Burruss.

Councilmember Burruss clarified only retail is where the adult use applies and Councilmember Fatula is voting no on adult use retail.

Mayor Mendoza inquired if Councilmember Fatula can view the comments coming in, she asked if everyone can see the comments.

Discussion had between Mayor Mendoza, Councilmember Burruss and Councilmember Fatula about the question being asked.

Councilmember Fatula confirmed his answer is yes to whether or not the adult use only applies to retail.

Councilmember Burruss requested Councilmember Fatula's position for whether or not we should allow adult use for retail stores.

Councilmember Fatula stated it was answered already and is a no. He then clarified there are two questions here to be answered; whether or not the adult use applies only to the retail license and whether or not Council is in support of adult use being added to retail.

Councilmember Burruss agreed, requested Councilmember Douglass provide his input.

Councilmember Fatula requested Mayor Mendoza run the meeting.

Mayor Mendoza requested to hear from Councilmember Douglass.

Councilmember Douglass requested the question be repeated.

Councilmember Burruss repeated the question asking whether or not the adult use questions apply to the other licensing types, if they should be split by adult or medical use.

Councilmember Fatula repeated the question in another form.

Councilmember Douglass asked if Council was instructed to provide a yes or no answer.

Councilmember Burruss requested a moment.

Councilmember Douglass asked if Councilmember Fatula's answer was yes, no, or mute.

Councilmember Fatula stated his answer was simple, that he thinks the adult use versus medical use applies only to retail and if you're talking about cultivation, how does a person doing cultivation know or care if it is for adult use or medical use, and that its only when it is sold or distributed that that matters.

Councilmember Douglass stated he believes the question should be posed in a yes or no fashion so it makes sense.

Councilmember Fatula agreed with Councilmember Douglass.

Mayor Pro Tem Lomen offered to pose the question in a yes or no format and asked if Council wants medical and adult use permits in retail.

Councilmember Douglass answered no.

Mayor Pro Tem Lomen asked if Council would like to keep retail medical only.

Councilmember Fatula stated medical only.

Councilmember Douglass stated medical only.

Mayor Pro Tem Lomen asked Council if they agree that for all other permits, putting a label of medical or adult use is inconsequential.

Councilmember Douglass answered no.

Mayor Pro Tem Lomen explained the way the State has set up licenses now, there is not a reason to put a medical restriction on the other types of licenses. He asked if Council is okay with allowing for adult use classified permits for all other types of permits except for retail.

Councilmember Douglass stated he is in favor of keeping whatever the State rule is currently.

Mayor Pro Tem Lomen confirmed the State currently says adult use can supply medical but not the other way around.

City Manager Heathcock requested Mr. Tankard provide information for licenses other than retail.

Mr. Tankard provided explanation of how State regulations are currently written, and how putting a medicinal label on the other license types would limit the viability as a successful business. He clarified the question as whether the City would like to put a restriction on the other cannabis activities, excluding retail, whether you want those businesses to have the ability to conduct both adult use and medicinal activities or medicinal only activities.

Mayor Pro Tem Lomen thanked Mr. Tankard for laying the question out elegantly.

Councilmember Burruss inquired how this applies to microbusinesses and whether or not Council's decision would apply microbusiness licenses as well, allowing retail transactions for medical only.

Mr. Tankard confirmed.

Councilmember Burruss asked Council if they disagree that retail should remain medical only and all other license types should be permitted irrespective of adult use or medicinal.

Councilmember Burruss asked Council who agrees with the statement.

Mayor Pro Tem Lomen agreed.

Councilmember Douglass agreed.

Mayor Mendoza agreed.

Mayor Mendoza confirmed all of Council has answered with the exception of Councilmember Fatula.

Councilmember Fatula answered yes, stated it was the same question that had been raised three times now.

Councilmember Burruss stated she is the only Councilmember who disagrees with that statement, explaining that her only difference in position is she is for allowing adult use and her condition to that was wanting the ability to consider a second retail location. She stated that, based on the previous comments and workshops, it would be dependent on data and knowing what the concentration is because there are such things as natural monopolies. Councilmember Burruss confirmed she understand she is out-voted on this subject with 4 members of Council in favor of retail being medical only.

### **SLIDE 9:**

City Manager Heathcock requested Mr. Tankard provide some background information on the item and pose the question staff is looking for Council to provide direction on.

Mr. Tankard was having technical difficulties with his virtual access.

City Manager Heathcock explained how the current regulations read, the number of retail cannabis businesses are up to two medicinal allowed and staff is looking for direction on whether or not Council wants to put the cap at one business or, if not, the number of medicinal type businesses Council would like to allow.

Mayor Mendoza requested Council provide the number of medicinal type businesses they would like to allow.

Councilmember Fatula stated the current cap is one and he had not heard of a cap of two, inquired where City Manager Heathcock received the information.

City Manager Heathcock clarified the current ordinance reads there is a total of four, two medicinal and two retail, Council allowed only one medicinal when GSPC was brought forward, requested correction from City Attorney Cabral if that was incorrect.

City Attorney Cabral confirmed City Manager Heathcock was correct.

Mayor Mendoza requested Councilmember Fatula answer whether or not he wants more than one.

Councilmember Fatula stated he believes we are still in a trial period, and one was his answer.

Mayor Mendoza requested the answer for Councilmember Douglass.

Councilmember Douglass stated until we get out of the current situation, keep it at one.

Mayor Mendoza requested the answer from Councilmember Burruss.

Councilmember Burruss confirmed if we are sticking with medical only, her answer was one.

Mayor Mendoza requested the answer from Mayor Pro Tem Lomen.

Mayor Pro Tem Lomen answered one for the retail portion for now until we get through the pilot project. He stated he would like for the other business types of permits to see a total of 10 and divide it up between two of each kind for 5 different leaving one permit open to go into any one of those 5 sections including retail should we decide to allow additional retail permits later.

Mayor Mendoza answered she is for one.

Mayor Mendoza requested to move on to the second portion of the slide, other cannabis activities, asking whether or not Council wants to place a cap on that. She asked for Councilmember Fatula's answer.

Councilmember Fatula stated his answer will depend on a couple other items, one being location stating people have come to him requesting it to not be in a particular area. He requested to cover the location before answering.

Councilmember Douglass also requested to wait due to location.

Mayor Mendoza requested clarification from Mr. Tankard.

Mr. Tankard clarified it is not required to be written in the ordinance, noting you can establish the number of permits available by resolution and there have been cities that have done that so that 5-10 years down the road the city can do that. He said this process can be established outside this ordinance.

Mayor Mendoza requested City Attorney Cabral confirm.

City Attorney Cabral confirmed Mr. Tankard is correct, provided an explanation of the difference between an ordinance and a resolution being the process in which it was adopted.

Mayor Mendoza requested an answer from Councilmember Burruss.

Councilmember Burruss stated she agreed strongly with Mayor Pro Tem Lomen's position, a maximum of 10.

Mayor Mendoza requested an answer from Mayor Pro Tem Lomen.

Mayor Pro Tem Lomen confirmed, he would like to see 10 and agreed with discussing the zoning as he doesn't want to just see businesses pop up all over or cultivation in residential areas.

City Manager Heathcock requested clarification on the 10 licenses, asking if they were requesting 10 per each activity or 10 in total.

Mayor Pro Tem Lomen clarified 10 in total divided up as two for each different activity to avoid having 9 cultivators.

City Manager Heathcock confirmed two permits per activity for a total of 10.

Mayor Pro Tem Lomen agreed. He requested two per each except for retail and allow that to be determined by request.

Councilmember Burruss requested clarification he was wanting two per each and one floating.

Mayor Pro Tem Lomen confirmed.

Councilmember Burruss agreed with Mayor Pro Tem Lomen's proposal.

Mayor Mendoza asked if City Manager Heathcock was clear on the request.

City Manager Heathcock stated he was clear but asked for the position of the remainder of Council in regards to the proposal.

Mayor Mendoza stated she is in agreement with Mayor Pro Tem Lomen, but that she was confused about Councilmember Fatula and Councilmember Douglass about the part she inquired to City Attorney Cabral.

City Attorney Cabral requested clarification on Mayor Mendoza's question, he repeated his answer to the last question and reiterated the current question being posed to Council.

City Manager Heathcock requested Mayor Mendoza inquire to Council Members Douglass and Fatula what their opinion is on the cap of 10 with two permits per activity other than retail with one floating or if they would like more clarity on the zoning before they answer.

Mayor Mendoza requested to go back to Councilmember Douglass and Councilmember Fatula to hear from them.

Councilmember Fatula stated he cannot answer the question until the zoning piece is answered.

Mayor Mendoza stated she would come back to Councilmember Fatula for his answer after the zoning piece is addressed.

Councilmember Douglass requested more clarification on the zoning before answering.

Mayor Mendoza requested to move to the next slide.

**SLIDE 10:**

Mr. Tankard provided information clarifying the question.

Mayor Mendoza noted she is going in order and requested the answer from Councilmember Fatula.

Councilmember Fatula stated his question is on suspension versus revocation, noting if a business is suspended for making a mistake and they fix the problem, there shouldn't be a period of time, if they can't fix the issue, there should be a time delay in there.

Councilmember Douglass agreed with Councilmember Fatula but added unless there are some bizarre extenuating circumstances.

Councilmember Burruss requested a clarification of Councilmember Fatula's comment.

Councilmember Fatula provided an example of how a business could get their license suspended by fire hazard for someone leaving trash outside their building, they remove the trash, their license should be reinstated as opposed to the licensee stating they are not going to fix it and refuses to fix it, now they're shut down permanently. He added if they are shut down permanently, they should have a one-year moratorium, but if they fix the defect, it encourages the business to do the right thing.

Councilmember Burruss requested confirmation that one-year period would only apply to revocation.

Councilmember Fatula clarified yes, assuming revocation means they were unable or unwilling to fix the defect, suggested permanently suspended versus suspended.

Councilmember Burruss agreed with Councilmember Fatula.

Mayor Pro Tem Lomen agreed with the comments.

Mayor Mendoza stated she also agreed with the comments for Councilmember Fatula.

Councilmember Burruss requested Councilmember Douglass repeat his comment.

Councilmember Douglass requested to reword it so people can come back in the loop without having to wait an entire year. He confirmed he is in agreement with the rest of Council.

Mayor Mendoza requested to receive Public Comment.

City Clerk read public comment received regarding annual license fees compared to Colfax's proposed fees.

Councilmember Fatula inquired how the question applies to the current slide.

Mr. Tankard requested to hold off on the question until we covered the regulatory fees.

Mayor Mendoza noted Council is going slide by slide and to make public comment in reference to the slide that is being discussed. She stated we would come back to the licensing fees question when we arrive to that slide.

**SLIDE 11:**

Mr. Tankard requested policy direction from Council regarding security personnel and whether or not Council wanted to keep the existing ordinance or amend it to align with the State Regulation.

Councilmember Fatula agreed to the amendment aligning with State Regulations regarding security for retail businesses. He noted it should be up to the business owner whether or not they want security onsite during non-operational hours.

Councilmember Douglass stated he does not believe the City should require security 24/7.

Councilmember Burruss stated she agreed with the amendment.

Mayor Pro Tem Lomen agreed with the amendment to align with the State Regulations.

Mayor Mendoza agreed as well.

Public comment provided by Wendy Dion stating she agreed with the State Regulation.

**SLIDE 12:**

Mr. Tankard provided background information and requested Council provide direction for inventory discrepancies. He noted Councilmember Fatula proposed the ordinance be changed from notifying the City Manager within 24 hours of discovery to notify within 7 days of the prior month close.

Councilmember Fatula explained his reasonings for requesting the change.

Mayor Mendoza requested Council provide staff with direction.

Councilmember Fatula agreed to make the change.

Councilmember Douglass was not sure, requested time to think about the change.

Councilmember Burruss agreed.

Mayor Pro Tem Lomen asked Mr. Tankard how this change would affect the State Regulation, and would the cannabis business still be required to report to the State within 24 hours.

Mr. Tankard confirmed the cannabis business is still required to report within 24 hours of discovery of any issue.

Mayor Pro Tem Lomen requested clarification that this change allows the business more leeway.

Mr. Tankard confirmed.

Mayor Pro Tem Lomen stated the business has to call the state within 24 hours of discovery so it would just be another call to the City if there was an issue.

Mr. Tankard agreed.

Councilmember Fatula added that the discovery may not occur until the end of the month.

Councilmember Burruss noted she liked Councilmember Fatula's change because the State Regulations are everchanging and although it allows more leeway, it may end up aligning better down the road.

Mayor Mendoza requested input from City Attorney Cabral about whether or not this change would put the City at any risk.

City Attorney Cabral confirmed the change would not put the City at risk.

Mayor Pro Tem Lomen stated he agreed with the change.

Mayor Mendoza stated she is okay with the change after consulting with City Attorney Cabral.

No Public Comment was provided for this slide.

**SLIDE 13:**

Mr. Tankard provided information and requested direction from Council regarding business signage and advertisement.

Councilmember Fatula noted this is a definitional question.

Mr. Tankard agreed.

Councilmember Fatula questioned whether or not an identification mark, provided example GSPC, is a logo. He stated his answer would be yes. Councilmember Fatula went on, noting the letters are both identifiable and a logo, asking why it would be restricted. He provided the example of trademarking GSPC, and asked if it would be text or a logo, noting the difference is specifying what the font is and the definition is ambiguous. Councilmember Fatula stated it is different than advertising, provided an example of GSPC versus advertisement.

City Manager Heathcock inquired to Mr. Tankard whether or not the State Regulations are silent on this.

Mr. Tankard responded yes but he would double check. He noted the intention is to keep businesses from including someone smoking or a bong or similar images that easily identifies it as a cannabis business. Mr. Tankard said a green cross has connotation to medicinal cannabis use but it isn't as noticeable to the public and the intention of this is to prevent other images.

Councilmember Fatula requested to have all signs be required to receive approval by Council.

Mayor Mendoza stated she liked that idea noting other businesses already have to receive approval for signs.

City Manager Heathcock confirmed sign permits are generally approved by the City Planner and by requiring cannabis signs to come to Council it would delay the process. He then added to Councilmember Fatula's point that when you are approving or disapproving whether it is subjective or not.

Councilmember Fatula stated the sign is either text only with no advertisements or it is a logo and if it is a logo, how do you decide the green cross is okay but something else is not. He stated he does not want to be in the middle of debates, that he wanted to get the decisions made once and for all.

Mayor Mendoza requested input from Councilmember Douglass.

Councilmember Douglass stated his is not in favor of voting yes on this.

Councilmember Burruss agreed with Councilmember Fatula that it should be removed.

Mayor Pro Tem Lomen agreed with Councilmember Burruss and Councilmember Fatula.

Mayor Mendoza stated she is also in favor of removing the requirement.

Mayor Mendoza then moved on to the second question on the slide, requesting Council provide feedback and direction.

City Manager Heathcock added Mr. Tankard would need to verify the previous decision in comparison to the State Regulations and that if the State Regulations do not cover it, staff will move forward with Council's majority recommendation on the matter.

Councilmember Burruss asked City Manager Heathcock if it is not in the State Regulations, is Council required to write it in the City ordinance.

City Manager Heathcock referred to City Attorney Cabral for an answer.

City Attorney Cabral requested clarification of the question.

Councilmember Burruss asked if Council was to remove this from the ordinance but the State does require this stand, would it be a moot point if it is in the City's ordinance or not.

City Attorney Cabral confirmed that is correct because State law would apply.

Councilmember Burruss requested confirmation that by removing it from the ordinance, Council is deferring the topic to the State.

City Attorney Cabral confirmed, noting that other parts of the ordinance require businesses to comply with state law.

Councilmember Fatula added that either way the business would need a sign permit from the City.

Mayor Mendoza continued to the second issue presented on the slide which asked Council to decide whether or not to prohibit cannabis businesses from providing sponsorships.

Councilmember Fatula asked Mr. Tankard to define sponsorship.

Mr. Tankard noted this was an item Councilmember Fatula pointed out as a revision and clarified that currently there is nothing in the ordinance to prohibit a cannabis business from providing sponsorships such as a sport event.

Councilmember Fatula provided an example of the cannabis business wanting to sponsor a baseball team and their identification or logo is on the uniform. He asked, assuming the receiver of the sponsorship accepts it, is the City saying within the City this is okay or not okay.

Mr. Tankard clarified the State does have advertisement placement requirements. He explained that under State law they not be place in an area where at least 71.6% of the audience viewing the advertisement or marketing is reasonably expected to be 21 year of age or older.

Mayor Mendoza inquired to Mr. Tankard if that is his statement, why the slide states State Regulations do not address this.

Mr. Tankard answered they don't specifically cover sponsorship and this was a clarification brought up by Councilmember Fatula since sponsorship is a form of advertisement.

Councilmember Fatula clarified that his question came up when someone sent him a motorcycle race with an image of a GSPC logo on their uniform and he was asking if it was okay or not okay.

Councilmember Burruss asked what Councilmember Fatula's position on it was, it was okay or not okay to him.

Councilmember Fatula stated he would look at it as it is sponsorships that affect the youth, he would be against it, if it is sponsorship things that affect adults, it's a business decision and the business can decide.

Mayor Mendoza provided an example of the Colfax 3<sup>rd</sup> of July event and asked if Councilmember Fatula was suggesting a donation from them be declined because there would be youth attending the fireworks show.

Councilmember Fatula responded that is the question being brought up. He said if 71% were kids we would be in violation of State law. Councilmember Fatula stated that as a City, he wanted to address this so it is clear, and if he were GSPC he would want an answer yes, it is okay or no, it is not okay rather than create risk.

Mayor Mendoza requested additional clarification on what the state regulation is and if the City can refer to the State on the matter but that she would like to see that data.

Mr. Tankard clarified the State Regulation reads any advertisement or marketing that is place in broadcast cable, radio, print, digital communication that is where the audience must be at least 71.6% 21 years of age or older. He added, in the case of GSPC sponsoring a motorcycle rider, they are not in violation of State Regulations.

Councilmember Fatula stated that seems like a reasonable option assuming majority of the population of a motorcycle race is not kids. He added print on any media, including shirts, counts as print, that it's not newspapers because it would have stated newspaper and magazine.

City Attorney Cabral stated he was in agreement with Councilmember Fatula.

Councilmember Fatula provided another example whereas GSPC prints a banner and puts it on a float, downtown has 80% kids, he asked if this puts the City at risk.

Mr. Tankard answered the City would not be at risk but the licensee would be at risk.

Mayor Mendoza asked Councilmember Fatula if he was clear. She requested clarification that if the participating business is in the parade with their logo, their business is at risk.

City Attorney Cabral confirmed the licensee or business would be at risk.

Councilmember Douglass requested to see what other City Councils have ruled on this, noting that many times Colfax has reinvented the wheel rather than referring to what other cities have done so he would like to know what others have done. Councilmember Douglass stated he does not approve of this.

Councilmember Burruss stated she does not believe we should have anything in the City ordinance about this and that the City should refer to state law.

Mayor Pro Tem Lomen agreed with Councilmember Burruss that a restriction is not needed, the business just needs to comply with State law.

Mayor Mendoza stated she also agreed the City needs to fall in line with the State law on this item.

Mayor Mendoza requested to received Public Comment on this topic.

Public Comment was received from Wendy Dion.

Mayor Pro Tem Lomen confirmed the comment from Ms. Dion was a question and had already been answered.

Councilmember Burruss read a comment received from an anonymous participant stating they agreed with Councilmember Douglass, stop recreating the wheel.

No additional Public Comment was received.

**SLIDE 14:**

Mr. Tankard provided information and noted Councilmember Fatula proposed the idea of requiring the business to purchase a bond.

Councilmember Fatula stated it would be good if the business purchased a bond so that, for example, the hotel project, there are a number of things the business has to do and if they don't do it, the City has risk. He asked if the risk items for the City can be identified so that if a business runs into a problem the City is not left holding a checkbook to pay the bills.

City Attorney Cabral requested clarification on what bills the City would be required to pay in the event the business closes. He asked Councilmember Fatula if he was talking about cleanup or abatement costs.

Councilmember Fatula stated it could be that. He said he was looking at the application process and if the application is done in phases and all payments are made before the phases start, there is no risk to the City for the payment not being made to complete the phase. Councilmember Fatula went on to state that as long as the City was whole at each step through the process, the one that wasn't addressed was if the business was shut down that occur because the license gets suspended and startups, all those incur costs to the City. He stated he is question is how does the City recoup those costs and since a lot of these businesses are rental properties or they lease the property, it's not like the City can go back to the property owner to recoup the cost.

Mayor Pro Tem Lomen commented that you take that risk as it is the cost of doing business and you hope that every time the permit goes through but it's no different than getting stuck with a bill because a developer did not put in the proper sewer or drainage requirement or something like that.

Councilmember Fatula stated he agreed from a structural standpoint but he was thinking about legal liabilities and costs, he provided the example of the City having to defend itself in court and the indemnification part of the license can't be enforced because the company went out of business and now the City is stuck with the cost of the indemnification piece.

City Attorney Cabral asked what type of lawsuit would put the City in that position.

Councilmember Fatula stated if there is not one that is okay. He stated his question is that Council has not talked about termination or shut down, and asked what belongs in that bucket.

City Attorney Cabral stated he agreed with Mayor Pro Tem Lomen, that this is a cost of doing business and the City's risk is minimal. He added he could not confirm that what Councilmember Fatula was speaking of would be bondable.

Councilmember Fatula stated that may be true too and agreed to move on to the next item.

Councilmember Douglass agreed there is merit to this item but that if it was going to be implemented, it should be City wide and not only in this ordinance.

Councilmember Burruss agreed with Councilmember Douglass' statement.

Mayor Pro Tem Lomen stated he would like to stick to his original comments and that Council should move past this item.

Mayor Mendoza stated she agreed with Councilmember Douglass.

Mayor Mendoza requested to receive Public Comment.

Councilmember Burruss read a question received from Wendy Dion asking if other businesses are required to hold a bond. Councilmember Burruss began to refer the question to City Manager Heathcock but stated this isn't something Council is going to move forward with.

City Manager Heathcock confirmed that other than development or something related to structure, that is required, he is not aware of a bond requirement. He requested City Attorney Cabral provide input.

City Attorney Cabral commented that in construction projects typically the bidder is required to provide a bid bond but he did not believe the type of application that would work in this scenario.

Councilmember Fatula noted that what brought this to his attention was when he was reading the indemnification part, and asked if someone is indemnifying the City and they're out of business, what does the City do.

City Attorney Cabral stated there should be property insurance, noting it should survive termination of the business.

Councilmember Fatula asked if the City should be named in that insurance for a termination or shutdown.

City Attorney Cabral answered he believed they're supposed to be insured anyway.

Councilmember Fatula stated he had not seen any requirement for insurance on any of the documentation as of yet.

City Manager Heathcock stated it is not something we typically ask or require of our commercial businesses at this time.

Councilmember Fatula asked if it is insurance it may not even exist.

City Attorney Cabral confirmed it may not, noting that it depends on whether the person occupying the premises insures the premises. He added normally a renter is required to have a recovery policy and usually the property owner has a backup policy, but every circumstance is different.

Councilmember Fatula agreed that is how he had his set up.

Mayor Mendoza requested confirmation City Manager Heathcock had the direction of Council on this matter.

City Manager Heathcock confirmed he understands Council does not want to move forward with this requirement and that he agreed with City Attorney Cabral that there is uncertainty about how it could be bonded. He agreed Council can move on from this item.

Mayor Mendoza requested to move to the next slide.

**SLIDE 15:**

Mr. Tankard provided information and requested direction from Council regarding odor control.

Councilmember Fatula inquired about verbiage that stated it cannot be the person who is sensitive to the odor who complains, that it must be an average person. He provided the example of a facility moving in next door to a person who is sensitive to that odor and they can no longer live or work there which devalues their property or work, and stated if it is on a complaint driven basis, it must be from the person who is sensitive to the problem. Councilmember Fatula clarified he was asking more about the language of the type person rather than how it is done.

City Manager Heathcock inquired if this would be more of an air quality control issue. He referred to Councilmember Burruss stating she is on the board and asked her if she is familiar with this type of stuff.

Councilmember Burruss stated she does not have a specific answer noting it is not permitted in the unincorporated areas, that she would need to come back to the board for an answer.

City Manager Heathcock requested to get Council comments.

Mayor Mendoza requested to receive Council input then receive public comment and mark this to the side to allow Councilmember Burruss to come back with a response from the air quality board.

Councilmember Douglass stated he was going to hold off until information is received.

Councilmember Burruss requested to go to the air quality control board before she provides comments.

Mayor Pro Tem Lomen stated he believed Council could get through this by requiring businesses have the filtration methods to prevent nuisances and comply with air quality and state regulations.

Councilmember Burruss agreed.

Mayor Pro Tem Lomen stated air quality does have regulations that, in laments terms, states if you are creating a smell that is bothering someone, air quality will come out and tell you to do something different and enforce that. He added that it is complaint driven and if someone files a complaint, air quality will follow up and ensure the issue is mitigated.

City Attorney Cabral confirmed comments made by Mayor Pro Tem Lomen are correct. He added that if there is an odor issue, the City can enforce it both under the permit and under the nuisance ordinance.

Mayor Pro Tem Lomen stated it is an easily enforceable item, and you can allow that business to make whatever minimum installations they need to. He suggested adding checking the HVAC filter to the inspection roll, and noted the filters should control most of the pollens and regular contaminants. Mayor Pro Tem Lomen stated this allows the City to enforce on a business by business need.

Mayor Mendoza stated she felt comfortable with Mayor Pro Tem Lomen's comments. She added she did not want to waste Councilmember Burruss' valuable time and requested Council provide input if they still want Councilmember Burruss to provide an answer from the air quality board.

Councilmember Burruss stated she would still get an answer from the board, but that she was in support of Mayor Pro Tem Lomen's comments.

Mayor Mendoza requested to receive public comment on this item.

City Clerk Collier read the public comment received from Wendy Dion.

Wendy Dion commented: Yesterday it smelled like a rotten outhouse all over town which is normal, it makes me nauseated but there's no way to stop it. The smell of cooking meat bothers others, the smell of paint, sulfur, fertilizer, etcetera, creates sensitivities. Are all businesses going to be required to omit no odor outside of their business or just cannabis?

City Manager Heathcock responded by stating the air quality control board would be doing enforcement on items of this nature. He added the City can follow up. City Manager Heathcock said he is hearing Ms. Dion inquire whether or not there are going to be higher restrictions on cannabis than other businesses in the community, he stated he is not hearing that from Council but noted it is up to Council to put in whatever policy they see appropriate.

Mayor Mendoza requested to put this item to the side because Council would come back to it when Councilmember Burruss had comments from the air quality board. She requested to move on to the next slide.

**SLIDE 16:**

Mr. Tankard provided information and noted this question came from Councilmember Burruss who brought it to the attention of City Attorney Cabral. He requested input from City Attorney Cabral.

City Attorney Cabral stated it is typical for ordinances to allow certain implementation done by resolution. He stated when you are adopting fees, creating or implementing regulations it is not a problem using a resolution but if you want to amend the ordinance, it must follow the ordinance amendment process. City Attorney Cabral added it is not that big of a deal, it requires a second meeting, but he believed things can be accomplished without amending the ordinance. He asked if that was understood.

Councilmember Burruss agreed.

Councilmember Fatula asked City Attorney Cabral if the rate structure for all the phases is included in the ordinance, if by resolution Council could approve this years' rates.

City Attorney Cabral confirmed Councilmember Fatula's statement. He stated he would take a closer look to make sure those types of things could be done by resolution.

Councilmember Fatula commented this is a moot item.

Councilmember Burruss reported Mayor Mendoza stepped out for a moment. She requested comments from Councilmember Douglass and requested Mayor Pro Tem Lomen run the meeting in the Mayor's absence.

Mayor Pro Tem Lomen agreed and requested comments from Councilmember Douglass.

Councilmember Douglass stated he had not comments.

Councilmember Burruss agreed.

Mayor Pro Tem Lomen agreed.

Councilmember Burruss reported Mayor Mendoza had returned.

Mayor Mendoza requested City Attorney Cabral repeat his statement.

City Attorney Cabral provided Mayor Mendoza with a summary regarding the ordinance language that would allow Council to make changes by resolution rather than having to amend the ordinance every time.

Mayor Mendoza stated she agreed.

Mayor Mendoza requested public comment.

Councilmember Burruss confirmed no public comment at this time.

Mayor Mendoza requested to move to the next slide.

**SLIDE 17:**

Mr. Tankard provided information about zoning and locational requirements. He requested Council provide as to whether they prefer to stay with the existing requirements or if they want to make the requirements more restrictive or if they prefer to align with the State requirements.

Mayor Mendoza requested comments from Councilmember Fatula.

Councilmember Fatula stated he brought this question up because he has had citizens bring the issue up to him. He stated he is in favor of putting a restriction around the historic zone. Councilmember Fatula stated the second area of concern that was brought to his attention was when you have a commercial building with residential property on it, whether or not it would count as 200 feet from a residential area.

Councilmember Douglass stated he was in favor of keeping it the way it is.

Councilmember Burruss stated she was in favor of aligning with the State requirements.

Mayor Pro Tem Lomen stated had a hybrid of previous responses, said he was okay with aligning with the State requirements with the zoning restrictions of not in a historic zone and limiting it to industrial and commercial areas of the City, commercial and industrial highways of the City including the non-industrial agricultural highway zone that runs along Highway 80.

Councilmember Fatula agreed with Mayor Pro Tem Lomen.

Councilmember Burruss requested clarification of whether or not it would include a 200-foot or 600-foot setback or is that purely if you're in the zone you're good to go.

Mayor Pro Tem Lomen confirmed in that zone as long as it aligns with State requirements and it is 600 feet from a school or daycare or youth center.

Councilmember Burruss agreed with Mayor Pro Tem Lomen.

Mayor Mendoza agreed with Mayor Pro Tem Lomen.

Mayor Mendoza requested confirmation from City Manager Heathcock that he had clear direction on the item.

City Manager Heathcock requested clarification on non-conforming exceptions, provided the example of commercial zoned that has been allowed residential use, he asked if it would be looked at as a commercial zoned area and the commercial zoned that became residential would not be considered in this circumstance.

Mayor Pro Tem Lomen confirmed, keeping with what the current zoning maps show as long as it is 600-feet from a school, daycare or youth center and aligns with the State.

City Manager Heathcock requested confirmation it would not be allowed in historic zone as well.

Mayor Pro Tem Lomen and Mayor Mendoza both confirmed City Manager Heathcock's statement.

City Manager Heathcock confirmed he has direction on the item.

Mayor Mendoza requested to receive public comment.

Councilmember Burruss stated she received feedback that Facebook Live had a 30 to 60 second delay and she requested to give a moment to allow the Facebook Live participants a moment to provide comments.

Councilmember Burruss read a comment received from Wendy Dion who commented that there are very few places that would be able to hold a license if the residential setback is in place and asked if there are setbacks for bars.

Councilmember Burruss clarified Council is proposing that as long as you're not zoned residentially so there's no actual 200-foot setback anymore based on Mayor Pro Tem Lomen's proposal, the setback wouldn't exist, it would just be the zoning. She requested confirmation from Mayor Pro Tem Lomen that her statement is correct.

Mayor Pro Tem Lomen confirmed Councilmember Burruss is correct.

Councilmember Burruss stated that is what she agreed with.

City Manager Heathcock added that per the State regulations it would need to be 600-feet from any school, daycare or youth center as well.

Mayor Pro Tem Lomen agreed.

Mayor Mendoza stated Council is loosening up what is currently in place. She stated that currently it is 200-feet, and Council is opening it up to State regulations which is 600-feet with the exception of protecting the historic area because there is a lot of opposition in that area.

Councilmember Burruss requested to clarify the 600-feet is only when it is written in the State requirement and the 200-foot setback from residential areas would go away as well as the 600-foot setback that is proposed here for the historic area that would not exist, however you would still not be able to operate within the historic area.

Councilmember Fatula agreed. He added if a residential property is next to a commercial property, the 200-foot restriction no longer would apply, but if the commercial property had a residence on it but is zoned commercial, the restriction would not apply.

Mayor Pro Tem Lomen confirmed, that is what he is proposing.

Councilmember Fatula stated the historic area would be excluded, and he thought that solved all the complaints he had heard.

Mayor Mendoza agreed.

Councilmember Burruss stated she received a comment on Facebook Live from Travis Berry who commented it should be important to specify regulation applies only to the downtown historic core of North and South Main Street, not the historic overlay which can be changed by Council resolution.

Councilmember Burruss requested confirmation the Travis Berry's comment is correct.

Councilmember Fatula stated he believed that was a work item for staff to take back.

Councilmember Burruss stated her understanding and what she is agreeing to is that Council is talking about the historic district downtown, not the entire historic overlay. She wanted to be very clear on what she is in support of, repeated that she is not in support of the historic overlay zone and she is very strictly supporting the historic district downtown.

Mayor Mendoza commented she is in support of the historic downtown and the preservation of that, not out in the overlay zone.

Councilmember Fatula requested a definition of the difference of the historic overlay zone and the downtown couple block area Council is talking about.

City Manager Heathcock stated he is not aware of a historic district that has been established, requested City Attorney Cabral correct him if he is wrong. He stated staff would need to go back and define that area for Council approval.

Mayor Mendoza stated she didn't really know what Mr. Berry's comment was about. She said the way she was looking at his comment was that not within the City limits but the sphere is the historic overlay but that she could be wrong and requested Mr. Berry clarify what his comment was talking about and Councilmember Fatula go to what he asked about the overlay of what she is seeing.

Councilmember Burruss requested staff clarify the historic overlay zone encompasses.

Mayor Mendoza stated she was asked to clarify because he wasn't clear on it.

Councilmember Fatula stated the area that needs to be covered is from about the Library all the way up to the opposite end of North Main Street where Depot Street is at. He stated that distance in the North South Direction and the East West direction from Depot Alley to the Railroad tracks plus the little East that extends over by the museum and the Chamber office.

Councilmember Burruss agreed with Councilmember Fatula.

Mayor Mendoza agreed and stated that is what she was seeing in her vision when Mayor Pro Tem Lomen brought up the point, this area here, not out by the Red Frog.

Councilmember Fatula agreed and stated he believed that would satisfy the concerns of about 95% of the people who came to talk to him that were negative about it. He stated Council could go back to the other item and he would vote yes on it.

Mayor Pro Tem Lomen agreed and confirmed that was the area he was talking about, he confirmed four members of the Council were in agreement, requested comments from Councilmember Douglass.

Councilmember Douglass confirmed he was not in agreement with the rest of Council.

City Manager Heathcock requested City Attorney Cabral add a definition of historic downtown district in the ordinance as a definition to define the ordinance.

Mayor Mendoza agreed.

Councilmember Burruss agreed and suggested to include a map.

Councilmember Fatula agreed.

City Manager Heathcock asked City Attorney Cabral if that was appropriate.

City Attorney Cabral confirmed it is appropriate.

Mayor Mendoza confirmed we had already covered public comment on this slide and requested to move to the next slide.

**SLIDE 18:**

Councilmember Fatula commented this slide was part of the prior slide.

Councilmember Burruss agreed.

Mayor Mendoza stated it is zoning.

Mr. Tankard requested to go back, said he wanted to clarify one question regarding the industrial greenbelt overlay which he believed Mayor Pro Tem Lomen alluded to. He asked if Council wanted to prohibit Cannabis businesses from operating there.

Mayor Pro Tem Lomen stated he thought they could include those there; said he was trying to use the terminology but wasn't quite able to get to it.

Mr. Tankard agreed. He stated he and staff would make sure the greenbelt was included.

Mr. Tankard requested to move on.

City Attorney Cabral noted there is a historic overlay district shown on the zoning map in the General Plan.

Councilmember Burruss clarified Council wanted to separately define a very clear historic district that is completely separate from that map in the General Plan. She stated it is good to know there is that map so Council can make sure they are definite that this is a separate map.

City Attorney Cabral stated he understood.

Councilmember Fatula stated part of the reason for doing that as a long-term thing many of the buildings in the downtown area we could get declared as National landmarks and if we do, there is other funding for developments available. He stated that is what he has been trying to go after for the downtown area.

Mayor Mendoza stated perfect.

Mr. Tankard asked if Council wanted to go back to the cap of permits for the other cannabis activities now that Council addressed the other zoning issues before moving onto the application and procedure guidelines.

Councilmember Fatula stated he believed he is the only one changing his vote on that. He stated he would vote yes on that.

Mayor Mendoza thanked Councilmember Fatula.

Mr. Tankard confirmed two permits for the different activities.

Councilmember Fatula agreed.

**SLIDE 19:**

Mr. Tankard provided information on the three-step application process and requested to point out that this process will most likely need to be modified now that there is a cap based on the other activities to include a merit-based selection process, he provided an example of receiving 10 applications for cultivation but there is only 2 permits available, there will need to be a process in place to select those 2 businesses. Mr. Tankard added that the old application process did include this so he will add it back in along with language that if the City receives more than 2 applications during the application period, it would go to a merit-based selection process.

Mayor Pro Tem Lomen stated that is a good add in.

Councilmember Burruss stated she had a couple questions. She asked if someone goes through this process, gets their license and at the end of the one-year period, would they need to go back through the entire process.

Mr. Tankard responded that typically, from the process of other Cities, it is not the same process. He said they're required to complete a permit renewal form so they don't have to go back through the initial application process. Mr. Tankard requested City Manager Heathcock confirm whether or not he is in agreement.

City Manager Heathcock stated they're currently going through a renewal process with the current licensee and it requires all the same documentation back and it seems onerous, a process that could probably be eliminated that one, saves staff time, and two saves consultant time for the applicant.

Councilmember Fatula stated the thing you want to prevent is that we don't go through another one of those disasters where the process changes, the license becomes void, and the business is left in limbo. He requested Mr. Tankard add that for a business in good standing, which means they have no violations they haven't corrected, a simple renewal process.

Mr. Tankard stated okay.

Councilmember Burruss clarified that if we were to move to a very simple renewal process, Councilmember Burruss agreed with where Councilmember Fatula was going with this. She agreed that for a business in good standing, that hasn't had problems, if minor corrections have been swiftly corrected and maintained good standing and never had the license suspended since receiving it, a simple renewal seems reasonable. Councilmember Burruss added that for merit-applications for additional businesses, if we have a cannabis business within City limits that is doing well, for example, doing packaging, if someone owns licenses for packaging, and they're going good, and are in good standing, and they apply for another license type, Councilmember Burruss stated she believed that should have merit in the further qualification for additional licenses because if you've already operated in our City and maintained good standing, that should be taken in a calculable way to show you have further merit in the process for those additional licenses.

Councilmember Fatula clarified they are extra merit points if they're in good standing with another business.

Councilmember Burruss agreed. She stated if you're operating in the industry and the City has already seen that you are doing well and you continue to do well, it should count for something.

Mayor Mendoza agreed.

Councilmember Burruss stated she believes that part of what that will do, and what we will see as a long-term result of that, is we will see a lot more local businesses strengthened by that. She stated one of the concerns she has with opening up licensing is that we want to support local business owners and their ability to come in and start a business and that is really what she would like to see out of this, is new local business owners step up to

the plate and get involved, and this will help support small business and make sure large corporations from out of town will crush the industry for our town.

City Manager Heathcock suggested for Mr. Tankard to add in for the scoring portion of the application process some points for an existing business that someone would be coming in to do an activity that does not have experience here in the jurisdiction, that the existing business have the opportunity for some bonus points.

Councilmember Fatula added the statement provided the business is in good standing.

Councilmember Burruss agreed. She added that she would like it to have significant weight on the calculation.

City Manager Heathcock requested Mr. Tankard weigh in on this item.

Mr. Tankard confirmed Council has discretion to make decisions on how the applicants are scored. He stated he would look at the City's existing merit-based scoring process and draft up a copy of how applications will be scored and what they will be scored on and we can bring that back up to Council and have them weigh in on it. Mr. Tankard noted they could add any component to that merit-based scoring process.

City Manager Heathcock requested to do this as a separate item to amend the ordinance by resolution and do it as a subsequent action before accepting formal applications.

Councilmember Burruss stated she had one other question in regards to the merit-based scoring. She asked if we have people who have a vested interest in Colfax, she noted she is not sure how that would be defined, that is another area where she would want to consider having merit score increase. Councilmember Burruss added if this is someone who has lived or operated a business in good standing, she noted this being a conversation that should be had, requested Council provide a mechanism in scoring that if local business owners or locals would like to apply for these licensing types, she would like them to have a merit-based priority.

Councilmember Fatula requested clarification that an applicant would receive an increased score if you have a functioning business in Colfax and you receive an increased score if you are a resident of Colfax.

Councilmember Burruss agreed with Councilmember Fatula's statement.

Councilmember Fatula stated he agrees with that.

Mayor Pro Tem Lomen stated he agreed with the comments.

Mayor Mendoza requested input from Councilmember Douglass.

Councilmember Douglass stated he likes the idea of points for established citizens in general.

Mayor Mendoza stated she liked the idea of local incentives, she added that we don't want corporate to come in and blow out our town. She stated we want to support our locals, support the industry and keep moving forward.

Councilmember Fatula suggested negative points for applicants who are a large enterprise.

Councilmember Burruss stated as much as she would like to see that to keep small businesses thriving, she would hesitate to do that because if the City does receive other applicants it would be prudent that someone with a better business plan get the license, rather than someone haphazardly throwing together their application. She stated she definitely wants locals to have priority, while at the same time being cautious about how much of a priority, she noted she doesn't want to be unfair, but she does want Council to incentivize for being a local.

Councilmember Fatula stated the point Councilmember Burruss raised, created another question on the application components. He pointed out the different plans, stating he had asked for example copies but that he has not seen them yet, but that asking for a plan and not doing anything other than asking for the plan, he inquired what the point is of asking for one. He provided an example that if we request a business plan but never refer back to it to see if the business is following the business plan or their air-quality plan, and the point in time guesses to where someone is going to be, and they can put anything in it they want and just not follow through. Councilmember Fatula stated the question he had was what the purpose for each of the plans we are asking for and do we really need them in the first place to make a decision, and if someone doesn't follow their plan, so what.

City Manager Heathcock requested to use the business plan example. He stated one of the thoughts behind what this was, was for the applicant to come forward and know what their plan is and whether or not their model is sustainable. City Manager Heathcock stated he recalls reviewing applications in the past, and reviewing their business plan it was shocking to see some of the math that didn't add up.

Councilmember Fatula stated that brings him to the other question he wanted to ask. He stated he thought part of this package that we provide for information to applicants, should there be an example of each one of these plans that we would consider acceptable. Councilmember Fatula added that if we are asking for a business plan, we should put in a business plan that shows this is what we are looking for so when the applicant gets it, they know exactly what it means to fill it out.

Councilmember Burruss stated she thinks that is a great idea but that she was not sure how complex we could get with that, she noted it would need to be very simplified, but something like this could benefit especially the locals who have less experience in this field who could run a very successful business and probably save staff time and effort if they know what we are looking for ahead of time.

Councilmember Fatula agreed and stated what he does not want to see is a person who comes in with a two-page business plan they think is perfect and we look at it and it is only one percent of what we were looking for or it's ninety nine percent of what we are looking for. He stated he wants to have the expectation level set so when a person comes in with something, it flies through.

City Manager Heathcock stated some of this is driven by the State so we want to make sure they know what the State regulations are and they're complying with it. He said we certainly can have somebody put together an example for each of these items, he noted that this is outside the scope of Mr. Tankard's contract and there would be additional costs to create all of these documents Council is thinking about doing. City Manager Heathcock stated this would be another \$10,000 or so contract and we would need more time to do it.

Councilmember Fatula stated he had a problem if we don't have this. He provided the example of the Neighborhood Compatibility Plan, and requested a definition of what that actually is.

Mr. Tankard requested Councilmember Fatula turn to page 103 of the agenda packet, it provides a brief description of each of the components.

Councilmember Fatula stated he looked through that before and he would go back to it again.

Councilmember Fatula stated his packet ended at page 102, that he didn't see a page 103.

City Manager Heathcock stated it is on page 103, he noted it talks about the Business Plan, Neighborhood Compatibility Plan, the Safety and Security, it lays out everything that is being asked for from the applicant. He said that is what the staff will correlate to. City Manager Heathcock stated we could create examples, it just would take time and additional cost.

Councilmember Fatula requested to back up, he stated he did not accept the \$10,000 additional cost.

Mayor Mendoza stated she does not either.

Councilmember Fatula stated all the work the consulting group has done with all these things, they should have for each one of these a couple page example of what it is, otherwise it's smoke and mirrors.

City Manager Heathcock inquired to Mr. Tankard if he has experience with this. He mentioned it was HDL that created this current model, he asked Mr. Tankard if his firm had examples they could use.

Mr. Tankard stated he didn't have specific examples on hand, but stated he does have examples of applications that were submitted but those are not public record that could be shared.

Councilmember Burruss inquired if this was something we could circle back to. She said it is important but this isn't in Mr. Tankard's scope and we are now three hours into the meeting and requested to continue with the meeting.

Mayor Pro Tem Lomen requested to comment.

Mayor Mendoza stated yes, please do.

Mayor Pro Tem Lomen said he thought adding those as examples later as an appendix would be fine which could easily be done by resolution. He referred to City Attorney Cabral for confirmation.

City Attorney Cabral confirmed Mayor Pro Tem Lomen was correct.

Mayor Pro Tem Lomen asked Councilmember Fatula if he was satisfied with that answer.

Councilmember Fatula stated yeah. He said when you read through some of these, like a simple line like local enterprise, he asked what it is.

Mayor Pro Tem Lomen stated he understood what Councilmember Fatula was saying and Council can handle that a little further down with an appendix added and maybe cover each one of those with a definition.

Councilmember Fatula read a part from the packet and provided an example of a possible answer, he inquired if the provided answer was all that they would need.

Mayor Pro Tem Lomen agreed and stated he understood what Councilmember Fatula was saying.

Councilmember Fatula stated if the City is going to ask for something, they know what a good example would be. He said if someone made up a fake business plan and a fake air quality plan but never had any measurement to follow through on them, he inquired what the point of the plan was other than to obtain a license.

Mayor Pro Tem Lomen suggested that be added to the inspection process and use some sort of general rule saying it looks like your applying toward your business process.

Councilmember Fatula agreed and said it doesn't have to be exact and he noted that plans change. He stated he wanted to weed out the snake oil artists that come in and try to sell snake oil, that we could refer back to the business plan and show that was the original plan.

Councilmember Burruss noted that during inspection there will be a check to verify you are complying with your business plan and if you're not found to be in compliance, you will be required to file an amendment to your business plan.

Councilmember Fatula agreed and requested to add that it may put your license at risk if you are not complying to doing something you agreed to do.

Councilmember Burruss agreed and stated it seemed like basic commonsense logic.

Councilmember Fatula stated that was all he was looking for. He added that he doesn't want a business to come in and think they're doing a good job, and we look at it and think it is terrible.

City Manager Heathcock requested input from Mr. Tankard and for him to elaborate on some of his inspections, what they look for and what they look for in those application components and whether or not a business is compliant.

Mr. Tankard provided an example of the City of San Bernardino, they had it written in the ordinance, whatever was proposed in their application should be incorporated into the business so during the first inspection, before they open doors, the City has them inspection to verify their plan hasn't deviated from that.

City Manager Heathcock requested to know what is currently being inspected for at GSPC, he noted this was for Council's benefit.

Mr. Tankard stated they're inspecting for local and state compliance, everything that is listed as a requirement in the City of Colfax ordinance as well as the State requirements that are above and beyond what is required by the City's ordinance, they are checking for compliance with those regulations.

City Manager Heathcock suggested adding a clause requiring the consultant review the application components submitted are being implemented in the business process.

Councilmember Fatula noted a warning to the license holder, if they aren't and they haven't made an update to them the City can approve, they could put their license at risk. He stated we need to have it positive for their licensee and positive for the City. Councilmember Fatula stated if you say you are going to do it, and you're doing it, no problem, if you say you're going to do it and you discover you need to change, go meet with the City and get the change made.

City Manager Heathcock requested to hear from Council about writing the examples, and whether or not it was something they wanted completed before the implementation of the new ordinance amendments.

Councilmember Burruss said no.

Councilmember Fatula stated he thought the examples should go in the application package so when the application is put together with all the materials you are going to give the customer, that is where those go.

City Manager Heathcock stated okay.

Mayor Mendoza stated this is not going to delay the process.

City Manager Heathcock said it would take time to develop these or make examples, maybe Mr. Tankard can modify what he has in a certain way where we are not interfering with the proprietary documents and it's not going to take more time to do this and it is outside the scope of the contract so staff will come back to Council with something to consider. He stated he believes he has direction on staff's end.

Mayor Mendoza requested to go to public comment.

Councilmember Burruss read a comment from Wendy Dion who asked how long would it take to draft a simplified renewal application and can we stay in the current renewal now in order to save money and staff time spent on this process.

Councilmember Burruss clarified Wendy Dion's inquiry and stated she is asking if the simplified renewal is something we can implement fairly quickly.

City Manager Heathcock stated the renewal process is written in the ordinance, so in order to modify that, we would have to modify the ordinance or by resolution, or whatever else to change the rules we are bound by. He stated it will fall through the process we are going through with the timing going forward, even if we get through today and we are in concurrence, we have to make all the changes, the public hearing notice, the first reading wouldn't be until June 24<sup>th</sup> and the subsequent reading in July to make these changes. City Manager Heathcock stated he thought it was still in the window of time before the application needs to be reviewed by GSPC, their application expires in August but per the ordinance, currently, the review process is that the applicant is supposed to notify the City within 60 days prior to all the documents which they have done and we currently are reviewing those documents for renewal. He stated the short answer is yes, it can be modified, but he stated he did not know if the timing was going to work out in that GSPC's current permit is going to be expired.

Mayor Mendoza asked if Wendy Dion got all of that and if there were any other comments.

Councilmember Burruss stated she was reviewing for other comments.

City Manager Heathcock requested City Attorney Cabral weigh in if he felt something else can be done but that he thought Council being bound by the rules they have established and approved by Council.

City Attorney Cabral confirmed that is correct.

Councilmember Fatula requested Mr. Tankard refer to page 63 of the packet, where it read chemical extraction using a professional closed loop CO2 system, Councilmember Fatula stated he had no idea what a professional system is, versus an amateur system, versus some other kind of system. He requested it read a commercially manufactured, closed loop system.

Mr. Tankard stated he could make that change and he was mirroring off the State regulations which is how their info reads.

Councilmember Fatula stated professional means someone built something and they used it, he asked if that was professional or was that amateur, he does not know what that word means.

Mr. Tankard stated okay.

Councilmember Fatula stated as opposed to a commercial system so it has been perused by some manufacturer somewhere so there is liability in all that traces back to the manufacturer.

Mr. Tankard stated he can make that change.

City Manager Heathcock suggested to Mayor Mendoza that we get back to the slides and get through these because we were jumping all over the place.

Mayor Mendoza agreed and requested to call a break, stated she did not know how to do that but she wanted a 5-minute break.

Councilmember Fatula asked how much longer this would go and how many more slides there were.

Mr. Tankard stated we had the regulatory fees to discuss as the last topic on his list.

City Manager Heathcock stated we have the policy on the fixed application window as well on page 19 that we need to review on there, and we need to address all the fees. He stated at the discretion of Council we can continue this to another date to iron out the rest of this stuff or staff can come back with some of these modifications or we can take a break, figure out how to mute ZOOM and come back, whatever the pleasure is of Council.

Councilmember Fatula stated he had a simple suggestion on the whole fee thing that he felt could make it very easy to be handled. He stated there should be example fees for this year and then the fees should be set by resolution by Council each year, that way we make this more of a formula. Councilmember Fatula stated here is the components that go into the fees each year adjust the fees to where they need to be and then this slide becomes more of an example of how it's done and the resolution will set the fees. He stated otherwise, Council will open this resolution up every year.

City Manager Heathcock stated you could apply a CPI or something to it annually that would make the process.

Councilmember Fatula suggested adding as determined by the City so if labor rates went higher we got it or if we got a bonus because we've done so much contracting work with their consultant they're giving us a reduced rate, rates can come down, don't specify how we set the rates only what components.

City Manager Heathcock referred back to Mayor Mendoza to ask if we were going to take a break or if the meeting was going to be postponed.

Mayor Mendoza stated we would not postpone, she said we are taking a break thank you.

Mayor Pro Tem Lomen stated that sounded good.

City Manager Heathcock inquired if coming back at 2:00PM worked.

Councilmember Burruss and Mayor Pro Tem Lomen agreed.

**\*BREAK\***

Mayor Mendoza announced the meeting was back online and requested to do a quick check in to make sure Council was in attendance.

Councilmember Fatula did not answer.

Councilmember Douglass was present.

Councilmember Burruss was present.

Mayor Pro Tem Lomen was present.

City Attorney Cabral was present.

City Manager Heathcock was present.

Mr. Tankard was present.

Mayor Mendoza inquired if anyone had opposition with the application and procedural guidelines.

Mayor Mendoza confirmed no opposition was raised and requested to move to the next slide.

**SLIDE 20:**

Mr. Tankard stated this issue would be addressed in the new draft of the application document since there has been a cap placed on the number of permits, it is advisable for the City to establish a fixed application window to accept permits. He stated he would work with City staff to proposed language for this and bring it back to Council. Mr. Tankard noted it could be a process and advised not writing this into the ordinance and establishing this process by resolution that way it could be opened and closed throughout the year in the event the City does not receive enough applicants to award all the permits. He asked if that made sense to everyone.

Councilmember Burruss stated she agreed.

Mayor Mendoza requested comments from Council.

Councilmember Fatula agreed.

Councilmember Douglass agreed.

Councilmember Burruss agreed.

Mayor Pro Tem Lomen agreed.

Mayor Mendoza agreed.

Mayor Mendoza requested to receive public comment.

Councilmember Burruss stated she was reviewing Facebook Live for comments.

Mayor Mendoza stated she thought she saw a comment from Wendy Dion.

Councilmember Fatula asked if it was about the policy question window and stated he thought it was on the fee schedule.

City Manager Heathcock confirmed it was regarding the fees.

Mayor Pro Tem Lomen stated it was the next item up.

Mayor Mendoza requested to move to the next item and have discussion.

**SLIDE 21:**

Mr. Tankard provided information on the slide, he stated it was a recap of the Cannabis Workshop Minutes that essentially directed SCI to incorporate the implementation costs into the fee study and make these costs reimbursable by the businesses operating and future applicants. He referred to City Manager Heathcock for input on the topic.

City Manager Heathcock stated he did not have input on this item. He stated staff just wanted to provide Council and the public with background and why the fees were structured the way they were, especially the first year of

the implementation costs that are in there for the groups benefit. City Manager Heathcock stated from there, unless Council has some comments in regard to that, we can move forward to the next section.

Mayor Pro Tem Lomen inquired if they were going to continue to talk about the fee structure.

Mr. Tankard confirmed, yes.

**SLIDE 22:**

Mr. Tankard introduced the draft regulatory fees and requested to point out that these fees will not be written into the ordinance and will be established by resolution so the City does have the option each year to revisit or reevaluate them and increase or decrease them based on the true cost of these tasks. He noted the merit-based scoring process would need to be added back in. Mr. Tankard requested Council's opinion to either go through the fees one by one or answer general questions.

Councilmember Fatula stated he had an item he believed Mr. Tankard missed that needed to be put in there. He brought up the rapid process for renewal applications and stated he thought we needed to have something that says the renewal fee that is much less for somebody that has already gone through this.

Mr. Tankard stated he had it built into the cannabis business permit fee but said he agreed with Councilmember Fatula that it should be a separate stand-alone fee and agreed to pull it out of the commercial cannabis business.

Councilmember Fatula confirmed what that means is a new applicant goes through all these steps and pays all the fees, but a renewal application goes through a simpler process.

Mr. Tankard agreed.

City Manager Heathcock inquired if in a previous slide Mr. Tankard included a footnote, noted it is on the current slide, for the additional permit is fifty percent of the applicable fee. He asked if the renewal is in there at all.

Councilmember Fatula requested City Manager Heathcock refer to item 2, which is the \$7000 item, and stated it would be good to break out what does not need to be done so when you go to the next chart, that is where you should address that item on the renewal piece.

City Manager Heathcock agreed.

Councilmember Fatula added here is what is in and here is what is not in as those rates change and all, Council does not have to back in and open the Ordinance again.

Mr. Tankard stated he understood that and he could do that.

Councilmember Fatula suggested to review the next couple charts with this and just do one approval for this section.

Mr. Tankard stated sure and requested to go to the next slide.

**SLIDE 23:**

Mr. Tankard inquired if there were any questions about the Application Review Step 1 Fee.

Councilmember Fatula inquired if the only activity that went on in this step was Application Completeness Review.

Mr. Tankard clarified the other activities being the background check, he noted that has its own fee, and the zoning verification which he stated he believed the City had a standard fee for.

Councilmember Fatula stated for Step 1, those should be listed so you could see what the total cost is, otherwise it is not what is shown.

Mr. Tankard stated he could do that but noted the background check is a variable fee based on the number of owners on the application because it is a per owner charge.

Councilmember Fatula added if it is per owner, you would put it in as per owner.

City Manager Heathcock informed Councilmember Fatula it is separated out as a cost on the previous slide.

Councilmember Fatula requested to go back to the previous slide (22) and pointed out the Criminal Background Check per owner being part of the Step 1 Review.

City Manager Heathcock agreed and suggested a clarification be put on that statement.

Councilmember Fatula suggested moving it up, he noted Step 1 had three elements we know of, zoning check as one, criminal background check which is the \$450 per owner piece, and then the application completeness review which will total \$903 plus \$450, he asked where the third part was.

Mr. Tankard stated he did not include this because Council was not revising that fee, he asked City Manager Heathcock if that was a Cannabis specific fee or if it is a City fee for all businesses.

City Manager Heathcock clarified it is a Cannabis specific fee because of trying to make sure the businesses comply with the setbacks which takes some of the planner's time to do that review.

Councilmember Fatula added that with the simplification Council made for zoning, that fee should come down.

City Manager Heathcock stated you still have things you could be in a commercially zoned area and have a daycare within the 600 feet there so staff still needs to do some high-level review on it as well just in compliance.

Mr. Tankard added he will restructure the fees so the background check and zoning verification fall under step one so that is all consolidated.

Councilmember Fatula stated okay and requested to move on to Step 2.

City Manager Heathcock asked Mayor Mendoza if there was additional discussion from Council before moving on.

Mayor Mendoza stated she had heard from Councilmember Fatula but not heard from Councilmember Douglass.

Councilmember Fatula inquired if this should be reviewed element by element or one package.

Councilmember Burruss and Mayor Mendoza said one package.

Councilmember Fatula requested to go on to Phase 2 and review that slide.

**SLIDE 24:**

Councilmember Fatula asked if everything was listed here or were there other items like there were for Phase 1.

Mr. Tankard stated he believed this was just a single line item.

Councilmember Fatula stated perfect and requested to move on to Step 3.

**SLIDE 25:**

Councilmember Fatula asked the same question on this, were there any items besides what was listed here.

Mr. Tankard stated not to his knowledge based on a conversation with City Manager Heathcock and City Attorney Cabral he believed they captured all of the required tasks.

Councilmember Fatula stated other than if somebody has a debate about the actual estimates under the numbers in here, the structure to him, he stated, looked pretty good.

Mayor Mendoza thanked Councilmember Fatula and requested comments from Councilmember Douglass.

City Manager Heathcock requested to add a step, an additional piece for the competitive scoring.

Mr. Tankard confirmed, yes there will be another step in this process for the competitive scoring.

Councilmember Fatula added there will be another piece for the rapid application.

Mr. Tankard confirmed, yes, the renewal.

Councilmember Burruss stated she had a question pertaining to the schedule. She stated this fee schedule is based on the cost incurred as of the State to include all the costs that we are incurring in rewriting this ordinance. Councilmember Burruss requested confirmation.

City Manager Heathcock confirmed that is correct.

Councilmember Fatula requested to go back to the first chart. He stated the answer is both yes and no.

Councilmember Burruss stated she would like to see the first chart and get some clarity. She stated she wanted to know once we open the application period this year, based on these fees, based on the chart, she requested to know if we only had one applicant, how much this one applicant would pay this year versus if we only had one applicant next year, how much they would pay next year.

City Manager Heathcock stated he would start that conversation. He stated the implementation costs is what Council directed staff to recover all costs incurred. City Manager Heathcock stated we still have an outstanding invoice for our legal services, he stated you've got staff on the line today, we've been on this for over three hours now, those costs are added in there for the implementation costs so that is a one-time deal. He added that Council's direction is that we recover those costs in the first year and that is what the understanding of it. City Manager Heathcock added the remaining costs in there with the addition that we need to add a fourth step in there, just a cost that is anticipated, plus we need to add a cost in there just for renewal which will be significantly less, he noted he believed all are in agreement on that. He stated just in the cost you see before you, just if we were to assume one application received, he stated which is probably not the case, the total cost of what you see before you is \$43,186. City Manager Heathcock stated that doesn't include adding step four in here or additional staff costs that will be built into it as well.

Councilmember Burruss stated the reason she asked this, she noted she understood some of these costs are fixed and others the implementation costs in particular are the ones she is concerned with. She stated we have had some

previous discussion on the implementation costs, and she noted Mr. Tankard could maybe speak on this, we had discussed ways to spread that cost out over time to make sure it is more fair over the total number of applicants. Councilmember Burruss stated she would like to revisit that to make sure they don't skip over that. She provided the example of receiving three businesses applying this year, she stated if they eat the full burden of this and then next year, we get a total of 10 applications, she stated she did not think that was fair. Councilmember Burruss added that she believed the rest of Council would probably with her as they are benefiting from it just as much. She stated her position would be something closer to spreading it out over a five-year period for recuperation of these costs and then setting a fixed amount that needs to be recuperated per year. Councilmember Burruss provided the example of the total implementation costs come out to \$50,000, she stated she would say that we would need to recover \$10,000 in the first year and that would be split among the applicants. She stated the second year, another \$10,000 would be required to be recuperated which would be split among the applicants and so on and so forth. Councilmember Burruss requested to receive the rest of Council's position on that.

Councilmember Fatula stated he would be strongly opposed to that. He stated the City would be funding a particular business to the disadvantage to all the other businesses in the town. Councilmember Fatula asked why the City should float this money for one business but not for other businesses.

Councilmember Burruss stated she had an answer to that. She stated this is an industry and the reason the City would be floating that cost on a temporary basis with a fixed schedule for recuperation, the reason would be that the State has put us in a position where we are being forced to regulate something that we would not normally be required to regulate. Councilmember Burruss added that in other cases when it comes to bars and other things like that, we have the Alcoholic Beverage Control to step in and take a lot of the responsibility and costs out of our hands, and in this case we do not. She stated that is the reason why we have such a steep price schedule that we have to provide in first place, she stated she thought it would be our duty to try to make that as fair as possible while making sure we are recuperating the full cost to the taxpayers.

Councilmember Fatula stated he had a problem with that statement by itself. He stated we have another option, that we could choose to do nothing and doing nothing would not have cost the City this money.

Councilmember Burruss stated she did agree, it would not have cost the City this money but stated she thought there is a more fair way that Council could come up with a solution here. She stated she understood she probably would not be able to sway Councilmember Fatula on it and acknowledged that was fine but that she was interested to hear how Councilmember Douglass, Mayor Pro Tem Lomen, and Mayor Mendoza feel about it as well. Councilmember Burruss added that she might get shot down like the adult use, she acknowledged that was fine, but added that she wanted to discuss it.

Councilmember Fatula stated part of what he sold the people is what they talked about last time is this won't cost the average resident of Colfax one dollar because this money is all going to be paid upfront. He added if we say it is going to be paid over five-years, that is not a true statement. Councilmember Fatula stated that would be his vote to be against this whole thing.

Councilmember Burruss requested to back up and stated this is something that she has brought up in previous discussions as well.

Mayor Mendoza requested to hear from Councilmember Douglass, noting he is Council's senior on this topic and she would like to know what he has to say as he really holds a lot of data on this item.

Councilmember Douglass stated he did not have an approach today but he did kind of like the idea of sharing it among the applicants and maybe at a later meeting, he noted the three and a half hours, he stated he did like Councilmember Burruss' approach in general but that he didn't know how to work that out in detail.

Mayor Mendoza requested to hear from Mayor Pro Tem Lomen.

Mayor Pro Tem Lomen suggested Council assume to be at least \$30,000 into this. He stated Council is talking about possibly approving up to nine or ten licenses, he asked if we could take it as a business risk and say we will divide that \$30,000 among the ten licenses add that to the cost. He added if we find the cost next year are greater than that where we didn't recover it, the money over that year, can we, he inquired, by resolution, change the fee. Mayor Pro Tem Lomen stated either way if we recover all the costs, lower the fee by the \$3,000 per license or if we don't recover the fee, keep the costs concurrent with collecting the rest of the amount of the implementation cost, he stated writing up a resolution is not going to take up that much staff time to it. He noted we can incorporate that into whatever changes we need to make each year as we make a resolution as to what the fees should be.

City Attorney Cabral stated the answer is yes, you can do that.

Mayor Pro Tem Lomen thanked City Attorney Cabral.

City Attorney Cabral confirmed yes you can do that. He noted it may take some staff time and some calculations such as that but that is a policy issue for Council.

Councilmember Burruss requested clarification on what Mayor Pro Tem Lomen is proposing. She asked if his proposal was that Council say each applicant would accept one tenth of the cost at this time, this year and when next year rolls around, if we have not recuperated the full cost, we would assess it among the licensees or among the applicants, she stated she wanted to understand.

Mayor Pro Tem Lomen clarified continue to keep the cost spread evenly among the ten licenses until the money is recouped. He added that if we assume we only have five license requests this year, we will only recover half of the money we are out but if we are going to adjust that every year, we can adjust as to what the cost would be if we had ten licenses. Mayor Pro Tem Lomen stated that way if we do receive the full ten licenses, everyone is paying their fair share but if we don't, we are taking it as business risk and yes we are out that money for that year but as each license gets renewed, we have the opportunity to get caught up as licenses get filled. He added it keeps the license costs down a little bit for everybody and it will, no matter what, keep it spread among the businesses that are open or the number of applicants that year.

Councilmember Burruss stated she liked that.

Mayor Mendoza stated okay and requested to go back to Councilmember Fatula. She requested he give his reasoning one more time for why he is in opposition to this.

Councilmember Fatula stated the moment we push money out to a future period of time, what it means is that it is being funded by the residents of Colfax. He stated if we have 2,000 resident homes in Colfax, every home is kicking in \$20 towards funding doing this and we have a lot of people who are opposed to this entirely but would agree to it if it didn't cost them any money. Councilmember Fatula stated he has to go back to his constituents and tell them this is now going to cost money out of tax dollars that is not going to roads and streets and other stuff, it's going to fund future cannabis activities because it's not going to be recovered this year which is opposite of what we said at the last meeting.

Mayor Mendoza and Councilmember Fatula both began speaking.

Councilmember Burruss stated she did not recall coming to a Council agreement on that at the last meeting. She stated she wanted to be clear that may have been discussed but she did not recall Council coming to a policy decision on that at the last meeting. Councilmember Burruss requested a point of clarification there.

Mayor Pro Tem Lomen stated he definitely remembered agreeing the City should recover all the costs but he stated he did believe it should be divided among the total number of licenses.

Councilmember Burruss agreed and stated she did not recall agreeing to a 12-month period.

Mayor Mendoza inquired if was at a workshop Council attended.

Councilmember Burruss stated she would like to clarify that if Council is going to say that they made promises that they are not keeping, she stated she wanted to make sure they didn't make a promise they are not keeping. She noted maybe staff could go back and check the minutes but that she did not recall agreeing to a 12-month specific period, she did however recall agreeing they would recuperate the costs and that that was a requirement for Council to move forward. Councilmember Burruss stated she would absolutely admit that she was wrong if she was wrong.

Mayor Mendoza requested to pause and have staff check the minutes, she stated she believed it was a workshop.

Councilmember Fatula stated yes it was a workshop.

Councilmember Burruss requested to circle back on the item.

Mayor Mendoza requested clarification that it was the workshop.

Councilmember Fatula stated yes.

City Manager Heathcock informed Mayor Mendoza it is in the slides, he pointed out the quote from the December 11<sup>th</sup>, 2019 meeting. He requested the City Clerk go back to the slide he was referring to (SLIDE 21).

Councilmember Burruss inquired if it mentioned 12-months.

City Manager Heathcock referred to the minutes that were on the slide.

Councilmember Burruss confirmed nowhere in the minutes on the slide does Council say it has to be recovered in the first year, she clarified that the minutes show Council stating it must be recovered.

City Attorney Cabral stated he was going through his notes, he stated he recalled it was in the first year.

City Attorney Cabral and Councilmember Fatula began speaking at the same time.

City Attorney Cabral requested clarification of whether or not Councilmember Fatula was Mayor at that time.

Councilmember Fatula confirmed yes.

City Attorney Cabral stated he recalled Councilmember Fatula asked Jim Dion this is going to be paid (City Attorney Cabral was unable to finish as Councilmember Fatula began to speak).

Councilmember Fatula stated Jim's comment was this will be no problem; I can pay that \$25,000 in a blink of an eye.

Councilmember Burruss clarified her comment here is that she did not recall Council making a policy decision that promised the people that this would be recovered within 12-months. She added that we have had a lot of discussion, she noted maybe not in full agreement, but that she did not recall a policy decision being made and she requested clarification whether or not one was.

Councilmember Fatula stated Council specifically stated this would be covered in this next round of licenses. He added we did not say a timeframe of a year but it is this next round which is probably less than a year.

Mayor Mendoza inquired whether or not City Manager Heathcock found the information.

Councilmember Burruss stated they're working on it right now.

Councilmember Fatula stated he believed it was really important because with so many people that are against this, if it costs them nothing they don't care, he stated he thought it was an important place for us to reach as a City.

Mayor Mendoza stated she understood Councilmember Fatula's point and that is why we are trying to look up this information so we can make sure we are very transparent here.

Councilmember Burruss stated she believed there is an important distinction between a discussion and a policy decision. She added having a discussion and saying that we intend to go a certain direction versus actually making a decision on it and having Council agreement by quorum are two completely different things when it comes to our ability to have this final discussion and iron out the works.

Councilmember Fatula stated we have not made any policy decisions on any of these items yet, he added not until this comes to Council as a vote. He stated we are just providing guidance to staff to get written into the ordinance which is when Council makes the decision.

Councilmember Burruss stated that is the point she is trying to make, she stated she does not think this is a closed discussion yet. She stated she absolutely appreciated the fact that maybe other members of Council do not see eye to eye with her on this matter, she noted that was fine and that was Council's job and why each has their perspective they bring to the table. Councilmember Burruss requested to clarify this is not a closed discussion we are done having at this point, she stated we still have the ability to have this discussion and if Council feels we have a different methodology in which we can recoup these costs, and be more fair to everybody, it is a discussion that needs to be had.

Mayor Mendoza stated she was wanting the City Clerk to read off data she had.

City Clerk read public comments received as follows:

Wendy Dion asked if all these large fees are paid this year, yet someone who applies next year, they by default are not held to the same fee as those who paid this year that is simply unfair. She inquired if the money that comes in from the taxes paid from the retail store be used to float the costs. Wendy Dion noted GSPC paid close to \$30,000 in business taxes last year, she commented she thought most residents will be willing to let that float as part of the process.

Jim Dion commented if he had one of each license, he would be happy to pay it and that is in the minutes of this presentation. He requested we look back and review the actual statement from Jim Dion rather than mixing his words, he noted it wasn't intentional but his words were very clear.

Travis Berry commented weighing in the benefit of future sales tax income versus the expenditure of City services in-kind to generate these revenues, he commented he believed it was safe to say it's in the City's benefit to follow Councilmember Burruss' plan. He noted the City extends services in-kind all the time, he stated that is what the City should do to enable the increase of economic and service viability this community desperately needs and doing those things by its own means. Travis Berry commented that the distribution of sales taxes to the City are what's meant to support the management of new businesses. He added supporting the creation of new businesses should be at the heart of the decisions Council makes and especially those with a significant expected contribution to future sales taxes. Travis Berry noted

capitalizing on the unique position these businesses are in and that are having a difficult time finding suitable localities to legally operate in is in very poor taste. He added application fees are exorbitant in relation to the fees other businesses are charged with much higher sales. Travis Berry commented that while he agreed there will be an increase in initial admin time, the benefit over time via sales tax revenue is obviously a lot more than \$30,000.

Mayor Mendoza requested to hear comments from City Manager Heathcock.

City Manager Heathcock stated for the sake of time, he was requesting to move beyond this as it is something that unless there is a majority of Council in concurrence, we could probably table this to be brought forward as a separate item by resolution for Council to consider. He added Councilmember Douglass had another meeting and needed to get off of this line.

Councilmember Fatula stated he has a 3:00 coming up.

Mayor Mendoza requested to go to each member and ask them for a yes or a no to the item they have been discussing.

Mayor Mendoza inquired if Councilmember Fatula was a no.

Councilmember Fatula requested Mayor Mendoza ask the question. He asked if he was a no to deferring the cost over multiple years, he stated yes, he was against deferring the cost.

Mayor Mendoza requested input from Councilmember Douglass.

Councilmember Douglass stated he thought he had answered this when he said he liked the idea but he stated it needs to be spelled out but he stated he liked the idea of doing it.

Mayor Mendoza asked Councilmember Douglass if he was a yes.

Councilmember Douglass stated it is an abstain until next meeting.

Mayor Mendoza requested comments from Councilmember Burruss.

Councilmember Burruss stated yes, she was in support of ironing the kinks further and figuring out a way to defer the payments in a more fair spread out schedule we don't need to recover in the first four months.

Mayor Mendoza called on Mayor Pro Tem Lomen.

Mayor Pro Tem Lomen stated he is in favor of looking at a more spread out schedule since Council has approved more than one license. He added he definitely wants to ensure the costs are recovered through the license process.

Mayor Mendoza requested City Manager Heathcock clarify if they push this out to another day, whether or not Council will be able to accomplish what they set out to accomplish at this workshop. She inquired if the fees being discussed have anything to do with the ordinance or if Council can table this off on a separate deal.

City Manager Heathcock confirmed, Council can separate this and requested City Attorney Cabral weigh in. He stated if Council allowed the fees to be adopted by resolution in the ordinance, you can table this to a side conversation to bring forward to Council. City Manager Heathcock asked if City Attorney Cabral concurred.

City Attorney Cabral stated he agreed with that. He added that both Councilmember Burruss and Councilmember Fatula are right, no policy decisions have been made yet, they are all still open for discussion. City Attorney Cabral added this is one of the things that can be done when Council is ready to establish fees.

Mayor Mendoza requested to separate this out and come back to it. She asked if public comment was received on this item already.

Councilmember Burruss confirmed public comment was received.

Mayor Mendoza stated there was one more public comment on this slide.

City Clerk read the comment which came from an anonymous user.

Anonymous User commented typical national license application fees are in the area of \$5,000, typical annual license fees are approximately \$1,000 to \$10,000. They added \$28,000 seemed extremely steep for such a small community. Anonymous asked how this fee structure compared to other business permit fees in Colfax. Anonymous provided the example of a retail pharmacy selling narcotics and other drugs, liquor sales, and asked if such businesses are under similar scrutiny in regards to inspection, audit, and security etcetera.

City Manager Heathcock requested to suggest to Mayor Mendoza that Council had already made that point, that the intent is to recover the cost, that is why the \$28,000 initial cost is in existence. He added that moving forward, as Council discussed, the renewal fee is going to be greatly reduced over the new application fee and staff will bring those structures forward for Council to consider at a future date.

Mayor Mendoza stated that would be great. She stated this would be moved off to a different day and requested to move on to the next slide.

Mr. Tankard stated he believed that was it.

Mayor Mendoza asked if we were at the end.

Mr. Tankard stated yes.

Mayor Mendoza requested City Manager Heathcock provide the number of items that were moved off the working sheet, how many different areas Council needed to come back to. She stated she wanted to make sure that was captured.

City Manager Heathcock stated he believed all items, he stated he would also ask Mr. Tankard and City Attorney Cabral, that all items specifically needed for the ordinance had been addressed. He added there were some items that are outstanding that would be addressed by resolution at a future date. City Manager Heathcock inquired if Mr. Tankard concurred.

Mr. Tankard stated he concurred and confirmed the two items were the regulatory fees and the application procedures and processes.

City Attorney Cabral stated he agreed.

City Manager Heathcock stated with that, for timing for Council's benefit, he stated as he mentioned earlier, getting the modifications done and getting the proper notification and everything out for the ordinance amendment. He stated he believed the first meeting we could have for the first reading of this ordinance would be on the June 24<sup>th</sup> meeting and then the subsequent reading could be held on the July 8<sup>th</sup> meeting.

Councilmember Fatula asked when we would have the ordinance in its final version so we could preview it.

City Manager Heathcock requested confirmation from Mr. Tankard of whether or not he could have the edits done in a week or so.

Mr. Tankard stated that is correct.

City Manager Heathcock requested clarification that by the week of June 8<sup>th</sup> we should be able to get the modifications and the track changes of the ordinance in Council's hands for review for the 24<sup>th</sup> meeting. He added that gives just over two weeks to review the documents.

Councilmember Fatula requested the Clerk provide his as a hardcopy.

Mayor Mendoza reported receiving another public comment.

City Clerk stated the comment was from the Anonymous User.

Anonymous User commented sorry Wes, you failed to address the last line of my comment. They provided the example of retail pharmacies selling narcotics and other drugs, liquor sales, are such businesses under similar scrutiny in regards to inspection, audit, security, etcetera.

Councilmember Fatula stated that question had already been addressed. He stated all the change to the ordinance are extra costs the other businesses don't have to go through. Councilmember Fatula stated that is why this has the \$28,000 chunk in there.

Mayor Mendoza stated yes.

Councilmember Burruss stated any scrutiny or security requirements they are subject to are under the jurisdiction of other authority. She added that unfortunately, cannabis is one of those industries that is not currently regulated on the same level with the state and they've put it in the lap of local jurisdictions where we are forced to eat the burden of cost and time of figuring out not only how we are going to regulate it but actually doing the regulating itself. Councilmember Burruss stated that is the key distinction between the other businesses and these.

City Manager Heathcock stated that in an ideal world, he stated from staff's perspective, ABC would be regulating this industry, not the City of Colfax.

Councilmember Fatula agreed.

City Manager Heathcock stated that is unfortunately not the world we are in.

Mayor Mendoza stated all she wanted to do, she noted she knew Councilmember Douglass needed to get off the line, she stated she wanted to make sure we have everything that we took off to the side to work on, that we have that captured. She asked the City Clerk if that information had been captured.

City Manager Heathcock stated Mr. Tankard mentioned the outstanding items and requested he mention them again.

Mr. Tankard confirmed a revision of the application documents to include the merit-based selection process and reevaluation of the regulatory fees to include a fee for renewal as well as the additional application review step. He confirmed both the items would be handled through resolution and are not required to be put in the ordinance so it shouldn't hold up the process of moving forward with the ordinance.

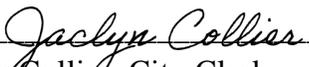
City Manager Heathcock suggested to Mayor Mendoza that we are good.

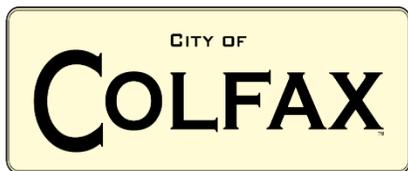
Mayor Mendoza stated we are done and requested to close it. She said she just wanted to makes sure that we had everything we are coming back to captured, she stated Mr. Tankard captured that. Mayor Mendoza stated she also needed to makes sure Councilmember Fatula's questions were answered on the zoning, she stated he did concurrently agree with the rest of Council on the zoning issue. She stated that was it, close it out.

**3 ADJOURNMENT**

As there was no further business on the agenda, Mayor Mendoza adjourned the meeting, without objection at 2:41PM.

Respectfully submitted to City Council this 23<sup>rd</sup> day of September, 2020.

  
\_\_\_\_\_  
Jaclyn Collier, City Clerk



# City Council Minutes

Regular Meeting of Wednesday, September 9, 2020  
 City Hall Council Chambers  
 33 S. Main Street, Colfax CA

## 1 CLOSED SESSION (NO CLOSED SESSION)

## 2 OPEN SESSION

### 2A. Call Open Session to Order

Mayor Pro Tem Lomen called the open session to order at 6:10PM

### 2B. Pledge of Allegiance

Councilmember Burruss led the Pledge of Allegiance

### 2C. Roll Call

Present: Lomen, Burruss, Douglass, Fatula

Absent: Mendoza

### 2D. Approval of Agenda Order

**Recommendation:** By motion, accept the agenda as presented or amended.

MOTION made by Councilmember Fatula and seconded by Councilmember Burruss to approve and approved by the following roll call vote:

**AYES:** Lomen, Burruss, Douglass, Fatula

**NOES:**

**ABSTAIN:**

**ABSENT:** Mendoza

## 3 AGENCY REPORTS

3A. **Placer County Sheriff** – Ty Conners provided an update.

3B. **CHP** – Chris Nave provided an update.

## 4 PRESENTATION (NO PRESENTATION)

## 5 PUBLIC HEARING (NO PUBLIC HEARING)

## 6 CONSENT CALENDAR

### 6A. Minutes – Regular Meeting of August 26, 2020

**Recommendation:** Approve the Minutes of the Regular Meeting of August 26, 2020.

### 6B. Landscape Equipment Purchase

**Recommendation:** Information Only.

### 6C. 2020 CDBG-CV1 Application Approval

**Recommendation:** Approve Resolution 55-2020 authorizing the City Manager submit an application for funding and the execution of a Grant Agreement and any amendments thereto from the 2020 Community Development Block Grant Program Coronavirus Response Round 1 (CDBG-CV1) NOFA dated June 5, 2020.

**6D. REAP Grant Funding MOU**

**Recommendation:** Adopt Resolution 56-2020 authorizing the City Manager to enter into a Memorandum of Understanding (MOU) with the Sacramento Area Council of Governments (SACOG) to receive \$10,000 in Regional Early Action Planning (REAP) Grant Funds for the preparation of the Housing Element.

MOTION made by Councilmember Fatula and seconded by Councilmember Burruss to approve the Consent Calendar and approved by the following roll call vote:

- AYES:** Lomen, Burruss, Fatula
- NOES:**
- ABSTAIN:**
- ABSENT:** Mendoza, Douglass\*\*

\*\* Councilmember Douglass was having technical issues; he was present but was unable to provide his vote.

**7 PUBLIC COMMENT**

**8 COUNCIL AND STAFF REPORTS**

**9 COUNCIL BUSINESS**

**9A. Proposed City Use of Coronavirus Aid, Relief, & Economic Security (CARES) Act Funding**

**Staff Presentation:** Laurie Van Groningen, Finance Director

**Recommendation:** Adopt Resolution 57-2020 authorizing the allocation of federal CARES funding to the City for 1) \$5,000 for City eligible expenses due to COVID-19, 2) \$42,500 to fund a small business grant assistance program, and 3) \$2,500 to fund agreement with Sierra Business Council to manager small business grant assistance program.

MOTION made by Councilmember Fatula and seconded by Councilmember Burruss and approved by the following roll call vote:

- AYES:** Lomen, Burruss, Douglass, Fatula
- NOES:**
- ABSTAIN:**
- ABSENT:** Mendoza

**9B. No Smoking Ordinance**

**Staff Presentation:** Wes Heathcock, City Manager

**Recommendation:** Discuss and provide staff with direction.

Councilmember Fatula, Councilmember Douglass, Councilmember Burruss, and Mayor Pro Tem Lomen voiced support for moving forward with a No Smoking Ordinance.

Mayor Pro Tem Lomen suggested a 2-person subcommittee consisting of Councilmember Burruss and Councilmember Douglass. He asked if both Council Members Burruss and Douglass were okay with the assignment.

Councilmember Burruss agreed to be part of the subcommittee.

Councilmember Fatula volunteered to be part of the subcommittee.

Mayor Pro Tem Lomen clarified Councilmember Fatula and Councilmember Burruss, if Councilmember Douglass didn't want it.

Councilmember Douglass stated he wanted to be part of it but that three was a crowd.

Discussion had between Councilmember Douglass, Councilmember Burruss, City Attorney Cabral regarding whether or not three Council Members were allowed or if two would be best.

City Attorney Cabral confirmed there can be three Council Members but each meeting would need to be noticed.

Mayor Pro Tem Lomen asked Councilmember Douglass if he was okay with the subcommittee being Councilmember Fatula and Councilmember Burruss.

Councilmember Douglass stated he was in agreement.

Mayor Pro Tem Lomen requested confirmation from City Manager Heathcock that he received direction for the item.

City Manager Heathcock confirmed he had direction. He requested confirmation from City Attorney Cabral that he was good with the item.

City Attorney Cabral agreed and stated he had already acquired sample ordinances and information from the department of public help to start with.

Councilmember Fatula stated many smokers go down to his dirt lot at the end of the street and smoke and throw their cigarettes in the dry grass there. He added it would be nice to have three fire buckets near there that were specifically labeled maybe with a lid on them that contain water just in case there was a fire.

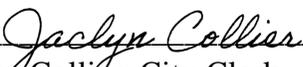
Mayor Pro Tem Lomen stated he doubted those would stick around if they were left out. He stated it would probably be best to put a fire extinguisher at the end of the building under lock.

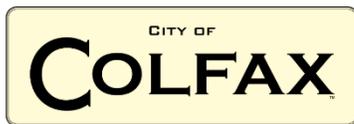
**10 GOOD OF THE ORDER**

**11 ADJOURNMENT**

As there was no further business on the agenda, Mayor Pro Tem Lomen adjourned the meeting, without objection at 7:01PM.

Respectfully submitted to City Council this 23<sup>rd</sup> day of September, 2020.

  
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Jaclyn Collier, City Clerk



# Staff Report to City Council

## FOR THE SEPTEMBER 23, 2020 REGULAR CITY COUNCIL MEETING

**From:** Wes Heathcock, City Manager  
**Prepared by:** Laurie Van Groningen, Finance Director  
**Subject:** Cash Summary – August 2020

*Budget Impact Overview:*

| N/A: ✓ | Funded: | Un-funded: | Amount: | Fund(s): |
|--------|---------|------------|---------|----------|
|--------|---------|------------|---------|----------|

**RECOMMENDED ACTION:** Accept and File.

### Summary/Background

The monthly financial report includes 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 these 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 August 2020. Some monthly highlights are listed below:

- August Revenues included:
  - Allocation for Sales Tax revenues reported/paid to the State for the month of June 2020 (two month lag).
  - Second allocation of CARES Funding – Coronavirus Relief Fund.
  - Mitigation Fees – Sierra Oaks Development
- Negative cash fund balances are due to timing of funding allocations and reimbursements:
  - Fund 250 – Streets and Roads. This activity is funded by allocation from PCTPA, Gas taxes and General Fund transfer. Negative balance is typical for this early in the fiscal year.
  - Fund 300 – FY2020-21 ADA project is budgeted (\$20K) to be a transfer from General Funds.
  - Fund 365 – Kneeland Street project will be funded with transfer from Fund 258 – Road Maintenance reserved funding.
  - Fund 358 – CDBG Road Rehabilitation. This is a reimbursable grant – final funding of grant was anticipated in September, but is likely to be delayed to early in 2021.
  - Fund 367 – SB2 Planning Grant – this is a reimbursable grant.
  - Fund 385 – Roundabout - Received final reimbursement of SHOPP funding in August (\$47K) – final request for CMAQ funding is requested and pending (\$77K).
  - Fund 573 – WWTP Planning Grant. This is a reimbursable grant with the State Water Board. Reimbursement for quarter ended June 2020 was received in August. Current quarter expenditures to be requested for reimbursement at end of September.

- August expenditures included:
  - Payment to SCI for commercial cannabis consulting services (\$17K).
  - Final construction payment for Culver Street II Road Project

Anticipated major expenditures for September include the quarterly payment on Sheriff Contract.

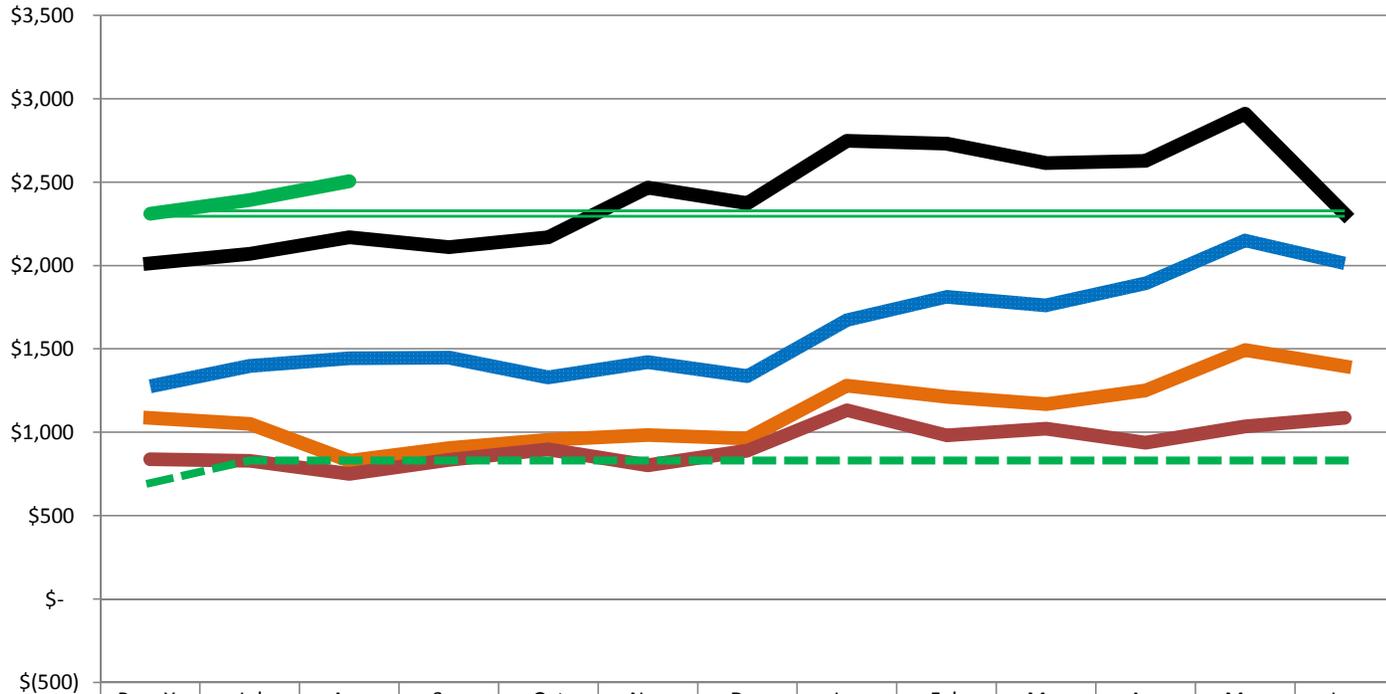
**Attachments:**

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)

Attachment 1a

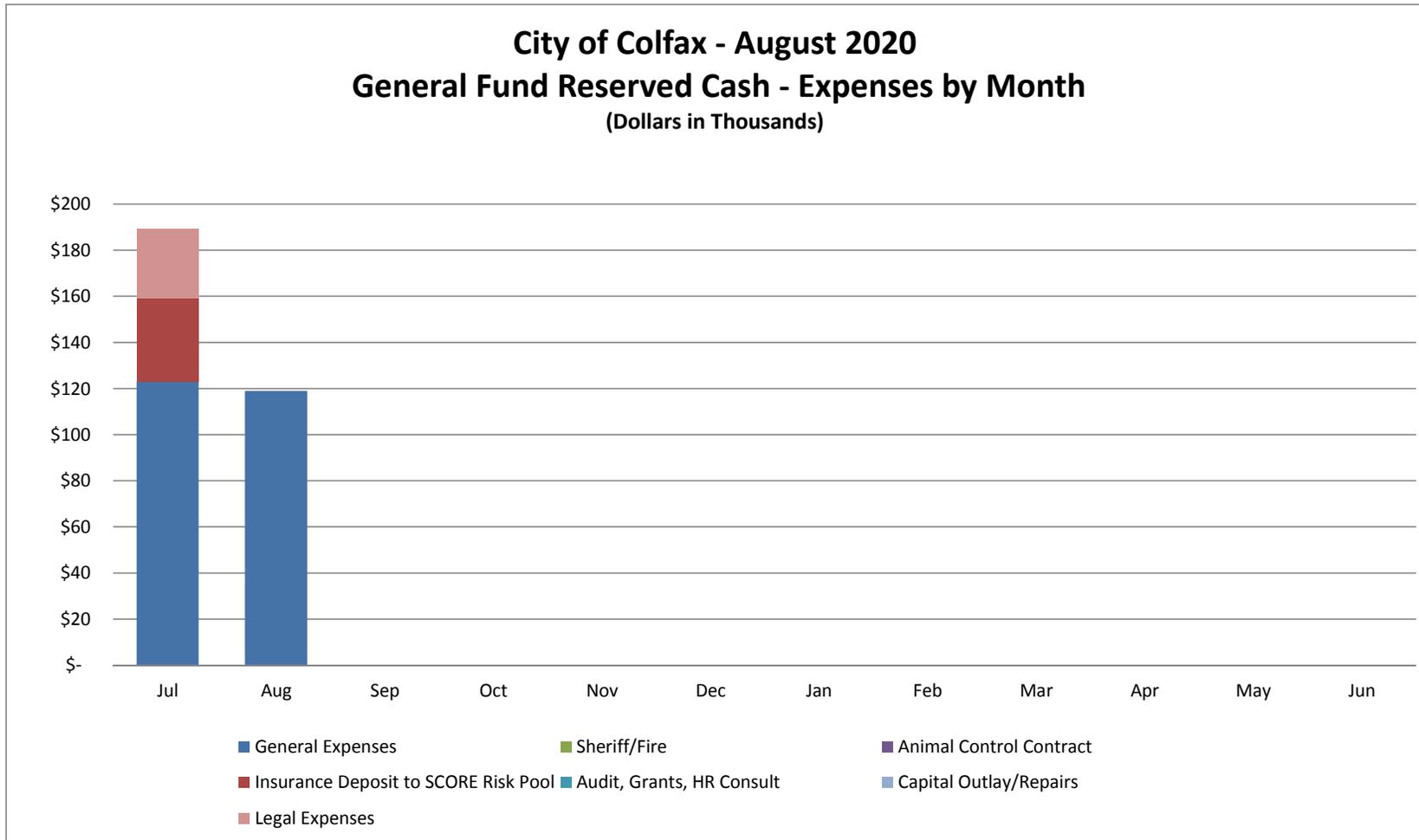
**City of Colfax - August 2020**  
**General Fund Reserved Cash Analysis**  
 (Dollars in Thousands)

Fiscal Year 2020-21 >>

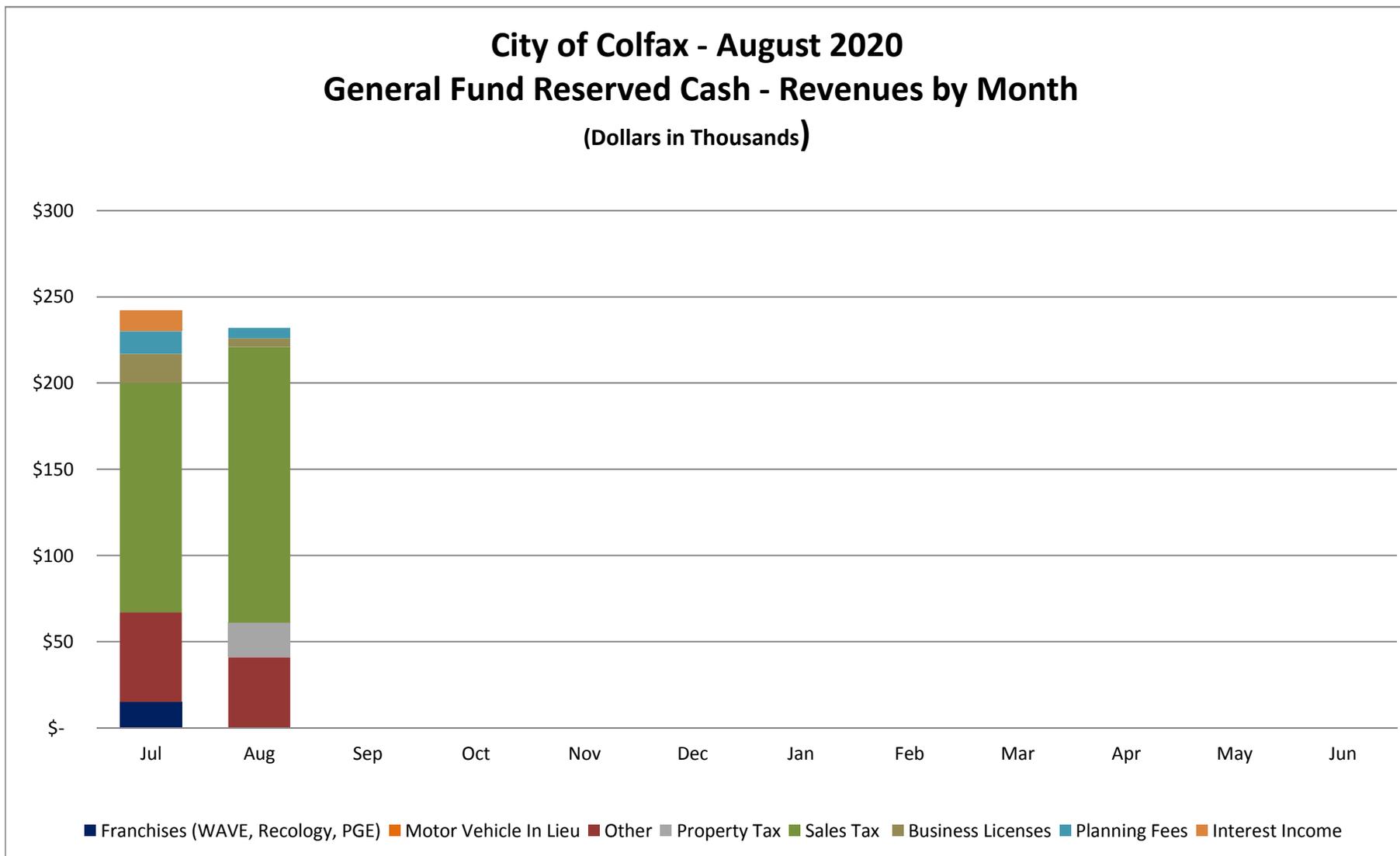


|                           | Prev Yr | Jul     | Aug     | Sep     | Oct     | Nov     | Dec     | Jan     | Feb     | Mar     | Apr     | May     | Jun     |
|---------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Cash Balance FY2020-21    | \$2,311 | \$2,392 | \$2,505 |         |         |         |         |         |         |         |         |         |         |
| Cash Balance FY2019-20    | \$2,013 | \$2,069 | \$2,169 | \$2,110 | \$2,170 | \$2,467 | \$2,373 | \$2,747 | \$2,730 | \$2,615 | \$2,627 | \$2,910 | \$2,311 |
| Cash Balance FY2018-19    | \$1,275 | \$1,398 | \$1,444 | \$1,447 | \$1,329 | \$1,420 | \$1,336 | \$1,672 | \$1,812 | \$1,760 | \$1,893 | \$2,151 | \$2,013 |
| Cash Balance FY2017-18    | \$1,086 | \$1,050 | \$828   | \$905   | \$954   | \$983   | \$962   | \$1,280 | \$1,212 | \$1,168 | \$1,250 | \$1,493 | \$1,396 |
| Cash Balance FY2016-17    | \$838   | \$829   | \$750   | \$835   | \$897   | \$802   | \$889   | \$1,133 | \$981   | \$1,022 | \$938   | \$1,034 | \$1,086 |
| *Reserves (Ops, Cap, Pen) | \$695   | \$830   | \$830   | \$830   | \$830   | \$830   | \$830   | \$830   | \$830   | \$830   | \$830   | \$830   | \$830   |
| Budget FY2020-21          | \$2,311 | \$2,311 | \$2,311 | \$2,311 | \$2,311 | \$2,311 | \$2,311 | \$2,311 | \$2,311 | \$2,311 | \$2,311 | \$2,311 | \$2,311 |

Attachment 1b



Attachment 1c



**Attachment 2a**

**City of Colfax  
Cash Summary  
August 31, 2020**

|                             | Balance<br>07/31/2020  | Revenues In          | Expenses Out           | Transfers       | Balance<br>08/31/2020  |
|-----------------------------|------------------------|----------------------|------------------------|-----------------|------------------------|
| US Bank                     | \$ 189,531.72          | \$ 619,581.73        | \$ (487,603.44)        | \$ (150,000.00) | \$ 171,510.01          |
| LAIF                        | \$ 7,349,094.69        | \$ -                 |                        | \$ 150,000.00   | \$ 7,499,094.69        |
| Total Cash - General Ledger | <u>\$ 7,538,626.41</u> | <u>\$ 619,581.73</u> | <u>\$ (487,603.44)</u> | <u>\$ -</u>     | <u>\$ 7,670,604.70</u> |
| Petty Cash (In Safe)        | \$ 300.00              |                      |                        |                 | \$ 300.00              |
| Total Cash                  | <u>\$ 7,538,926.41</u> | <u>\$ 619,581.73</u> | <u>\$ (487,603.44)</u> | <u>\$ -</u>     | <u>\$ 7,670,904.70</u> |

**Change in Cash Account Balance - Total** \$ 131,978.29

## Attached Reports:

|  |                      |      |
|--|----------------------|------|
| 1. Cash Transactions Report (By Individual Fund) |                      |      |
| 2. Check Register Report (Accounts Payable)      | \$ (412,203.22)      |      |
| 3. Cash Receipts - Daily Cash Summary Report     | \$ 469,247.69        |      |
| Payroll Checks and Tax Deposits                  | \$ (61,298.65)       |      |
| Utility Billings - Receipts                      | \$ 135,817.60        |      |
| Void Check                                       | \$ 414.87            |      |
|  | <u>\$ 131,978.29</u> | \$ - |

Prepared by: Laurie Van Groningen, Finance Director  
Laurie Van Groningen, Finance Director

Reviewed by: Wes Heathcock, City Manager  
Wes Heathcock, City Manager

## Attachment 2b

## City of Colfax

## Cash Transactions Report - August 2020

|   | Beginning<br>Balance   | Debit<br>Revenues    | Credit<br>(Expenditures) | Ending<br>Balance      |
|---|------------------------|----------------------|--------------------------|------------------------|
| <b>Fund Type: 1.11 - General Fund - Unassigned</b>      |                        |                      |                          |                        |
| Fund: 100 - General Fund                                | \$ 2,326,169.12        | \$ 225,861.54        | \$ (111,718.43)          | \$ 2,440,312.23        |
| Fund: 120 - Land Development Fees                       | \$ 86,064.85           | \$ 6,200.59          | \$ (7,164.25)            | \$ 85,101.19           |
| Fund: 570 - Garbage Fund                                | \$ (20,065.08)         | \$ -                 | \$ -                     | \$ (20,065.08)         |
| <b>Fund Type: 1.11 - General Fund - Unassigned</b>      | <b>\$ 2,392,168.89</b> | <b>\$ 232,062.13</b> | <b>\$ (118,882.68)</b>   | <b>\$ 2,505,348.34</b> |
| <b>Fund Type: 1.14 - General Fund - Restricted</b>      |                        |                      |                          |                        |
| Fund: 200 - Cannabis Application                        | \$ 16,407.03           | \$ -                 | \$ (17,609.46)           | \$ (1,202.43)          |
| Fund: 205 - Escrow Funds                                | \$ 3,237.00            | \$ -                 | \$ -                     | \$ 3,237.00            |
| Fund: 571 - AB939 Landfill Diversion                    | \$ 25,717.26           | \$ -                 | \$ -                     | \$ 25,717.26           |
| Fund: 572 - Landfill Post Closure Maintenance           | \$ 784,858.45          | \$ 47.00             | \$ (4,666.83)            | \$ 780,238.62          |
| <b>Fund Type: 1.14 - General Fund - Restricted</b>      | <b>\$ 830,219.74</b>   | <b>\$ 47.00</b>      | <b>\$ (22,276.29)</b>    | <b>\$ 807,990.45</b>   |
| <b>Fund Type: 1.24 - Special Rev Funds - Restricted</b> |                        |                      |                          |                        |
| Fund: 201 - CARES Act Funding                           | \$ 8,333.00            | \$ 8,333.00          | \$ (857.14)              | \$ 15,808.86           |
| Fund: 210 - Mitigation Fees - Roads                     | \$ 223,457.01          | \$ 7,208.00          | \$ -                     | \$ 230,665.01          |
| Fund: 211 - Mitigation Fees - Drainage                  | \$ 4,366.25            | \$ 74.00             | \$ -                     | \$ 4,440.25            |
| Fund: 212 - Mitigation Fees - Trails                    | \$ 65,157.79           | \$ 1,566.00          | \$ -                     | \$ 66,723.79           |
| Fund: 213 - Mitigation Fees - Parks/Rec                 | \$ 125,021.16          | \$ 18,625.00         | \$ -                     | \$ 143,646.16          |
| Fund: 214 - Mitigation Fees - City Bldgs                | \$ 47,297.14           | \$ 2,736.00          | \$ -                     | \$ 50,033.14           |
| Fund: 215 - Mitigation Fees - Vehicles                  | \$ 9,924.03            | \$ 520.00            | \$ -                     | \$ 10,444.03           |
| Fund: 217 - Mitigation Fees - DT Parking                | \$ 31,165.25           | \$ 581.00            | \$ -                     | \$ 31,746.25           |
| Fund: 218 - Support Law Enforcement                     | \$ -                   | \$ -                 | \$ -                     | \$ -                   |
| Fund: 244 - CDBG Program Inc - ME Lending               | \$ 8.11                | \$ 600.00            | \$ -                     | \$ 608.11              |
| Fund: 250 - Streets - Roads/Transportation              | \$ (24,957.60)         | \$ -                 | \$ (8,906.97)            | \$ (33,864.57)         |
| Fund: 253 - Gas Taxes                                   | \$ 5,434.51            | \$ -                 | \$ (1,224.67)            | \$ 4,209.84            |
| Fund: 258 - Road Maintenance - SB1/RSTBG                | \$ 286,684.75          | \$ 2,897.64          | \$ -                     | \$ 289,582.39          |
| Fund: 270 - Beverage Container Recycling                | \$ 18,975.55           | \$ -                 | \$ -                     | \$ 18,975.55           |
| Fund: 280 - Oil Recycling                               | \$ 3,741.51            | \$ -                 | \$ -                     | \$ 3,741.51            |
| Fund: 292 - Fire Department Capital Funds               | \$ 90,262.56           | \$ -                 | \$ -                     | \$ 90,262.56           |
| Fund: 342 - Fire Construction - Mitigation              | \$ 45,819.40           | \$ 4,525.56          | \$ -                     | \$ 50,344.96           |
| Fund: 343 - Recreation Construction                     | \$ 45,819.90           | \$ 4,525.53          | \$ -                     | \$ 50,345.43           |
| <b>Fund Type: 1.24 - Special Rev Funds - Restricted</b> | <b>\$ 986,510.32</b>   | <b>\$ 52,191.73</b>  | <b>\$ (10,988.78)</b>    | <b>\$ 1,027,713.27</b> |
| <b>Fund Type: 1.34 - Capital Projects - Restricted</b>  |                        |                      |                          |                        |
| Fund: 300 - FY2021 ADA Project                          | \$ (9,075.00)          | \$ -                 | \$ (3,052.50)            | \$ (12,127.50)         |
| Fund: 357 - Culver Street Phase II                      | \$ 215,438.87          | \$ -                 | \$ (215,438.87)          | \$ -                   |
| Fund: 365 - Kneeland Street Imprpv                      | \$ (399.80)            | \$ -                 | \$ (2,955.00)            | \$ (3,354.80)          |
| Fund: 367 - SB2 - Planning Grant                        | \$ (27,490.47)         | \$ -                 | \$ (5,325.30)            | \$ (32,815.77)         |
| Fund: 358 - CDBG Pavement                               | \$ (31,654.51)         | \$ -                 | \$ (11,733.50)           | \$ (43,388.01)         |
| Fund: 385 - Roundabout                                  | \$ (126,750.35)        | \$ 47,594.36         | \$ -                     | \$ (79,155.99)         |
| <b>Fund Type: 1.34 - Capital Projects - Restricted</b>  | <b>\$ 20,068.74</b>    | <b>\$ 47,594.36</b>  | <b>\$ (238,505.17)</b>   | <b>\$ (170,842.07)</b> |
| <b>Fund Type: 2.11 - Enterprise Funds</b>               |                        |                      |                          |                        |
| Fund: 560 - Sewer                                       | \$ 1,289,067.21        | \$ 95,049.30         | \$ (73,029.73)           | \$ 1,311,086.78        |
| Fund: 561 - Sewer Liftstations                          | \$ 314,613.25          | \$ 15,022.44         | \$ (11,616.06)           | \$ 318,019.63          |
| Fund: 563 - Wastewater Treatment Plant                  | \$ 1,280,413.89        | \$ 36,653.09         | \$ -                     | \$ 1,317,066.98        |
| Fund: 564 - Sewer Connections                           | \$ 282,031.40          | \$ 9,300.00          | \$ (925.00)              | \$ 290,406.40          |
| Fund: 567 - Inflow & Infiltration                       | \$ -                   | \$ -                 | \$ -                     | \$ -                   |
| Fund: 573 - WWTP Planning Grant                         | \$ (157,832.72)        | \$ 131,354.00        | \$ (11,379.73)           | \$ (37,858.45)         |
| Fund: 574 - OES PSPS Grant                              | \$ 301,058.01          | \$ -                 | \$ -                     | \$ 301,058.01          |
| <b>Fund Type: 2.11 - Enterprise Funds - Unassigned</b>  | <b>\$ 3,309,351.04</b> | <b>\$ 287,378.83</b> | <b>\$ (96,950.52)</b>    | <b>\$ 3,499,779.35</b> |
| <b>Fund Type: 9.0 - CLEARING ACCOUNT</b>                |                        |                      |                          |                        |
| Fund: 998 - PAYROLL CLEARING FUND                       | \$ 307.68              | \$ 307.68            | \$ -                     | \$ 615.36              |
| <b>Fund Type: 9.0 - CLEARING ACCOUNT</b>                | <b>\$ 307.68</b>       | <b>\$ 307.68</b>     | <b>\$ -</b>              | <b>\$ 615.36</b>       |
| <b>Grand Totals:</b>                                    | <b>\$ 7,538,626.41</b> | <b>\$ 619,581.73</b> | <b>\$ (487,603.44)</b>   | <b>\$ 7,670,604.70</b> |

# Attachment 2c

## Check Register Report

# Item 6C

August 2020 Checks

Date: 09/04/2020

Time: 4:47 pm

Page: 1

CITY OF COLFAX

BANK: US BANK

| Check Number          | Check Date | Status     | Void/Stop Date | Reconcile Date | Vendor Number | Vendor Name                    | Check Description              | Amount     |
|-----------------------|------------|------------|----------------|----------------|---------------|--------------------------------|--------------------------------|------------|
| <b>US BANK Checks</b> |            |            |                |                |               |                                |                                |            |
| 56055                 | 08/07/2020 | Reconciled |                | 08/31/2020     | 03141         | CALPERS                        | HEALTH PREMIUMS AUG 2020       | 6,250.17   |
| 56056                 | 08/05/2020 | Reconciled |                | 08/31/2020     | 01424         | ALL PRO BACKFLOW               | ROUNDOABOUT LANDSCAPE BACKFLOW | 64.95      |
| 56057                 | 08/05/2020 | Reconciled |                | 08/31/2020     | 01448         | AMERIGAS - COLFAX              | CORP YARD PROPANE              | 141.41     |
| 56058                 | 08/05/2020 | Reconciled |                | 08/31/2020     | 01460         | AMERIPRIDE UNIFORM SERVICE     | UNIFORM SVCS JULY 2020         | 698.81     |
| 56059                 | 08/05/2020 | Reconciled |                | 08/31/2020     | 03164         | CASH- PETTY CASH REIMBURSEMENT | PETTY CASH REIMBURSEMENT       | 110.05     |
| 56060                 | 08/05/2020 | Reconciled |                | 08/31/2020     | 03493         | COASTLAND CIVIL ENGINEERING    | ENG SVCS JUNE 2020             | 2,178.75   |
| 56061                 | 08/05/2020 | Reconciled |                | 08/31/2020     | 4577          | DOUG VEERKAMP GENERAL          | CULVER ST PHASE II CONSTRUCTIO | 197,176.12 |
| 56062                 | 08/05/2020 | Reconciled |                | 08/31/2020     | 5183          | ELLIS & MAKUS LLP              | LEGAL MATTER                   | 2,244.50   |
| 56063                 | 08/05/2020 | Reconciled |                | 08/31/2020     | 05221         | EOSI - ENVIRONMENT OPERATING   | WWTP CHEMICALS                 | 5,386.98   |
| 56064                 | 08/05/2020 | Reconciled |                | 08/31/2020     | 08050         | HACH COMPANY                   | WWTP LAB SUPPLIES              | 503.98     |
| 56065                 | 08/05/2020 | Reconciled |                | 08/31/2020     | 08159         | HILL BROTHERS CHEMICAL CO      | WWTP CHEMICALS                 | 8,754.09   |
| 56066                 | 08/05/2020 | Reconciled |                | 08/31/2020     | 08170         | HILLS FLAT LUMBER CO           | STMT 7/25/20                   | 433.71     |
| 56067                 | 08/05/2020 | Reconciled |                | 08/31/2020     | 13270         | MILLENIUUM PLANNING &          | OSBORN CEQA                    | 900.00     |
| 56068                 | 08/05/2020 | Reconciled |                | 08/31/2020     | 16011(2)      | PELLETREAU, ALDERSON & CABRAL  | LEGAL SVCS JULY 2020           | 10,982.32  |
| 56069                 | 08/05/2020 | Reconciled |                | 08/31/2020     | 16035         | PG&E                           | ELECTRICITY                    | 20,937.53  |
| 56070                 | 08/05/2020 | Reconciled |                | 08/31/2020     | 18400         | RIEBES AUTO PARTS              | STMT 7/31/20                   | 195.65     |
| 56071                 | 08/05/2020 | Reconciled |                | 08/31/2020     | 19065         | SCI CONSULTING GROUP           | CANNABIS CONSULTING            | 17,609.46  |
| 56072                 | 08/05/2020 | Reconciled |                | 08/31/2020     | 19396         | SIERRA SAFETY COMPANY          | ST PARKING SIGNS               | 83.66      |
| 56073                 | 08/05/2020 | Reconciled |                | 08/31/2020     | 21105         | UNICO ENGINEERING              | CULVER ST PHASE II CONST MAN   | 18,262.75  |
| 56074                 | 08/05/2020 | Reconciled |                | 08/31/2020     | 22106         | VAN GRONINGEN & ASSOCIATES     | FINANCIAL SVCS JULY 2020       | 3,787.50   |
| 56075                 | 08/13/2020 | Reconciled |                | 08/31/2020     | 01414         | ALHAMBRA & SIERRA SPRINGS      | CITY HALL/WWTP WATER           | 122.67     |
| 56076                 | 08/13/2020 | Reconciled |                | 08/31/2020     | 03401         | CHOICE BUILDER                 | SEPT 2020 PREMIUMS             | 632.53     |
| 56077                 | 08/13/2020 | Printed    |                |                | 03558         | COLFAX SMOG & AUTO REPAIR      | PW VEHICLE RPR                 | 35.17      |
| 56078                 | 08/13/2020 | Reconciled |                | 08/31/2020     | 07465         | GOLD MINER PEST CONTROL        | WWTP/LIFT STATION PEST CONTROL | 210.00     |
| 56079                 | 08/13/2020 | Reconciled |                | 08/31/2020     | 07465         | GOLD MINER PEST CONTROL        | FIRE STATION 36 PEST CONTROL   | 74.00      |
| 56080                 | 08/13/2020 | Reconciled |                | 08/31/2020     | 07570         | GRAINGER                       | WWTP SUPPLIES                  | 5.36       |
| 56081                 | 08/13/2020 | Reconciled |                | 08/31/2020     | 07570         | GRAINGER                       | WWTP SUPPLIES                  | 140.70     |
| 56082                 | 08/13/2020 | Reconciled |                | 08/31/2020     | 07570         | GRAINGER                       | WWTP SUPPLIES                  | 177.25     |
| 56083                 | 08/13/2020 | Reconciled |                | 08/31/2020     | 08070         | HANSEN BROS. ENTERPRISES       | LOT OF ART BARK                | 42.47      |
| 56084                 | 08/13/2020 | Reconciled |                | 08/31/2020     | 08086         | HBE RENTALS                    | PPE P/U TRAILER RENTAL         | 40.00      |
| 56085                 | 08/13/2020 | Printed    |                |                | 08159         | HILL BROTHERS CHEMICAL CO      | WWTP CHEMICALS                 | 563.44     |
| 56086                 | 08/13/2020 | Reconciled |                | 08/31/2020     | 08660         | HUNT AND SONS, INC.            | FIRE DEPT FUEL                 | 144.61     |
| 56087                 | 08/13/2020 | Reconciled |                | 08/31/2020     | 08660         | HUNT AND SONS, INC.            | PW/WWTP FUEL                   | 475.93     |
| 56088                 | 08/13/2020 | Reconciled |                | 08/31/2020     | 16559         | PLAZA TIRE AND AUTO SERVICE    | FIRE TRUCK RPR                 | 49.60      |
| 56089                 | 08/13/2020 | Reconciled |                | 08/31/2020     | 19037         | SAFE SIDE SECURITY             | SECURITY MONITORING AUG 2020   | 155.00     |
| 56090                 | 08/13/2020 | Reconciled |                | 08/31/2020     | 01790         | SIERRA OFFICE PRODUCTS         | OFFICE SUPPLIES                | 175.12     |
| 56091                 | 08/13/2020 | Reconciled |                | 08/31/2020     | 19743         | WILL STOCKWIN                  | AUG 2020 COLFAX CONN EDITING   | 300.00     |
| 56092                 | 08/13/2020 | Reconciled |                | 08/31/2020     | 21900         | UV DOCTOR LAMPS LLC            | WWTP SENSOR BOARD              | 418.60     |
| 56093                 | 08/13/2020 | Reconciled |                | 08/31/2020     | 22134         | VISION QUEST                   | TECH SUPPORT SVC SEPT 2020     | 1,592.00   |
| 56094                 | 08/13/2020 | Reconciled |                | 08/31/2020     | 22134         | VISION QUEST                   | FIRE DEPT INTERNET             | 1,290.20   |
| 56095                 | 08/13/2020 | Reconciled |                | 08/31/2020     | 23169         | WAVE BUSINESS SOLUTIONS        | FIRE DEPT PHONE                | 36.86      |
| 56096                 | 08/13/2020 | Reconciled |                | 08/31/2020     | 23169         | WAVE BUSINESS SOLUTIONS        | CITY HALL PHONE                | 219.92     |
| 56097                 | 08/13/2020 | Reconciled |                | 08/31/2020     | 23218         | WENDEL ROSEN                   | LEGAL SVCS JULY 2020           | 14,834.49  |
| 56098                 | 08/13/2020 | Reconciled |                | 08/31/2020     | 23301         | WESTERN PLACER WASTE           | SLUDGE REMOVAL JULY 2020       | 650.52     |
| 56099                 | 08/13/2020 | Reconciled |                | 08/31/2020     | 23450         | WINNER CHEVROLET, INC.         | PW TRUCK RPR                   | 835.21     |
| 56100                 | 08/21/2020 | Reconciled |                | 08/31/2020     | 1161          | 49ER WATER SERVICES            | WWTP JULY 2020 TESTING         | 2,383.00   |
| 56101                 | 08/21/2020 | Printed    |                |                | 01270         | ADAMS ASHBY GROUP, INC.        | GRANT WRITING - CDBG COVID-19  | 1,000.00   |
| 56102                 | 08/21/2020 | Reconciled |                | 08/31/2020     | 01766         | AT&T MOBILITY                  | CITY CELL PHONES JULY 2020     | 845.76     |

# Attachment 2c

# Item 6C

## Check Register Report

August 2020 Checks

Date: 09/04/2020

Time: 4:47 pm

Page: 2

CITY OF COLFAX

BANK: US BANK

| Check Number          | Check Date | Status     | Void/Stop Date | Reconcile Date | Vendor Number | Vendor Name                    | Check Description             | Amount    |
|-----------------------|------------|------------|----------------|----------------|---------------|--------------------------------|-------------------------------|-----------|
| <b>US BANK Checks</b> |            |            |                |                |               |                                |                               |           |
| 56103                 | 08/21/2020 | Reconciled |                | 08/31/2020     | 02901         | BUREAU VERITAS NORTH AMERICA   | BLDG OFFICIAL SVCS JULY 2020  | 6,120.00  |
| 56104                 | 08/21/2020 | Printed    |                |                | 02901         | BUREAU VERITAS NORTH AMERICA   | SIERRA OAKS PLAN CHK FEES     | 2,936.50  |
| 56105                 | 08/21/2020 | Reconciled |                | 08/31/2020     | 02901         | BUREAU VERITAS NORTH AMERICA   | SIERRA OAKS PLAN CHK FEES     | 1,435.00  |
| 56106                 | 08/21/2020 | Reconciled |                | 08/31/2020     | 02901         | BUREAU VERITAS NORTH AMERICA   | SIERRA OAKS PLAN CHK FEES     | 1,320.00  |
| 56107                 | 08/21/2020 | Printed    |                |                | 02901         | BUREAU VERITAS NORTH AMERICA   | SIERRA OAKS PLAN CHK FEES     | 602.50    |
| 56108                 | 08/21/2020 | Reconciled |                | 08/31/2020     | 02901         | BUREAU VERITAS NORTH AMERICA   | SIERRA OAKS PLAN CHK FEES     | 727.50    |
| 56109                 | 08/21/2020 | Reconciled |                | 08/31/2020     | 02901         | BUREAU VERITAS NORTH AMERICA   | SIERRA OAKS PLAN CHK FEE      | 755.00    |
| 56110                 | 08/21/2020 | Printed    |                |                | 3158          | CARROT-TOP INDUSTRIES, INC.    | CITY FLAGS                    | 414.87    |
| 56111                 | 08/21/2020 | Reconciled |                | 08/31/2020     | 03493         | COASTLAND CIVIL ENGINEERING    | ENG SVCS JULY 2020            | 775.00    |
| 56112                 | 08/21/2020 | Reconciled |                | 08/31/2020     | 06730         | COLFAX FARM AND COUNTRY STORE  | CARES ACT - OUTSIDE DINING    | 857.14    |
| 56113                 | 08/21/2020 | Printed    |                |                | 03558         | COLFAX SMOG & AUTO REPAIR      | PW VEHICLE RPR                | 36.11     |
| 56114                 | 08/21/2020 | Printed    |                |                | 05120         | EDWARDS HEATING & COOLING      | CITY HALL HVAC SVC            | 125.75    |
| 56115                 | 08/21/2020 | Reconciled |                | 08/31/2020     | 14859         | GHD INC.                       | ENG SVCS JULY 2020            | 28,755.75 |
| 56116                 | 08/21/2020 | Printed    |                |                | 07268         | GIULIANI & KULL - AUBURN, INC. | KNEELAND ST IMPROVEMENTS      | 500.00    |
| 56117                 | 08/21/2020 | Reconciled |                | 08/31/2020     | 07460         | GOLD COUNTRY MEDIA             | WWTP IMPROVEMENT PUB NOTICE   | 149.46    |
| 56118                 | 08/21/2020 | Reconciled |                | 08/31/2020     | 16300         | PCWA -PLACER COUNTY            | CITY WATER                    | 3,071.85  |
| 56119                 | 08/21/2020 | Reconciled |                | 08/31/2020     | 16052         | PLACEWORKS                     | GEN PLAN UPDATE JULY 2020     | 5,217.30  |
| 56120                 | 08/21/2020 | Reconciled |                | 08/31/2020     | 18194         | RGS - REGIONAL GOV SERVICES    | PLANNING SVCS JULY 2020       | 2,484.00  |
| 56121                 | 08/21/2020 | Reconciled |                | 08/31/2020     | 20092         | THUMBLER                       | PUBLIC RELATIONS CONSULTANT   | 518.50    |
| 56122                 | 08/21/2020 | Reconciled |                | 08/31/2020     | 23169         | WAVE BUSINESS SOLUTIONS        | CORP YARD PHONE               | 54.90     |
| 56123                 | 08/31/2020 | Reconciled |                | 08/31/2020     | 2087          | BASIC PACIFIC                  | FSA PLAN FEES AUG 2020        | 45.00     |
| 56124                 | 08/31/2020 | Printed    |                |                | 01500         | ANDERSON'S SIERRA              | WWTP SUPPLIES                 | 81.04     |
| 56125                 | 08/31/2020 | Printed    |                |                | 01500         | ANDERSON'S SIERRA              | WWTP SUPPLIES                 | 97.39     |
| 56126                 | 08/31/2020 | Printed    |                |                | 04592         | DACOMM                         | WWTP INTERNET                 | 99.95     |
| 56127                 | 08/31/2020 | Printed    |                |                | 05120         | EDWARDS HEATING & COOLING      | SHERIFF DEPT HVAC MAINT       | 273.00    |
| 56128                 | 08/31/2020 | Printed    |                |                | 05184         | BRET ELLIS                     | 2020 BOOT ALLOWANCE           | 271.32    |
| 56129                 | 08/31/2020 | Printed    |                |                | 06278         | FRONTIER COMMUNICATIONS        | WWTP PHONE                    | 207.14    |
| 56130                 | 08/31/2020 | Printed    |                |                | 7798          | G&T TRUCK REPAIR               | FIRE DEPT TRUCK RPR           | 8,327.95  |
| 56131                 | 08/31/2020 | Printed    |                |                | 07570         | GRAINGER                       | WWTP SUPPLIES                 | 108.14    |
| 56132                 | 08/31/2020 | Printed    |                |                | 07570         | GRAINGER                       | WWTP SUPPLIES                 | 7.87      |
| 56133                 | 08/31/2020 | Printed    |                |                | 07570         | GRAINGER                       | WWTP SUPPLIES                 | 42.66     |
| 56134                 | 08/31/2020 | Printed    |                |                | 08660         | HUNT AND SONS, INC.            | WWTP/PW FUEL                  | 207.25    |
| 56135                 | 08/31/2020 | Printed    |                |                | 10796         | KAESER COMPRESSORS             | WWTP FILTERS/OIL              | 620.13    |
| 56136                 | 08/31/2020 | Printed    |                |                | 12180         | LAWRENCE & ASSOCIATES INC      | CANDFILL MONITORING JULY 2020 | 2,116.25  |
| 56137                 | 08/31/2020 | Printed    |                |                | 12209         | LIEBERT CASSIDY WHITMORE       | LEGAL MATTER CO036-00001      | 1,020.00  |
| 56138                 | 08/31/2020 | Printed    |                |                | 13270         | MILLENIU PLANNING &            | OSBORN CEQA                   | 900.00    |
| 56139                 | 08/31/2020 | Printed    |                |                | 16192         | PLACER COUNTY DOCUMENT         | CITY ENVELOPES                | 252.44    |
| 56140                 | 08/31/2020 | Printed    |                |                | 18193         | RECOLOGY AUBURN PLACER         | 5% TAX ROLL TEETER            | 195.83    |
| 56141                 | 08/31/2020 | Printed    |                |                | 18295         | RETAIL STRATEGIES              | ECONOMIC DEVELOPMENT SVCS     | 5,000.00  |
| 56142                 | 08/31/2020 | Printed    |                |                | 20063         | TELSTAR INSTRUMENTS, INC       | WWTP SMART COVER TESTING      | 760.00    |
| 56143                 | 08/31/2020 | Printed    |                |                | 23169         | WAVE BUSINESS SOLUTIONS        | CITY HALL INTERNET            | 159.90    |
| 56144                 | 08/31/2020 | Printed    |                |                | 23230         | JEFF WHEELER                   | LOT OF ART WATER              | 145.76    |
| 56145                 | 08/31/2020 | Printed    |                |                | 23451         | WOOD RODGERS                   | WWTP IMPROVEMENT PLAN         | 10,254.27 |

**Total Checks: 91**

**Checks Total (excluding void checks):**

**412,203.22**

**Attachment 2d**  
**DAILY CASH SUMMARY REPORT**

08/01/2020 - 08/31/2020

City of Colfax

|  |                | Debit             | Credit        | Net Chng          |
|--|----------------|-------------------|---------------|-------------------|
| <b>Fund: 100 - General Fund</b>            |                |                   |               |                   |
| 08/03/2020                                 | Daily Totals   | 1,613.80          | 0.00          | 1,613.80          |
| 08/05/2020                                 | Daily Totals   | 1,014.00          | 0.00          | 1,014.00          |
| 08/06/2020                                 | Daily Totals   | 3,201.70          | 0.00          | 3,201.70          |
| 08/11/2020                                 | Daily Totals   | 3,320.58          | 0.00          | 3,320.58          |
| 08/12/2020                                 | Daily Totals   | 3,092.44          | 0.00          | 3,092.44          |
| 08/13/2020                                 | Daily Totals   | 2,076.32          | 0.00          | 2,076.32          |
| 08/14/2020                                 | Daily Totals   | 86.90             | 230.87        | -143.97           |
| 08/17/2020                                 | Daily Totals   | 60.00             | 0.00          | 60.00             |
| 08/19/2020                                 | Daily Totals   | 18,972.11         | 0.00          | 18,972.11         |
| 08/20/2020                                 | Daily Totals   | 559.40            | 5.00          | 554.40            |
| 08/24/2020                                 | Daily Totals   | 1,125.80          | 0.00          | 1,125.80          |
| 08/25/2020                                 | Daily Totals   | 20,242.61         | 0.00          | 20,242.61         |
| 08/26/2020                                 | Daily Totals   | 70.40             | 0.00          | 70.40             |
| 08/27/2020                                 | Daily Totals   | 159,667.68        | 0.00          | 159,667.68        |
| 08/31/2020                                 | Daily Totals   | 750.50            | 0.00          | 750.50            |
| <b>Fund: 100 - General Fund</b>            | <b>TOTALS:</b> | <b>215,854.24</b> | <b>235.87</b> | <b>215,618.37</b> |
| <b>Fund: 120 - Land Development Fees</b>   |                |                   |               |                   |
| 08/03/2020                                 | Daily Totals   | 877.03            | 0.00          | 877.03            |
| 08/26/2020                                 | Daily Totals   | 5,323.56          | 0.00          | 5,323.56          |
| <b>Fund: 120 - Land Development Fees</b>   | <b>TOTALS:</b> | <b>6,200.59</b>   | <b>0.00</b>   | <b>6,200.59</b>   |
| <b>Fund: 201 - Covid Relief Funds</b>      |                |                   |               |                   |
| 08/24/2020                                 | Daily Totals   | 8,333.00          | 0.00          | 8,333.00          |
| <b>Fund: 201 - Covid Relief Funds</b>      | <b>TOTALS:</b> | <b>8,333.00</b>   | <b>0.00</b>   | <b>8,333.00</b>   |
| <b>Fund: 210 - Mitigation Fees - Roads</b> |                |                   |               |                   |
| 08/11/2020                                 | Daily Totals   | 1,802.00          | 0.00          | 1,802.00          |
| 08/19/2020                                 | Daily Totals   | 5,406.00          | 0.00          | 5,406.00          |
| <b>Fund: 210 - Mitigation Fees - Roads</b> | <b>TOTALS:</b> | <b>7,208.00</b>   | <b>0.00</b>   | <b>7,208.00</b>   |

Limited to include: JE Types of: CR

# Attachment 2d

## DAILY CASH SUMMARY REPORT

08/01/2020 - 08/31/2020

City of Colfax

|   |              | Debit          | Credit           | Net Chng         |
|---|--------------|----------------|------------------|------------------|
| <b>Fund: 211 - Mitigation Fees - Drainage</b>   |              |                |                  |                  |
| 08/11/2020                                      | Daily Totals | 74.00          | 0.00             | 74.00            |
| <b>Fund: 211 - Mitigation Fees - Drainage</b>   |              | <b>TOTALS:</b> | <b>74.00</b>     | <b>0.00</b>      |
|   |              |                |                  | <b>74.00</b>     |
| <b>Fund: 212 - Mitigation Fees - Trails</b>     |              |                |                  |                  |
| 08/11/2020                                      | Daily Totals | 1,125.00       | 0.00             | 1,125.00         |
| 08/19/2020                                      | Daily Totals | 441.00         | 0.00             | 441.00           |
| <b>Fund: 212 - Mitigation Fees - Trails</b>     |              | <b>TOTALS:</b> | <b>1,566.00</b>  | <b>0.00</b>      |
|   |              |                |                  | <b>1,566.00</b>  |
| <b>Fund: 213 - Mitigation Fees - Parks/Rec</b>  |              |                |                  |                  |
| 08/11/2020                                      | Daily Totals | 5,731.00       | 0.00             | 5,731.00         |
| 08/19/2020                                      | Daily Totals | 12,894.00      | 0.00             | 12,894.00        |
| <b>Fund: 213 - Mitigation Fees - Parks/Rec</b>  |              | <b>TOTALS:</b> | <b>18,625.00</b> | <b>0.00</b>      |
|   |              |                |                  | <b>18,625.00</b> |
| <b>Fund: 214 - Mitigation Fees - City Bldgs</b> |              |                |                  |                  |
| 08/11/2020                                      | Daily Totals | 684.00         | 0.00             | 684.00           |
| 08/19/2020                                      | Daily Totals | 2,052.00       | 0.00             | 2,052.00         |
| <b>Fund: 214 - Mitigation Fees - City Bldgs</b> |              | <b>TOTALS:</b> | <b>2,736.00</b>  | <b>0.00</b>      |
|   |              |                |                  | <b>2,736.00</b>  |
| <b>Fund: 215 - Mitigation Fees - Vehicles</b>   |              |                |                  |                  |
| 08/11/2020                                      | Daily Totals | 130.00         | 0.00             | 130.00           |
| 08/19/2020                                      | Daily Totals | 390.00         | 0.00             | 390.00           |
| <b>Fund: 215 - Mitigation Fees - Vehicles</b>   |              | <b>TOTALS:</b> | <b>520.00</b>    | <b>0.00</b>      |
|   |              |                |                  | <b>520.00</b>    |
| <b>Fund: 217 - Mitigation Fees - DT Parking</b> |              |                |                  |                  |
| 08/11/2020                                      | Daily Totals | 581.00         | 0.00             | 581.00           |
| <b>Fund: 217 - Mitigation Fees - DT Parking</b> |              | <b>TOTALS:</b> | <b>581.00</b>    | <b>0.00</b>      |
|   |              |                |                  | <b>581.00</b>    |
| <b>Fund: 244 - CDBG ME Lending/Prog Income</b>  |              |                |                  |                  |
| 08/03/2020                                      | Daily Totals | 600.00         | 0.00             | 600.00           |
| <b>Fund: 244 - CDBG ME Lending/Prog Income</b>  |              | <b>TOTALS:</b> | <b>600.00</b>    | <b>0.00</b>      |
|   |              |                |                  | <b>600.00</b>    |
| <b>Fund: 258 - Road Maintenance - SB1/RSTBG</b> |              |                |                  |                  |

**Attachment 2d**  
**DAILY CASH SUMMARY REPORT**

08/01/2020 - 08/31/2020

City of Colfax

|   |              | Debit                    | Credit      | Net Chng         |
|---|--------------|--------------------------|-------------|------------------|
| 08/21/2020  | Daily Totals | 2,897.64                 | 0.00        | 2,897.64         |
| <b>Fund: 258 - Road Maintenance - SB1/RSTBG</b>   |              | <b>TOTALS: 2,897.64</b>  | <b>0.00</b> | <b>2,897.64</b>  |
| <b>Fund: 342 - Fire Construction - Mitigation</b> |              |                          |             |                  |
| 08/11/2020  | Daily Totals | 1,244.21                 | 0.00        | 1,244.21         |
| 08/19/2020  | Daily Totals | 3,281.35                 | 0.00        | 3,281.35         |
| <b>Fund: 342 - Fire Construction - Mitigation</b> |              | <b>TOTALS: 4,525.56</b>  | <b>0.00</b> | <b>4,525.56</b>  |
| <b>Fund: 343 - Recreation Construction</b>        |              |                          |             |                  |
| 08/11/2020  | Daily Totals | 1,244.20                 | 0.00        | 1,244.20         |
| 08/19/2020  | Daily Totals | 3,281.33                 | 0.00        | 3,281.33         |
| <b>Fund: 343 - Recreation Construction</b>        |              | <b>TOTALS: 4,525.53</b>  | <b>0.00</b> | <b>4,525.53</b>  |
| <b>Fund: 385 - CP - Roundabout Project</b>        |              |                          |             |                  |
| 08/13/2020  | Daily Totals | 47,594.36                | 0.00        | 47,594.36        |
| <b>Fund: 385 - CP - Roundabout Project</b>        |              | <b>TOTALS: 47,594.36</b> | <b>0.00</b> | <b>47,594.36</b> |
| <b>Fund: 560 - Sewer</b>                          |              |                          |             |                  |
| 08/05/2020  | Daily Totals | 250.00                   | 0.00        | 250.00           |
| 08/24/2020  | Daily Totals | 74.27                    | 0.00        | 74.27            |
| 08/25/2020  | Daily Totals | 4,175.37                 | 0.00        | 4,175.37         |
| <b>Fund: 560 - Sewer</b>                          |              | <b>TOTALS: 4,499.64</b>  | <b>0.00</b> | <b>4,499.64</b>  |
| <b>Fund: 561 - Sewer Liftstations</b>             |              |                          |             |                  |
| 08/03/2020  | Daily Totals | 407.00                   | 0.00        | 407.00           |
| 08/11/2020  | Daily Totals | 407.00                   | 0.00        | 407.00           |
| 08/19/2020  | Daily Totals | 407.00                   | 0.00        | 407.00           |
| 08/24/2020  | Daily Totals | 407.00                   | 0.00        | 407.00           |
| 08/27/2020  | Daily Totals | 407.00                   | 0.00        | 407.00           |
| 08/31/2020  | Daily Totals | 407.00                   | 0.00        | 407.00           |
| <b>Fund: 561 - Sewer Liftstations</b>             |              | <b>TOTALS: 2,442.00</b>  | <b>0.00</b> | <b>2,442.00</b>  |
| <b>Fund: 564 - Sewer Connections</b>              |              |                          |             |                  |

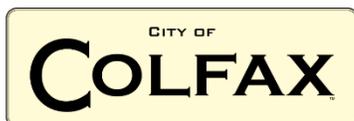
Limited to include: JE Types of: CR

**Attachment 2d**  
**DAILY CASH SUMMARY REPORT**

08/01/2020 - 08/31/2020

City of Colfax

|  |              | Debit                     | Credit        | Net Chng          |
|--|--------------|---------------------------|---------------|-------------------|
| 08/11/2020                                       | Daily Totals | 9,300.00                  | 0.00          | 9,300.00          |
| 08/19/2020                                       | Daily Totals | 0.00                      | 0.00          | 0.00              |
| <b>Fund: 564 - Sewer Connections</b>             |              | <b>TOTALS: 9,300.00</b>   | <b>0.00</b>   | <b>9,300.00</b>   |
| <b>Fund: 572 - Landfill Post Closure Mainten</b> |              |                           |               |                   |
| 08/11/2020                                       | Daily Totals | 47.00                     | 0.00          | 47.00             |
| <b>Fund: 572 - Landfill Post Closure Mainten</b> |              | <b>TOTALS: 47.00</b>      | <b>0.00</b>   | <b>47.00</b>      |
| <b>Fund: 573 - WWTP Imp. Planning Grant</b>      |              |                           |               |                   |
| 08/27/2020                                       | Daily Totals | 131,354.00                | 0.00          | 131,354.00        |
| <b>Fund: 573 - WWTP Imp. Planning Grant</b>      |              | <b>TOTALS: 131,354.00</b> | <b>0.00</b>   | <b>131,354.00</b> |
| <b>GRAND TOTALS:</b>                             |              | <b>469,483.56</b>         | <b>235.87</b> | <b>469,247.69</b> |



# Staff Report to City Council

## FOR THE SEPTEMBER 23, 2020 REGULAR CITY COUNCIL MEETING

**From:** Wes Heathcock, City Manager  
**Prepared by:** Larry Wing, City Engineer  
**Subject:** On-Call Construction Inspection Services – UNICO Engineering

*Budget Impact Overview:*

|             |                  |                   |                          |                                     |
|-------------|------------------|-------------------|--------------------------|-------------------------------------|
| <b>N/A:</b> | <b>Funded: X</b> | <b>Un-funded:</b> | <b>Amount: \$100,000</b> | <b>Fund(s): CIP, Developer Fees</b> |
|-------------|------------------|-------------------|--------------------------|-------------------------------------|

**RECOMMENDED ACTION:** Approve Resolution \_\_ - 2020 authorizing the City Manager to execute a Consultant Services Agreement with UNICO Engineering for On-Call Construction Inspection Services for a 3-year term in an amount not to exceed \$100,000.

### Summary/Background

On August 14, 2020, the City Council approved Resolution 38-2019 which authorized the City Manager to execute a Consultant Services Agreement with GHD Inc. for City Engineering services. As part of GHD's team, the firm UNICO Engineering was included for construction inspection services.

Under a separate Agreement with the City, UNICO provided construction inspection services for the Culver Street Phase II project and did an excellent job. Also, under a separate Agreement, UNICO will be providing construction inspection services for the Kneeland Street Pavement Rehabilitation project, which will be starting construction soon.

The City has two major land development projects, namely Phase I of the Maidu Village Development and the ARCO AM/PM Store, Gas Station, and Car Wash project. The City also has other land development projects in the entitlement phase, such as the Osborne Development and the Colfax RV Park. Additionally, there will be future Capital Improvement Projects. All of these projects will eventually require construction inspection services.

Rather than prepare separate Agreements for each project, Staff is recommending that the City Council approve a Consultant Services Agreement with UNICO Engineering to provide on-call construction inspection services.

If approved, Staff would issue a Task Order for each project requiring construction inspection services which would include the scope of services to be provided as well as the proposed fee. This process would save staff time and provide adequate control over the work and cost of the construction inspection services.

### Fiscal Impacts

UNICO's services would be paid for through the capital improvement and developer fees in a total amount not to exceed \$100,000.

### Attachments:

1. Resolution \_\_ - 2020
2. Consultant Services Agreement

# City of Colfax City Council

## Resolution No. \_\_-2020

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AUTHORIZING THE CITY MANAGER TO EXECUTE A CONSULTANT SERVICES AGREEMENT WITH UNICO ENGINEERING FOR ON-CALL CONSTRUCTION SERVICES FOR A 3-YEAR TERM IN AN AMOUNT NOT TO EXCEED \$100,000

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**WHEREAS**, On August 14, 2019, the City Council approved Resolution 38 - 2019 which authorized the City Manager to execute a Consultant Services Agreement with GHD Inc. to provide City Engineering Services; and,

**WHEREAS**, GHD Inc. included the firm of UNICO Engineering on their team to provide construction inspection services: and,

**WHEREAS**, under separate agreements with the City, UNICO Engineering has already provided construction inspection services for the Culver Street Phase II project, and will be providing construction inspection services for the Kneeland Street Pavement Rehabilitation project; and,

**WHEREAS**, the City has current and future land development and capital improvement projects that will require construction inspection services; and,

**WHEREAS**, rather than prepare separate agreements for each project requiring construction inspection, staff is recommending that an On-Call consultant services agreement be executed with UNICO Engineering with separate Task Orders issued for each project.

**NOW THEREFORE, BE IT RESOLVED** the City Council of the City of Colfax authorizes the City Manager to execute a Professional Services Agreement with UNICO Engineering for On-Call Construction Services for a 3-year term in an amount not to exceed \$100,000.

**THE FOREGOING RESOLUTION WAS DULY AND REGULARLY ADOPTED** at the Regular Meeting of the City Council of the City of Colfax held on the 23rd of September 2020 by the following vote of the Council:

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

**ATTEST:**

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**Marnie Mendoza, Mayor**

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**Jaclyn Collier, City Clerk**

## Attachment 2

### **AGREEMENT FOR CONSULTANT SERVICES**

THIS AGREEMENT is made and entered into on this **23rd day of September, 2020** by and between the City of Colfax, a municipal corporation of the State of California ("City") and **UNICO Engineering** ("Consultant").

#### RECITALS

- A. The City desires to retain Consultant to provide the Services set forth in detail in Exhibit A hereto (the "Services") subject to the terms and conditions of this Agreement.
- B. Consultant is duly licensed and sufficiently experienced to undertake and perform the Services in a skilled and workmanlike manner and desires to do so in accordance with the terms and conditions of this Agreement.

Now, therefore, in consideration of the mutual covenants, promises and conditions set forth in this Agreement, the City and Consultant agree as follows:

#### **Section 1. Services**

Subject to the terms and conditions set forth in this Agreement, Consultant shall furnish and perform all of the Services described in detail in Exhibit A hereto and incorporated herein by this reference (the "Services") to the satisfaction of the City. Consultant shall not perform any work exceeding the scope of the Services described in Exhibit A without prior written authorization from the City.

#### **Section 2. Time of Completion.**

Consultant's service set forth in Exhibit A hereto which is incorporated herein by this reference shall be for a **3-year term expiring on September 24, 2023**. Consultant shall commence performance of the Services promptly upon receipt of written notice from the City to proceed. Performance of the Services shall progress and conclude in accordance with the schedule set forth in Exhibit A. During the performance of the Services, Consultant shall provide the City with written progress reports at least once each month and at such additional intervals as City may from time to time request.

#### **Section 3. Compensation.**

- A. Except as may otherwise be provided in Exhibit A or elsewhere in this Agreement or its exhibits, Consultant shall invoice City once each month for the Services performed during the preceding month. Such invoices shall itemize all charges in such detail as may reasonably be required by City in the usual course of City business but shall include at least:
  - i. the date of performance of each of the Services,
  - ii. identification of the person who performed the Services,

## Attachment 2

- iii. a detailed description of the Services performed on each date,
- iv. the hourly rate at which the Services on each date are charged,
- v. an itemization of all costs incurred and
- vi. the total charges for the Services for the month invoiced.

As long as the Consultant performs the Services to the satisfaction of the City, the City shall pay the Consultant an all-inclusive compensation that shall not exceed the amount as detailed in Exhibit A except pursuant to an authorized written change order issued pursuant to Section 15 of this Agreement before the Services requiring additional compensation are performed. City shall pay Consultant no later than thirty (30) days after approval of the monthly invoice by City's staff.

- B. The Consultant's compensation for the Services shall be full compensation for all indirect and direct personnel, materials, supplies, equipment and services incurred by the Consultant and used in carrying out or completing the Services. Payments shall be in accordance with the payment schedule established in Exhibit A or elsewhere in this Agreement or its exhibits.
- C. The City shall have the right to receive, upon request, documentation substantiating charges billed to the City pursuant to this Agreement. The City shall have the right to perform an audit of the Consultant's relevant records pertaining to the charges.
- D. Any Services performed more than sixty (60) days prior to the date upon which they are invoiced to the City shall not be compensable.

### **Section 4. Professional Ability; Standard of Quality.**

City has relied upon the professional training and ability of Consultant to perform the Services described in Exhibit A as a material inducement to enter into this Agreement. Consultant shall therefore provide properly skilled professional and technical personnel to perform all Services under this Agreement. All Services performed by Consultant under this Agreement shall be in a skillful, workmanlike manner in accordance with applicable legal requirements and shall meet the standard of quality ordinarily to be expected of competent professionals in Consultant's field of expertise.

### **Section 5. Indemnification.**

Consultant shall hold harmless and indemnify, including without limitation the cost to defend, the City and its officers, agents and employees from and against any and all claims, demands, damages, costs or liability that arise out of, or pertain to, or relate to the negligence, recklessness or willful misconduct of Consultant and/or its agents in the performance of the Services. This indemnity does not apply to liability for damages for death or bodily injury to persons, injury to property, or other loss, arising from the sole negligence, willful misconduct or material defects in design by the City or its agents, servants employees or independent contractors other than Consultant who are directly responsible to the City, or arising from the active negligence of the City officers, agents, employees or volunteers.

**Attachment 2****Section 6. Insurance.**

Without limiting Consultant's indemnification obligations provided for above, Consultant shall take out before beginning performance of the Services and maintain at all times during the life of this Agreement the following policies of insurance with insurers possessing a Best rating of not less than A. Consultant shall not allow any subcontractor, professional or otherwise, to commence work on any subcontract until all insurance required of the Consultant has also been obtained by the subcontractor.

- A. Workers' Compensation Coverage. Statutory Workers' Compensation insurance and Employer's Liability Insurance to cover its employees. In the alternative, Consultant may rely on a self-insurance program to meet its legal requirements as long as the program of self-insurance complies fully with the provisions of the California Labor Code. Consultant shall also require all subcontractors, if such are authorized by the City, to similarly provide Workers' Compensation insurance as required by the Labor Code of the State of California for all of the subcontractor's employees. All Workers' Compensation policies shall be endorsed with the provision that the insurance shall not be suspended, voided, or cancelled until thirty (30) days prior written notice has been provided to City by the insurer. The Workers' Compensation insurance shall also contain a provision whereby the insurance company agrees to waive all rights of subrogation against the City and its elected or appointed officials, officers, agents, and employees for losses paid under the terms of such policy which arise from the Services performed by the insured for the City.
- B. General Liability Coverage. General liability insurance, including personal injury and property damage insurance for all activities of the Consultant and its subcontractors, if such are authorized by the City, arising out of or in connection with the Services. The insurance shall be written on a comprehensive general liability form and include a broad form comprehensive general liability endorsement. In the alternative, the City will accept, in satisfaction of these requirements, commercial general liability coverage which is equivalent to the comprehensive general liability form and a broad form comprehensive general liability endorsement. The insurance shall be in an amount of not less than \$1 million combined single limit personal injury and property damage for each occurrence. The insurance shall be occurrence based insurance. General liability coverage written on a claims made basis shall not be acceptable absent prior written authorization from the City.
- C. Automobile Liability Coverage. Automobile liability insurance covering bodily injury and property damage for all activities of the Consultant arising out of or in connection with this Agreement, including coverage for owned, hired and non-owned vehicles, in an amount of not less than \$1 million combined single limit for each occurrence.
- D. Policy Endorsements. Each general liability and automobile liability insurance policy shall be endorsed with the following provisions:

**Attachment 2**

1. The City, and its elected or appointed officials, employees and agents shall be named as insureds or additional insureds with regard to damages and defenses of claims arising from activities performed by or on behalf of the Consultant.
  2. The insurance afforded by each policy shall apply separately to each insured who is seeking coverage or against whom a claim is made or a suit is brought, except with respect to the insurer's limits of liability.
  3. The insurance shall be primary insurance as respects the City and its elected or appointed officers, officials, employees and agents. Any other insurance maintained by the City or its elected or appointed officers, officials, employees, agents or volunteers shall be in excess of this insurance and shall not contribute with it.
  4. The insurance shall not be suspended, voided, cancelled, or reduced in coverage or in limits except after thirty (30) days prior written notice has been provided to the City.
  5. Any failure to comply with the reporting requirements of any policy shall not affect coverage provided to the City, its elected or appointed officers, officials, employees, or agents.
- E. Professional Liability Coverage. If required by the City, Consultant shall also take out and maintain professional liability, errors and omissions insurance in an amount not less than \$1 million. The professional liability insurance policy shall be endorsed with a provision stating that it shall not be suspended, voided, cancelled, or reduced in coverage or in limits except after thirty (30) days written notice has been provided to the City.
- F. Insurance Certificates and Endorsements. Prior to commencing the Services under this Agreement, Consultant shall submit to the City documentation evidencing the required insurance signed by the insurance agent and the companies named. This documentation shall be on forms which are acceptable to the City and shall include all required endorsements and verify that coverage is actually in effect. This Agreement shall not be effective until the required insurance forms and endorsements are submitted to and approved by the City. Failure to provide these forms within the time period specified by City may result in the award of this Agreement to another Consultant should the City, in its sole discretion, decide to do so. Current certification of insurance shall be kept on file with the City at all times during the term of this Agreement.
- G. Deductible and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by City.
- H. Termination of Insurance. If the City receives notification that Consultant's insurance will be suspended, voided, cancelled or reduced in coverage or in limits,

## **Attachment 2**

and if the Consultant does not provide for either the reinstatement of that insurance or for the furnishing of alternate insurance containing all of the terms and provisions specified above prior to the termination of that insurance, City may either terminate this Agreement for that breach, or City may secure the required insurance to satisfy the conditions of this Agreement and deduct the cost thereof from compensation which would otherwise be due and payable to the Consultant for Services rendered under the terms of this Agreement.

### **Section 7. Subcontracts.**

Consultant may not subcontract any portion of the Services without the written authorization of City. If City consents to a subcontract, Consultant shall be fully responsible to the City and third parties for all acts or omissions of the subcontractor to which the Services or any portion thereof are subcontracted. Nothing in this Agreement shall create any contractual relationship between City and any subcontractor, nor shall it create any obligation on the part of the City to pay or cause the payment of any monies due to any such subcontractor except as otherwise is required by law.

### **Section 8. Assignment.**

Consultant shall not assign any right or obligation under this Agreement without the City's prior written consent. Any attempted assignment of any right or obligation under this Agreement without the City's prior written consent shall be void.

### **Section 9. Entire Agreement.**

This Agreement represents the entire understanding of City and Consultant as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered herein. This Agreement may not be modified or altered except in writing signed by both parties.

### **Section 10. Jurisdiction.**

This Agreement shall be administered and interpreted under the laws of the State of California. Jurisdiction over any litigation arising from this Agreement shall be in the Superior Court of the State of California with venue in Placer County, California.

### **Section 11. Suspension of Services.**

Upon written request by Consultant, City may suspend, in writing, all or any portion of the Services if unforeseen circumstances beyond the control of the City and Consultant make normal progress of the Services impossible, impractical or infeasible. Upon written City approval to suspend performance of the Services, the time for completion of the Services shall be extended by the number of days performance of the Services is suspended.

## **Attachment 2**

### **Section 12. Termination of Services.**

City may at any time, at its sole discretion, terminate all or any portion of the Services and this Agreement upon seven (7) days written notice to Consultant. Upon receipt of notice of termination, Consultant shall stop performance of the Services at the stage directed by City. Consultant shall be entitled to payment within thirty (30) days for Services performed up to the date of receipt of the written notice of termination. Consultant shall not be entitled to payment for any Services performed after the receipt of the notice of termination unless such payment is authorized in advance in writing by the City.

Should Consultant fail to perform any of the obligations required of Consultant within the time and in the manner provided for under the terms of this Agreement, or should Consultant violate any of the terms and conditions of this Agreement, City may terminate this Agreement by providing Consultant with seven (7) days written notice of such termination. The Consultant shall be compensated for all Services performed prior to the date of receipt of the notice of termination. However, the City may deduct from the compensation which may be owed to Consultant the amount of damage sustained or estimated by City resulting from Consultant's breach of this Agreement.

Consultant's obligations pursuant to Sections 5 and 6 of this Agreement shall survive termination, and continue in effect for as long as necessary to fulfill the purposes of Sections 5 and 6.

### **Section 13. Independent Contractor.**

Consultant shall in all respects be an independent contractor and not an agent or employee of City. Consultant has and shall retain the right to exercise full control and supervision of the means and methods of performing the Services. Consultant shall receive no premium or enhanced pay for Services normally understood as overtime; nor shall Consultant receive holiday pay, sick leave, administrative leave or pay for any other time not actually expended in the performance of the Services. It is intended by the parties that Consultant shall not be eligible for benefits and shall receive no compensation from the City, except as expressly set forth in this Agreement. Consultant shall submit completed W -9 and Report of Independent Contractor forms upon execution of this Agreement and prior to the payment of any compensation hereunder.

### **Section 14. Ownership of Documents.**

Within thirty (30) days after the Consultant substantially completes performance of the Services, or within thirty (30) days after the termination of this Agreement, the Consultant shall deliver to the City all files, records, materials and documents drafted or prepared by Consultant's in the performance of the Services. It is expressly understood and agreed that all such files, records, materials and documents are the property of the City and not the property of the Consultant. All finished and unfinished reports, plans, studies, documents and other writings prepared by and for Consultant, its officers, employees and agents in the course of performing the Services shall become the sole property of the City upon payment

## **Attachment 2**

to Consultant for the Services, and the City shall have the exclusive right to use such materials in its sole discretion without further compensation to Consultant or to any other party. Consultant shall, at Consultant's expense, provide such reports, plans, studies, documents and writings to City or any party the City may designate, upon written request. Consultant may keep file copies of all documents prepared for City. Use of any such documents by the City for projects that are not the subject of this Agreement or for purposes beyond the scope of the Services shall be at the City's sole risk without legal liability or expense to Consultant.

### **Section 15. Changes and/or Extra Work.**

Only the City Council may authorize extra and/or changed Services, modification of the time of completion of the Services, or additional compensation for the tasks to be performed by Consultant. Consultant expressly recognizes that other City personnel are without authorization to order extra and/or changed Services or to obligate the City to the payment of additional compensation. The failure of Consultant to secure the prior written authorization for such extra and/or changed Services shall constitute a waiver of any and all right to adjustment in the contract price due to such unauthorized Services, and Consultant thereafter shall not be entitled to any compensation whatsoever for the performance of such extra or changed Services. In the event Consultant and City agree that extra and/or changed Services are required, or that additional compensation shall be awarded to Consultant for performance of the Services under this Agreement, a supplemental agreement providing for such compensation shall be prepared and shall be executed by the Consultant and the necessary City officials before the extra and/or changed Services are provided.

### **Section 16. Compliance with Federal, State and Local Laws.**

Consultant shall comply with all applicable federal, state and local laws, statutes, ordinances, rules and regulations affecting the Services, including without limitation laws requiring licensing and prohibiting discrimination in employment because of race, creed, color, sex, age, marital status, physical or mental disability, national origin or other prohibited bases. City shall not be responsible or liable for Consultant's failure to comply with applicable laws, statutes, ordinances, rules or regulations.

### **Section 17. Retention of Records.**

Consultant and any subconsultants authorized by the terms of this Agreement shall keep and maintain full and complete documentation and accounting records, employees' time sheets, and correspondence pertaining to the Services, and Consultant shall make such documents available for review and/or audit by City and City's representatives at all reasonable times during performance of the Services and for at least four (4) years after completion of the Services and/or termination of this Agreement.

**Attachment 2****Section 18. Alternative Dispute Resolution**

- A. Before resorting to mediation, arbitration or other legal process, the primary contacts of the parties shall meet and confer and attempt to amicably resolve any dispute arising from or relating to this Agreement subject to the following provisions. Any party desiring to meet and confer shall so advise the other party pursuant to a written notice. Within 15 days after provision of that written notice by the party desiring to meet and confer, the primary contacts for each party shall meet in person and attempt to amicably resolve their dispute. Each primary contact, or the person acting in their absence with full authority to resolve the dispute, shall attend the meeting and shall be prepared to devote an entire day thereto. If any dispute remains unresolved at the end of the meeting, any party to this Agreement shall have the right to invoke the mediation process provided for in the subparagraph B below.
- B. Subject to the provisions of subparagraph A, any dispute that remains unresolved after the meet and confer shall immediately be submitted to non-binding neutral mediation, before a mutually acceptable, neutral retired judge or justice at the Sacramento Office of the Judicial Arbitration and Mediation Service ("JAMS"). If within five days after the meet and confer the parties are unable to agree upon the selection of a neutral mediator, then the first available retired judge or justice at the Sacramento office of JAMS shall serve as the neutral mediator. The parties agree to commit to at least one full day to the mediation process. Additionally, to expedite the resolution of any dispute that is not resolved by mediation, the parties agree to each bring to the neutral mediation a list of at least five neutral arbitrators, including their resumes, whose availability for an arbitration hearing within 30 days after the mediation has been confirmed.
- C. If mediation is unsuccessful, before the mediation concludes, the parties shall mediate the selection of a neutral arbitrator to assist in the resolution of their dispute. If the parties are unable to agree on an arbitrator, the parties agree to submit selection of an arbitrator to the mediator, whose decision shall be binding on the parties. In that case, the mediator shall select a neutral arbitrator from the then active list of retired judges or justices at the Sacramento Office of the JAMS. The arbitration shall be conducted pursuant to the provisions of the California Arbitration Act, sections 1280-1294.2 of the California Code of Civil Procedure. In such case, the provisions of Code of Civil Procedure Section 1283.05 and 1283.1 shall apply and are hereby incorporated into this Agreement.
- D. This section 18 shall survive the termination or expiration of this Agreement. If there is no Sacramento office of JAMS, then the office of JAMS closest to the City shall be used instead of a Sacramento office.

**Section 19. Severability.**

The provisions of this Agreement are severable. If any portion of this Agreement is held

**Attachment 2**

invalid by an arbitrator or by a court of competent jurisdiction, the remainder of the Agreement shall remain in full force and effect unless amended or modified by the mutual written consent of the parties.

**Section 20. Entire Agreement; Amendment.**

This Agreement, including all exhibits hereto, constitutes the complete and exclusive expression of the understanding and agreement between the parties with respect to the subject matter hereof. All prior written and oral communications, including correspondence, drafts, memoranda, and representations, are superseded in total by this Agreement. This Agreement may be amended or extended from time to time only by written agreement of the parties hereto.

**Section 21. Time of the Essence.**

Time is of the essence in the performance of the Services. The Consultant will perform its Services with due and reasonable diligence consistent with sound professional practices and shall devote such time to the performance of the Services as may be necessary for their timely completion.

**Section 22. Written Notification.**

Except as otherwise specified in this Agreement, any notice, demand, request, consent, approval or communications that either party desires or is required to give to the other party shall be in writing and either served personally or sent by first class mail, postage prepaid and addressed as follows. Either party may change its address by notifying the other party in writing of the change of address. Notice shall be deemed communicated within two business days from the time of mailing if mailed within the State of California as provided in this Section.

If to City:                   City of Colfax  
                                      33 S. Main Street  
                                      Colfax, CA 95713

If to Consultant:       UNICO Engineering  
                                      110 Blue Ravine Rd #101  
                                      Folsom, CA 95630

**Section 23. Execution.**

This Agreement may be executed in original counterparts, each of which shall constitute one and the same instrument and shall become binding upon the parties when at least one original counterpart is signed by both parties hereto. In proving this Agreement, it shall not be necessary to produce or account for more than one such counterpart.

**Attachment 2**

**Section 24. Successors.**

This Agreement shall be binding on and inure to the benefit of the respective parties hereto except to the extent of any contrary provision in this Agreement.

**Section 25. Attorney's Fees.**

If any party to this Agreement commences legal proceedings to enforce any of its terms or to recover damages for its breach, the prevailing party shall be entitled to recover its reasonable attorney's fees, costs and the expenses of expert witnesses, including any such fees costs and expenses incurred on appeal.

IN WITNESS WHEREOF, the parties hereby have executed this Agreement on the day first above written:

CITY

CONSULTANT

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: Wes Heathcock

Printed Name: \_\_\_\_\_

Title: City Manager

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

## Exhibit A



September 4, 2020

Mr. Larry Wing  
Contract City Engineer  
City of Colfax

**Re: On-Call Inspection and Materials Testing for private development, encroachment permit, and capital improvement projects.**

Dear Mr. Wing:

Thank you for the opportunity to provide on-call inspection and materials testing for private development, encroachment permit, and capital improvement projects. The attached proposal outlines the specific work effort required to meet the goals of your project as we understand them.

Our team is dedicated to partnering with our clients to develop trust-based relationships centered on moving their projects forward. Please do not hesitate to contact me with any questions, or if we can help you further.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Cesar Montes de Oca', with a long horizontal flourish extending to the right.

Cesar Montes de Oca, PE  
President

## Exhibit A



## UNDERSTANDING

Thank you for the opportunity to provide this proposal for provide on-call inspection and materials testing for private development, encroachment permit, and capital improvement projects. The following proposal outlines the work effort required to perform the on-call services. The encroachment inspector will support the City either part-time or full-time depending on the active construction activities. The materials testing services will be provided by Geocon. UNICO will provide the services in accordance with the project construction documents and the City standards. In addition, the project will be documented in accordance with the City's filing system and the City's Quality Assurance Program (QAP).

### A. INSPECTION SERVICES

UNICO will provide an encroachment inspector for various development projects. The inspector will provide inspection services for the civil improvements associated with the project. In addition, the inspector will prepare daily reports that will be sent to the City on the same day or the morning of the day following when the inspection was performed. In addition, the inspector will spend time to become familiar with the project and participate in project close out. In addition to typical inspection duties, our inspector will focus on the following:

- Enforcing the contract working hours to avoid disturbing residents that live adjacent to the project.
- Monitoring traffic control and pedestrian safety.
- Monitoring of dust and tracking.

Deliverables:        ***Daily Reports***  
                               ***Photographs***

### B. MATERIALS TESTING SERVICES

Geocon's services will be provided on an as-needed basis as requested by the inspector and the City's PM/RE. All materials testing services will be performed by Caltrans certified testers in accordance with the City's QAP.

Deliverables:        ***Field Reports***  
                               ***Lab Testing Results***

## TIME AND MATERIALS FEES FOR PROFESSIONAL SERVICES

The services will be provided on a time and materials basis per the attached rate sheets.

## Exhibit A



110 BLUE RAVINE RD - SUITE 101  
 FOLSOM, CA 95630  
 916-900-6623  
 WWW.UNICOENGINEERING.COM

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**RATE SCHEDULE**


---

UNICO Engineering, Inc.  
 2020-2021  
 (Prevailing Wage Rates)

---

| CLASSIFICATION                                   | FULLY LOADED | FULLY LOADED |
|--|--------------|--------------|
|  | HOURLY RATE  | HOURLY RATE  |
|  | 2020         | 2021         |
| Principal  | \$ 214.99    | \$ 221.44    |
| Program Manager                                  | \$ 174.68    | \$ 179.92    |
| Survey Manager                                   | \$ 188.12    | \$ 193.76    |
| Senior Land Surveyor                             | \$ 145.12    | \$ 149.47    |
| Staff Land Surveyor                              | \$ 139.74    | \$ 143.94    |
| Party Chief (Prevailing Wage)                    | \$ 181.40    | \$ 186.84    |
| Chainman/Rodman (Prevailing Wage)                | \$ 173.01    | \$ 178.20    |
| Resident Engineer                                | \$ 188.12    | \$ 193.76    |
| Assistant Resident Engineer                      | \$ 161.24    | \$ 166.08    |
| Structures Representative                        | \$ 188.12    | \$ 193.76    |
| Civil/Bridge Inspector (Group 1 Prevailing Wage) | \$ 174.68    | \$ 179.92    |
| Civil Inspector (Group 2 Prevailing Wage)        | \$ 147.80    | \$ 152.24    |
| Electrical Inspector (Group 2 Prevailing Wage)   | \$ 147.80    | \$ 152.24    |
| Structural Inspector (Group 2 Prevailing Wage)   | \$ 147.80    | \$ 152.24    |
| Office Engineering/Document Control              | \$ 94.06     | \$ 96.88     |
| Qualified Stormwater Developer (QSD)             | \$ 155.06    | \$ 159.71    |
| Qualified Stormwater Practitioner (QSP)          | \$ 134.37    | \$ 138.40    |
| SWPPP Inspector                                  | \$ 134.37    | \$ 138.40    |
| Draftsman/Survey Technician                      | \$ 80.62     | \$ 83.04     |
| Clerical   | \$ 59.12     | \$ 60.90     |

- Reimbursement for per diem and mileage expenses shall be per the current federal reimbursement rate.
- Cost of normal survey stakes and other field supplies are included in the above rates. Special monuments, iron stakes, etc. will be charged at cost.
- Outside reproductions, services, and consultants will be charged at cost plus 10%.
- Per prevailing wage, a shift differential of 12.5% applies for any covered work shift beginning after 2PM.
- Yearly prevailing wage anticipates a 3% escalation, however increases in DIR rate determinations will be charged accordingly.
- Yearly Hourly Rate effective January 1 - December 31.



**2019 SCHEDULE OF FEES**

**PROFESSIONAL SERVICES**

|   |                           |
|---|---------------------------|
| Engineering Assistant/Laboratory Technician.....                            | \$75/hr.                  |
| Engineering Field Technician/Special Inspector I .....                      | 80/120(PW)*/hr.           |
| Engineering Field Technician/Special Inspector II .....                     | 90/130(PW)*/hr.           |
| Engineering Field Technician/Special Inspector III/Equipment Operator ..... | 100/140(PW)*/hr.          |
| Word Processor/Technical Editor/Draftsman .....                             | 80/hr.                    |
| Research Assistant/Technical Illustrator/Senior Draftsman.....              | 90/hr.                    |
| Project Coordinator/GIS Specialist/Field Supervisor.....                    | 100/hr.                   |
| Staff Engineer/Geologist/Scientist.....                                     | 115/hr.                   |
| Senior Staff Engineer/Geologist/Scientist .....                             | 125/hr.                   |
| Project Engineer/Geologist/Scientist/Construction Supervisor.....           | 135/hr.                   |
| Senior Project Engineer/Geologist/Scientist.....                            | 150/hr.                   |
| Senior Engineer/Geologist/Scientist/Certified Industrial Hygienist.....     | 165/hr.                   |
| Associate Engineer/Geologist/Scientist .....                                | 195/hr.                   |
| Principal Engineer/Geologist/Scientist/Litigation Support .....             | 235/hr.                   |
| Deposition or Court Appearance .....  | 400/hr.                   |
| Overtime and Saturday Rate .....  | 1.5 X Regular Hourly Rate |
| Sunday and Holiday Rate .....   | 2 X Regular Hourly Rate   |
| Minimum Professional Fee.....   | \$500/Project             |
| Minimum Field Services Fee (per day or call-out) .....                      | 4 Hours                   |

\*Prevailing Wage (PW) per requirements of California Labor Code §720, et. Seq.

**TRAVEL**

|                             |                     |
|-----------------------------|---------------------|
| Personnel .....             | Regular Hourly Rate |
| Subsistence (Per Diem)..... | \$175/day           |
| Vehicle Mileage .....       | 0.75/mile           |

**EQUIPMENT & ANALYTICAL TESTS**

|  |                                    |  |                |
|--|------------------------------------|--|----------------|
| Nuclear Gauge .....                              | Included in Technician Hourly Rate | Level D PPE/Decon Rinse Equipment .....          | \$50/day       |
| Pick-up Truck .....                              | \$125/day                          | pH/Conductivity/Temperature Meter .....          | 50/day         |
| Equipment Truck .....                            | 200/day                            | 55-gallon drum .....                             | 65/ea.         |
| Direct-Push Rig/Operator .....                   | 170/210(PW)*/hr                    | TPHg/BTEX (EPA 8015M/8021B) .....                | 70/ea.         |
| Direct-Push Sample Liner .....                   | 10/ea.                             | TPHg/BTEX/MTBE (EPA 8015M/8260B) .....           | 100/ea.        |
| Equipment Trailer .....                          | 100/day                            | TPHd/TPHmo (EPA 8015M) .....                     | 75/ea.         |
| Wenner 4-Pin Earth Resistivity Meter .....       | 150/day                            | Fuel Oxygenate Compounds (EPA 8260B) .....       | 110/ea.        |
| Coring Machine (concrete, asphalt, masonry)..... | 175/day                            | Volatile Organic Compounds (EPA 8260B) .....     | 150/ea.        |
| Dynamic Cone Penetrometer .....                  | 200/day                            | Semi-Volatile Organic Compounds (EPA 8270) ..... | 300/ea.        |
| Dilatometer (DMT) Test Equipment .....           | 800/day                            | CAM 17 Metals (EPA 6010B) .....                  | 170/ea.        |
| Generator or Air Compressor.....                 | 100/day                            | Single Metal (EPA 6010B) .....                   | 20/ea.         |
| GPS Unit .....                                   | 160/day                            | Pesticides (EPA 8081) .....                      | 125/ea.        |
| Drive-Tube Sampler or Hand-Auger .....           | 40/day                             | Soil pH (EPA 9045C).....                         | 20/ea.         |
| Soil Sample Tube (Brass or Stainless) .....      | 10/ea.                             | WET or TCLP Extraction .....                     | 75/ea.         |
| Water Level Indicator .....                      | 40/day                             | Sample Compositing .....                         | 20/composite   |
| Battery-Powered Pump .....                       | 75/day                             | 48-hour Turnaround Time .....                    | 60% surcharge  |
| Photo-Ionization Meter .....                     | 125/day                            | 24-hour Turnaround Time .....                    | 100% surcharge |

**LABORATORY TESTS**

**COMPACTION CURVES**

|                                 |           |
|---------------------------------|-----------|
| 4-inch mold (D1557/D698).....   | \$225/ea. |
| 6-inch mold (D1557/D698).....   | 225/ea.   |
| California Impact (CAL216)..... | 225/ea.   |
| Check Point .....               | 100/ea.   |

**SOIL AND AGGREGATE STABILITY**

|   |           |
|---|-----------|
| Resistance Value, R-Value (D2844/CAL301)..... | \$300/ea. |
| R-Value, Treated (CAL301) .....               | 325/ea.   |
| California Bearing Ratio (D1883).....         | 175/pt.   |
| Stabilization Ability of Lime (C977) .....    | 180/ea.   |

## Exhibit A

### SOIL AND AGGREGATE PROPERTIES

|  |          |  |          |
|--|----------|--|----------|
| #200 Wash (D1140/C117) .....                     | \$75/ea. | Moisture Determination, tube sample (D2216) .....    | \$20/ea. |
| Wet Sieve Analysis to #200 (D422/CAL202).....    | 115/ea.  | Moisture Determination and Unit Weight (D2937) ..... | 40/ea.   |
| Dry Sieve Analysis, 1.5"+ Aggregate (D6913)..... | 350/ea.  | Atterberg Limits: Plasticity Index (D4318) .....     | 200/ea.  |
| Hydrometer Analysis (D422) .....                 | 165/ea.  | Sand Equivalent (D2419/CAL217) .....                 | 100/ea.  |
| Sieve Analysis with Hydrometer (D422) .....      | 200/ea.  | pH and Resistivity (CAL643) .....                    | 120/ea.  |
| Specific Gravity, Soil (D854) .....              | 85/ea.   | Sulfate Content (CAL417) .....                       | 90/ea.   |
| Specific Gravity Coarse Aggregate (C127).....    | 60/ea.   | Chloride Content (CAL422) .....                      | 50/ea.   |
| Specific Gravity Fine Aggregate (C128) .....     | 75/ea.   | Organic Content (D2974).....                         | 60/ea.   |
|  |          | Cut/Extract Shelby Tube .....                        | 100/ea.  |

### SHEAR STRENGTH

|  |           |
|--|-----------|
| Unconfined Compression (D2166) .....                   | \$100/ea. |
| Direct Shear (D3080) (3pt) .....                       | 300/ea.   |
| Unconsolidated-Undrained Triaxial Shear (D2850) .....  | 125/pt.   |
| Unconsolidated-Undrained Triaxial Staged (D2850) ..... | 175/ea.   |
| Consolidated-Undrained Triaxial Shear (D4767) .....    | 300/pt.   |
| Consolidated-Undrained Triaxial Staged (D4767) .....   | 375/ea.   |
| Consolidated-Drained Triaxial Shear (EM1110) .....     | 400/pt.   |
| Consolidated-Drained Triaxial Staged (EM1110).....     | 500/ea.   |

### PERMEABILITY, CONSOLIDATION AND EXPANSION

|   |           |
|---|-----------|
| Permeability, Flexible Wall (D5084) ..... | \$300/ea. |
| Permeability, Rigid Wall (D5856).....     | 290/ea.   |
| Consolidation (D2435) .....               | 50/pt.    |
| Expansion Index (D4829/UBC 29-2).....     | 225/ea.   |
| Swell/Collapse (D4546) .....              | 150/pt.   |

### AGGREGATE QUALITY

|  |           |
|--|-----------|
| Sieve Analysis to #200 (C136) .....                | \$115/ea. |
| L.A. Rattler Test (500 rev.) (C131).....           | 200/ea.   |
| Durability Index (D3744/CAL229) .....              | 165/ea.   |
| Fine Aggregate Angularity (CAL 234) .....          | 125/ea.   |
| Flat and Elongated Particles (D4791/CAL 235) ..... | 150/ea.   |
| Percent Crushed Particles (CAL205) .....           | 150/ea.   |

### CONCRETE / MASONRY / REINFORCING STEEL

|   |             |
|---|-------------|
| Compressive Strength, Cast Cylinders (C39) .....      | \$30/ea.    |
| Compressive Strength, Cores (C42) .....               | 60/ea.      |
| Flexural Strength Beam (C78/C293) .....               | 80/ea.      |
| Splitting Tensile Test (C496).....                    | 80/ea.      |
| Mix Design Review .....                               | 350/ea.     |
| Trial Batch .....                                     | 475/ea.     |
| Rebar Tensile / Bend (up to #11/#11 and Larger) ..... | 200/250/ea. |
| CMU Compressive Strength (C140) .....                 | 75/ea.      |
| Compressive Strength, Grout (C1019/UBC 21-19).....    | 30/ea.      |
| Compressive Strength, Mortar (C109/UBC 21-15,16) ..   | 30/ea.      |
| CMU Unit Wt., Dimen., Absorption (C140) .....         | 75/ea.      |
| Compressive Strength, Masonry Prism (C1314) .....     | 250/ea.     |

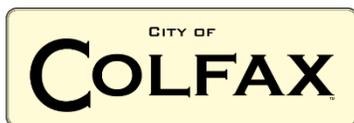
### HOT MIX ASPHALT

|  |           |
|--|-----------|
| Density, Hveem (D2726/CAL308) .....                    | \$100/pt. |
| Stabilometer Value (D1560/CAL366).....                 | 200/pt.   |
| Theoretical Max. Specific Gravity (D2041/CAL309) ..... | 175/ea.   |
| Ignition/Sieve Analysis (C136/CAL202) .....            | 215/ea.   |
| HMA Core Unit Weight (D1188/CAL308).....               | 60/ea.    |
| % Asphalt, Ignition Method (D6307/CAL382) .....        | 100/ea.   |
| % Asphalt, Ignition Calibration (D6307/CAL382).....    | 250/ea.   |
| Rice Density/% Voids (CAL 367).....                    | 275/ea.   |

**\*2X surcharge on rush turnaround for laboratory testing**

### TERMS AND CONDITIONS

1. Listed are typical charges for the services most frequently performed by Geocon. Prices for unlisted services as well as special quotations for programs involving volume work will be provided upon request. Laboratory test prices shown are for laboratory work only, and include reporting of routine results not calling for comments, recommendations or conclusions.
2. Sampling and testing is conducted in substantial conformance with the latest applicable or designated specifications of the American Society for Testing and Materials, Caltrans, American Association of State Highway and Transportation Officials, or other pertinent agencies.
3. Saturday, night work, and overtime hours are charged at time and one-half; Sundays and holidays at double time. Per diem may apply when location of work dictates.
4. Equipment and materials will be billed at cost plus 15%. Outside services including subcontractors and rental of special equipment are billed at cost plus 15%. Hourly services are billed portal to portal from closest office in accordance with the stated hourly rates herein, with a minimum four-hour charge.
5. Invoices will be submitted at four-week intervals. Terms of payment are met upon presentation of invoice. Invoices become delinquent thirty (30) days from invoice date and subject to one and one-half percent (1-1/2%) service charge per month, or the maximum rate allowed by law, whichever is lower. If Client objects to all or any portion of any invoice, Client will so notify Geocon in writing within fourteen (14) calendar days of the invoice date, identify the cause of disagreement, and pay that portion of the invoice not in dispute. The parties will immediately make every effort to settle the disputed portion of the invoice. Payment on delinquent invoices will first be applied to accrued interest and then to the principal amount. All time spent and expenses incurred (including any attorney's fees and costs) in connection with collection of any delinquent amount will be paid by Client to Geocon per Geocon's current fee schedule.
6. Client and Geocon shall allocate certain of the risks so that, to the fullest extent permitted by law, Geocon's (the term "Geocon" includes Geocon's partners, officers, directors, employees, agents, affiliates, subcontractors and subconsultants) total aggregate liability to Client is limited to the greater of **\$50,000** or the total compensation received from Client by Geocon for services rendered on this project, for any and all of Client's injuries, damages, claims, losses, expenses, or claim expenses arising out of this Agreement from any cause or causes, including attorneys' fees and costs which may be awarded to the prevailing party, and Client agrees to indemnify and hold harmless Geocon from and against all liabilities in excess of the monetary limit established above.  
 Client and Geocon shall allocate certain of the other risks so that, to the fullest extent permitted by law, Client shall limit Geocon's total aggregate liability to all third parties, including contractors, subcontractors of all tiers, materialmen, and others involved in Client's project, as well as persons and other entities not involved in the project, to the greater of **\$100,000** or the total compensation received from Client by Geocon for services rendered on this project, for any and all injuries, damages, cause or causes, including attorneys' fees and costs which may be awarded to the prevailing party, and Client agrees to indemnify and hold harmless Geocon from and against all liabilities in excess of the monetary limit established above, including all liability incurred by Geocon for acts, errors, or omissions, pursuant to entering into agreements with third parties on behalf of Client in order to obtain access or entry onto property not owned by Client. Client agrees to notify all contractors and subcontractors of any limitation of Geocon's liability to them, and require them to abide by such limitation for damages suffered by any contractor or subcontractor arising from Geocon's actions or inactions. Neither the contractor nor any subcontractor assumes any liability for damages to others which may arise on account of Geocon's actions or inactions.



# Staff Report to City Council

## FOR THE SEPTEMBER 23, 2020 REGULAR CITY COUNCIL MEETING

**From:** Wes Heathcock, City Manager  
**Prepared by:** Larry Wing, City Engineer  
**Subject:** Temporary Wastewater Operator Services – Coleman Engineering

*Budget Impact Overview:*

|             |                  |                   |                         |                         |
|-------------|------------------|-------------------|-------------------------|-------------------------|
| <b>N/A:</b> | <b>Funded:</b> √ | <b>Un-funded:</b> | <b>Amount:</b> \$62,000 | <b>Fund(s):</b> 560/561 |
|-------------|------------------|-------------------|-------------------------|-------------------------|

**RECOMMENDED ACTION:** Approve Resolution \_\_ - 2020 authorizing the City Manager to execute a Consultant Services Agreement with Coleman Engineering in an amount not to exceed \$62,000.

### Summary/Background

The City of Colfax largest asset is the Wastewater Treatment Plant and Collection system (Wastewater). Wastewater is highly regulated by the Central Valley Regional Water Quality Control Board through various permits, which required certified operators to stay in compliance.

The City has recently experienced the loss of several key staff member that are responsible for the Wastewater operation – Grade II and Grade III. The City is currently recruiting for both positions with the Grade II Operator closing in September 2020 and the Chief Plant Operator (CPO Grade III) is closing in early October 2020.

The City is required to have a certified operator at the Grade III level registered to the Wastewater Treatment Plant to stay in compliance with our National Pollutant Discharge Elimination System Permit (NPDES). In order to stay in compliance and provide adequate staffing levels, the City will need to contract with a consulting firm that offers temporary operator services. Staff is estimating there is 60-days of temporary services needed to ensure compliance with the NPDES permit and allow for transfer of critical information from the existing Wastewater Treatment Plant Grade III operator to the new CPO that is currently in recruitment.

Staff reached out to four consulting firms that provide temporary operator services – Stantec, HSE, Coleman Engineering, waterTALENT. Staff received responses from Coleman Engineering and waterTALENT for the wastewater support staffing. Based on the resource needs discussion and hourly rates proposed by the firms, staff believes Coleman Engineering will deliver the most effective service at a reasonable market rate, therefore, staff is recommending council approve the consultant services agreement.

### Fiscal Impacts

Coleman Engineering consulting services costs will be funded from Funds 560 and 561 based on the 80/20 allocation that is currently applied to labor resources.

### Attachments:

1. Resolution \_\_ - 2020
2. Consultant Services Agreement

# City of Colfax

## City Council

Resolution No. \_\_-2020

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AUTHORIZING THE CITY MANAGER TO EXECUTE A CONSULTANT SERVICES AGREEMENT WITH COLEMAN ENGINEERING IN AN AMOUNT NOT TO EXCEED \$62,000.

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**WHEREAS**, The City of Colfax largest asset is the Wastewater Treatment Plant and Collection system (Wastewater); and,

**WHEREAS**, wastewater is highly regulated by the Central Valley Regional Water Quality Control Board through various permits, which required certified operators to stay in compliance; and,

**WHEREAS**, the City is required to have a certified operator at the Grade III level registered to the Wastewater Treatment Plant to stay in compliance with our National Pollutant Discharge Elimination System Permit (NPDES); and,

**WHEREAS**, in order to stay in compliance and provide adequate staffing levels, the City will need to contract with a consulting firm that offers temporary operator services; and,

**WHEREAS**, based on the resource needs discussion and hourly rates proposed by the firms, staff believes Coleman Engineering will deliver the most effective service at a reasonable market rate.

**NOW THEREFORE, BE IT RESOLVED** the City Council of the City of Colfax authorizes the City Manager to execute a Consultant Services Agreement with Coleman Engineering in an amount not to exceed \$62,000.

**THE FOREGOING RESOLUTION WAS DULY AND REGULARLY ADOPTED** at the Regular Meeting of the City Council of the City of Colfax held on the 23rd of September 2020 by the following vote of the Council:

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

**ATTEST:**

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**Marnie Mendoza, Mayor**

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**Jaclyn Collier, City Clerk**

## Attachment 2

### **AGREEMENT FOR CONSULTANT SERVICES**

THIS AGREEMENT is made and entered into on this 24<sup>th</sup> day of September, 2020 by and between the City\_ of Colfax, a municipal corporation of the State of California ("City") and Coleman Engineering("Consultant").

#### **RECITALS**

- A. The City desires to retain Consultant to provide the Services set forth in detail in Exhibit A hereto (the "Services") subject to the terms and conditions of this Agreement.
- B. Consultant is duly licensed and sufficiently experienced to undertake and perform the Services in a skilled and workmanlike manner and desires to do so in accordance with the terms and conditions of this Agreement.

Now, therefore, in consideration of the mutual covenants, promises and conditions set forth in this Agreement, the City and Consultant agree as follows:

#### **Section 1. Services.**

Subject to the terms and conditions set forth in this Agreement, Consultant shall furnish and perform all of the Services described in detail in Exhibit A hereto and incorporated herein by this reference (the "Services") to the satisfaction of the City. Consultant shall not perform any work exceeding the scope of the Services described in Exhibit A without prior written authorization from the City.

#### **Section 2. Time of Completion.**

Consultant's schedule for performance of the Services is set forth in Exhibit A hereto which is incorporated herein by this reference. Consultant shall commence performance of the Services promptly upon receipt of written notice from the City to proceed. **The contract term is for one (1) year.** During the performance of the Services, Consultant shall provide the City with written progress reports at least once each month and at such additional intervals as City may from time to time request.

#### **Section 3. Compensation.**

- A. Except as may otherwise be provided in Exhibit A or elsewhere in this Agreement or its exhibits, Consultant shall invoice City once each month for the Services performed during the preceding month in an amount not to exceed \$20,000. Such invoices shall itemize all charges in such detail as may reasonably be required by City in the usual course of City business but shall include at least:
  - i. the date of performance of each of the Services,
  - ii. identification of the person who performed the Services,
  - iii. a detailed description of the Services performed on each date,
  - iv. the hourly rate at which the Services on each date are charged,
  - v. an itemization of all costs incurred and
  - vi. the total charges for the Services for the month invoiced.

As long as the Consultant performs the Services to the satisfaction of the City, the City shall pay the Consultant an all-inclusive compensation that shall not exceed

## **Attachment 2**

the amount as detailed in Exhibit A except pursuant to an authorized written change order issued pursuant to Section 15 of this Agreement before the Services requiring additional compensation are performed. City shall pay Consultant no later than thirty (30) days after approval of the monthly invoice by City's staff.

- B. The Consultant's compensation for the Services shall be full compensation for all indirect and direct personnel, materials, supplies, equipment and services incurred by the Consultant and used in carrying out or completing the Services. Payments shall be in accordance with the payment schedule established in Exhibit A or elsewhere in this Agreement or its exhibits.
- C. The City shall have the right to receive, upon request, documentation substantiating charges billed to the City pursuant to this Agreement. The City shall have the right to perform an audit of the Consultant's relevant records pertaining to the charges.
- D. Any Services performed more than sixty (60) days prior to the date upon which they are invoiced to the City shall not be compensable.

### **Section 4. Professional Ability; Standard of Quality.**

City has relied upon the professional training and ability of Consultant to perform the Services described in Exhibit A as a material inducement to enter into this Agreement. Consultant shall therefore provide properly skilled professional and technical personnel to perform all Services under this Agreement. All Services performed by Consultant under this Agreement shall be in a skillful, workmanlike manner in accordance with applicable legal requirements and shall meet the standard of quality ordinarily to be expected of competent professionals in Consultant's field of expertise.

### **Section 5. Indemnification.**

Consultant shall hold harmless and indemnify, including reasonable cost to defend, the City and its officers, agents and employees from and against any and all claims, demands, damages, costs or liability to the extent such arise out of, or pertain to, or relate to the negligence, recklessness or willful misconduct of Consultant and/or its agents in the performance of the Services. This indemnity does not apply to liability for damages for death or bodily injury to persons, injury to property, or other loss, to the extent arising from the negligence, willful misconduct or material defects in design by the City or its agents, servants employees or independent contractors other than Consultant who are directly responsible to the City, or arising from the active negligence of the City officers, agents, employees or volunteers.

### **Section 6. Insurance.**

Without limiting Consultant's indemnification obligations provided for above, Consultant shall take out before beginning performance of the Services and maintain at all times during the life of this Agreement the following policies of insurance with insurers possessing a Best rating of not less than A. Consultant shall not allow any subcontractor, professional or otherwise, to commence work on any subcontract until all insurance required of the Consultant has also been obtained by the subcontractor.

**Attachment 2**

- A. Workers' Compensation Coverage. Statutory Workers' Compensation insurance and Employer's Liability Insurance to cover its employees. In the alternative, Consultant may rely on a self-insurance program to meet its legal requirements as long as the program of self-insurance complies fully with the provisions of the California Labor Code. Consultant shall also require all subcontractors, if such are authorized by the City, to similarly provide Workers' Compensation insurance as required by the Labor Code of the State of California for all of the subcontractor's employees. All Workers' Compensation policies shall be endorsed with the provision that the insurance shall not be suspended, voided, or cancelled until thirty (30) days prior written notice has been provided to City by the insurer. The Workers' Compensation insurance shall also contain a provision whereby the insurance company agrees to waive all rights of subrogation against the City and its elected or appointed officials, officers, agents, and employees for losses paid under the terms of such policy which arise from the Services performed by the insured for the City.
- B. General Liability Coverage. General liability insurance, including personal injury and property damage insurance for all activities of the Consultant and its subcontractors, if such are authorized by the City, arising out of or in connection with the Services. The insurance shall be written on a comprehensive general liability form and include a broad form comprehensive general liability endorsement. In the alternative, the City will accept, in satisfaction of these requirements, commercial general liability coverage which is equivalent to the comprehensive general liability form and a broad form comprehensive general liability endorsement. The insurance shall be in an amount of not less than \$1 million combined single limit personal injury and property damage for each occurrence. The insurance shall be occurrence based insurance. General liability coverage written on a claims made basis shall not be acceptable absent prior written authorization from the City.
- C. Automobile Liability Coverage. Automobile liability insurance covering bodily injury and property damage for all activities of the Consultant arising out of or in connection with this Agreement, including coverage for owned, hired and non-owned vehicles, in an amount of not less than \$1 million combined single limit for each occurrence.
- D. Policy Endorsements. Each general liability and automobile liability insurance policy shall be endorsed with the following provisions:
1. The City, and its elected or appointed officials, employees and agents shall be named as insureds or additional insureds with regard to damages and defenses of claims arising from activities performed by or on behalf of the Consultant.
  2. The insurance afforded by each policy shall apply separately to each insured who is seeking coverage or against whom a claim is made or a suit is brought, except with respect to the insurer's limits of liability.
  3. The insurance shall be primary insurance as respects the City and its elected or appointed officers, officials, employees and agents. Any other insurance maintained by the City or its elected or appointed officers, officials,

**Attachment 2**

employees, agents or volunteers shall be in excess of this insurance and shall not contribute with it.

4. The insurance shall not be suspended, voided, cancelled, or reduced in coverage or in limits except after thirty (30) days prior written notice has been provided to the City.
  5. Any failure to comply with the reporting requirements of any policy shall not affect coverage provided to the City, its elected or appointed officers, officials, employees, or agents.
- E. Professional Liability Coverage. If required by the City, Consultant shall also take out and maintain professional liability, errors and omissions insurance in an amount not less than \$1 million. The professional liability insurance policy shall be endorsed with a provision stating that it shall not be suspended, voided, cancelled, or reduced in coverage or in limits except after thirty (30) days written notice has been provided to the City.
- F. Insurance Certificates and Endorsements. Prior to commencing the Services under this Agreement, Consultant shall submit to the City documentation evidencing the required insurance signed by the insurance agent and the companies named. This documentation shall be on forms which are acceptable to the City and shall include all required endorsements and verify that coverage is actually in effect. This Agreement shall not be effective until the required insurance forms and endorsements are submitted to and approved by the City. Failure to provide these forms within the time period specified by City may result in the award of this Agreement to another Consultant should the City, in its sole discretion, decide to do so. Current certification of insurance shall be kept on file with the City at all times during the term of this Agreement.
- G. Deductible and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by City.
- H. Termination of Insurance. If the City receives notification that Consultant's insurance will be suspended, voided, cancelled or reduced in coverage or in limits, and if the Consultant does not provide for either the reinstatement of that insurance or for the furnishing of alternate insurance containing all of the terms and provisions specified above prior to the termination of that insurance, City may either terminate this Agreement for that breach, or City may secure the required insurance to satisfy the conditions of this Agreement and deduct the cost thereof from compensation which would otherwise be due and payable to the Consultant for Services rendered under the terms of this Agreement.

**Section 7. Subcontracts.**

Consultant may not subcontract any portion of the Services without the written authorization of City. If City consents to a subcontract, Consultant shall be fully responsible to the City and third parties for all acts or omissions of the subcontractor to which the Services or any portion thereof are subcontracted. Nothing in this Agreement shall create any contractual relationship between City and any subcontractor, nor shall it create any obligation on the part of the City to pay or cause the payment of any monies

## Attachment 2

due to any such subcontractor except as otherwise is required by law.

### **Section 8. Assignment.**

Consultant shall not assign any right or obligation under this Agreement without the City's prior written consent. Any attempted assignment of any right or obligation under this Agreement without the City's prior written consent shall be void.

### **Section 9. Entire Agreement.**

This Agreement represents the entire understanding of City and Consultant as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered herein. This Agreement may not be modified or altered except in writing signed by both parties.

### **Section 10. Jurisdiction.**

This Agreement shall be administered and interpreted under the laws of the State of California. Jurisdiction over any litigation arising from this Agreement shall be in the Superior Court of the State of California with venue in Placer County, California.

### **Section 11. Suspension of Services.**

Upon written request by Consultant, City may suspend, in writing, all or any portion of the Services if unforeseen circumstances beyond the control of the City and Consultant make normal progress of the Services impossible, impractical or infeasible. Upon written City approval to suspend performance of the Services, the time for completion of the Services shall be extended by the number of days performance of the Services is suspended.

### **Section 12. Termination of Services.**

City may at any time, at its sole discretion, terminate all or any portion of the Services and this Agreement upon seven (7) days written notice to Consultant. Upon receipt of notice of termination, Consultant shall stop performance of the Services at the stage directed by City. Consultant shall be entitled to payment within thirty (30) days for Services performed up to the date of receipt of the written notice of termination. Consultant shall not be entitled to payment for any Services performed after the receipt of the notice of termination unless such payment is authorized in advance in writing by the City.

Should Consultant fail to perform any of the obligations required of Consultant within the time and in the manner provided for under the terms of this Agreement, or should Consultant violate any of the terms and conditions of this Agreement, City may terminate this Agreement by providing Consultant with seven (7) days written notice of such termination. The Consultant shall be compensated for all Services performed prior to the date of receipt of the notice of termination. However, the City may deduct from the compensation which may be owed to Consultant the amount of damage sustained or estimated by City resulting from Consultant's breach of this Agreement.

Consultant's obligations pursuant to Sections 5 and 6 of this Agreement shall survive termination, and continue in effect for as long as necessary to fulfill the purposes of Sections 5 and 6.

**Attachment 2****Section 13. Independent Contractor.**

Consultant shall in all respects be an independent contractor and not an agent or employee of City. Consultant has and shall retain the right to exercise full control and supervision of the means and methods of performing the Services. Consultant shall receive no premium or enhanced pay for Services normally understood as overtime; nor shall Consultant receive holiday pay, sick leave, administrative leave or pay for any other time not actually expended in the performance of the Services. It is intended by the parties that Consultant shall not be eligible for benefits and shall receive no compensation from the City, except as expressly set forth in this Agreement. Consultant shall submit completed W -9 and Report of Independent Contractor forms upon execution of this Agreement and prior to the payment of any compensation hereunder.

**Section 14. Ownership of Documents.**

Within thirty (30) days after the Consultant substantially completes performance of the Services, or within thirty (30) days after the termination of this Agreement, the Consultant shall deliver to the City all files, records, materials and documents drafted or prepared by Consultant's in the performance of the Services. It is expressly understood and agreed that all such files, records, materials and documents are the property of the City and not the property of the Consultant. All finished and unfinished reports, plans, studies, documents and other writings prepared by and for Consultant, its officers, employees and agents in the course of performing the Services shall become the sole property of the City upon payment to Consultant for the Services, and the City shall have the exclusive right to use such materials in its sole discretion without further compensation to Consultant or to any other party. Consultant shall, at Consultant's expense, provide such reports, plans, studies, documents and writings to City or any party the City may designate, upon written request. Consultant may keep file copies of all documents prepared for City. Use of any such documents by the City for projects that are not the subject of this Agreement or for purposes beyond the scope of the Services shall be at the City's sole risk without legal liability or expense to Consultant.

**Section 15. Changes and/or Extra Work.**

Only the City Council may authorize extra and/or changed Services, modification of the time of completion of the Services, or additional compensation for the tasks to be performed by Consultant. Consultant expressly recognizes that other City personnel are without authorization to order extra and/or changed Services or to obligate the City to the payment of additional compensation. The failure of Consultant to secure the prior written authorization for such extra and/or changed Services shall constitute a waiver of any and all right to adjustment in the contract price due to such unauthorized Services, and Consultant thereafter shall not be entitled to any compensation whatsoever for the performance of such extra or changed Services. In the event Consultant and City agree that extra and/or changed Services are required, or that additional compensation shall be awarded to Consultant for performance of the Services under this Agreement, a supplemental agreement providing for such compensation shall be prepared and shall be executed by the Consultant and the necessary City officials before the extra and/or changed Services are provided.

**Section 16. Compliance with Federal, State and Local Laws.**

**Attachment 2**

Consultant shall comply with all applicable federal, state and local laws, statutes, ordinances, rules and regulations affecting the Services, including without limitation laws requiring licensing and prohibiting discrimination in employment because of race, creed, color, sex, age, marital status, physical or mental disability, national origin or other prohibited bases. City shall not be responsible or liable for Consultant's failure to comply with applicable laws, statutes, ordinances, rules or regulations.

**Section 17. Retention of Records.**

Consultant and any subconsultants authorized by the terms of this Agreement shall keep and maintain full and complete documentation and accounting records, employees' time sheets, and correspondence pertaining to the Services, and Consultant shall make such documents available for review and/or audit by City and City's representatives at all reasonable times during performance of the Services and for at least four (4) years after completion of the Services and/or termination of this Agreement.

**Section 18. Alternative Dispute Resolution**

- A. Before resorting to mediation, arbitration or other legal process, the primary contacts of the parties shall meet and confer and attempt to amicably resolve any dispute arising from or relating to this Agreement subject to the following provisions. Any party desiring to meet and confer shall so advise the other party pursuant to a written notice. Within 15 days after provision of that written notice by the party desiring to meet and confer, the primary contacts for each party shall meet in person and attempt to amicably resolve their dispute. Each primary contact, or the person acting in their absence with full authority to resolve the dispute, shall attend the meeting and shall be prepared to devote an entire day thereto. If any dispute remains unresolved at the end of the meeting, any party to this Agreement shall have the right to invoke the mediation process provided for in the subparagraph B below.
- B. Subject to the provisions of subparagraph A, any dispute that remains unresolved after the meet and confer shall immediately be submitted to non-binding neutral mediation, before a mutually acceptable, neutral retired judge or justice at the Sacramento Office of the Judicial Arbitration and Mediation Service ("JAMS"). If within five days after the meet and confer the parties are unable to agree upon the selection of a neutral mediator, then the first available retired judge or justice at the Sacramento office of JAMS shall serve as the neutral mediator. The parties agree to commit to at least one full day to the mediation process. Additionally, to expedite the resolution of any dispute that is not resolved by mediation, the parties agree to each bring to the neutral mediation a list of at least five neutral arbitrators, including their resumes, whose availability for an arbitration hearing within 30 days after the mediation has been confirmed.
- C. If mediation is unsuccessful, before the mediation concludes, the parties shall mediate the selection of a neutral arbitrator to assist in the resolution of their dispute. If the parties are unable to agree on an arbitrator, the parties agree to submit selection of an arbitrator to the mediator, whose decision shall be binding on the parties. In that case, the mediator shall select a neutral arbitrator from the then active list of retired judges or justices at the Sacramento Office of the JAMS.

**Attachment 2**

The arbitration shall be conducted pursuant to the provisions of the California Arbitration Act, sections 1280-1294.2 of the California Code of Civil Procedure. In such case, the provisions of Code of Civil Procedure Section 1283.05 and 1283.1 shall apply and are hereby incorporated into this Agreement.

- D. This section 18 shall survive the termination or expiration of this Agreement. If there is no Sacramento office of JAMS, then the office of JAMS closest to the City shall be used instead of a Sacramento office.

**Section 19. Severability.**

The provisions of this Agreement are severable. If any portion of this Agreement is held invalid by an arbitrator or by a court of competent jurisdiction, the remainder of the Agreement shall remain in full force and effect unless amended or modified by the mutual written consent of the parties.

**Section 20. Entire Agreement; Amendment.**

This Agreement, including all exhibits hereto, constitutes the complete and exclusive expression of the understanding and agreement between the parties with respect to the subject matter hereof. All prior written and oral communications, including correspondence, drafts, memoranda, and representations, are superseded in total by this Agreement. This Agreement may be amended or extended from time to time only by written agreement of the parties hereto.

**Section 21. Time of the Essence.**

Time is of the essence in the performance of the Services, however the Consultant shall not be liable for delays caused by factors outside of its reasonable control. The Consultant will perform its Services with due and reasonable diligence consistent with sound professional practices and shall devote such time to the performance of the Services as may be necessary for their timely completion.

**Section 22. Written Notification.**

Except as otherwise specified in this Agreement, any notice, demand, request, consent, approval or communications that either party desires or is required to give to the other party shall be in writing and either served personally or sent by first class mail, postage prepaid and addressed as follows. Either party may change its address by notifying the other party in writing of the change of address. Notice shall be deemed communicated within two business days from the time of mailing if mailed within the State of California as provided in this Section.

If to City:                   City of Colfax  
33 S. Main Street  
Colfax, CA 95713

If to Consultant:       Coleman Engineering  
1358 Blue Oaks Boulevard, Suite 200  
Roseville, CA 95678

**Attachment 2**

**Section 23. Execution.**

This Agreement may be executed in original counterparts, each of which shall constitute one and the same instrument and shall become binding upon the parties when at least one original counterpart is signed by both parties hereto. In proving this Agreement, it shall not be necessary to produce or account for more than one such counterpart.

**Section 24. Successors.**

This Agreement shall be binding on and inure to the benefit of the respective parties hereto except to the extent of any contrary provision in this Agreement.

**Section 25. Attorney's Fees.**

If any party to this Agreement commences legal proceedings to enforce any of its terms or to recover damages for its breach, the prevailing party shall be entitled to recover its reasonable attorney's fees, costs and the expenses of expert witnesses, including any such fees costs and expenses incurred on appeal.

IN WITNESS WHEREOF, the parties hereby have executed this Agreement on the day first above written:

CITY

CONSULTANT

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

# EXHIBIT A

## Scope of Services

Client: City of Colfax  
 Project: Contract Wastewater System Operations  
 Project Location: Colfax, CA  
 Summary of Services: Operations  
 Utility System: Wastewater

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### **Background**

The City of Colfax (City, Client) normally operates its wastewater system with a crew of three licensed operators. One operator has left City employment previously and another has notified the City that he intends to leave soon. The City needs assistance to operate the wastewater system including the treatment plant and the collection system.

Coleman Engineering will provide wastewater operations services until the City is able to hire full-time replacement to their departed staff.

### **Scope of Services**

Coleman Engineering will provide staff to operate the wastewater treatment plant and collections system. The following assumptions will be applicable to services provided by Coleman Engineering to the City of Colfax.

- Typical work schedule will be Monday – Friday, 7:00 am to 3:30 pm.
- Coleman Engineering will provide a Grade 2 WWTP operator for most staffing.
- This is a labor agreement. No employee/employer relationship shall be created between Coleman Engineering staff and the City. Coleman Engineering will pay for all salary, benefits, etc. of its employees. The City will only pay the hourly rates for each Coleman Engineering staff assigned to the project.
- Coleman Engineering employees will coordinate with the City for holiday coverage, vacations, sick leave, etc. No leave time or vacation time will be paid for by the City. The purpose of this coordination is strictly to assure adequate coverage of the facilities if Coleman Engineering staff are not able to report to work at normal times.
- When Chief Plant Operator duties are required, such as signing reports, Coleman Engineering will provide a Grade 3 WWTP operator. When reports are to be

## EXHIBIT A

signed, the Coleman Engineering staff will be allocated time to visit the plant and observe conditions sufficient to be comfortable signing the reports.

- If needed, Coleman Engineering can provide the services of a Grade 5 WWTP operator who can help to troubleshoot process issues that may require assistance.
- Coleman Engineering will provide appropriate clothing and personal protective equipment for its employees.
- The City will provide all required tools and equipment.
- The City will provide all required consumables such as lab chemicals, testing reagents, etc.
- The City will provide direction to Coleman Engineering staff. Coleman Engineering staff will not supervise City employees. Coleman Engineering staff will endeavor to be an active participant in the success of the plant but will not provide actual supervisory oversight of City employees.
- The City and Coleman Engineering do not anticipate that engineering will be requested or authorized under this Agreement. However, at the City's request, Coleman Engineering will be pleased to offer any services that are required. The attached Billing Rate Schedule will be applicable to all services requested by the City.

### **Task 1 Deliverable:**

- *none*

### **Schedule**

It is anticipated that Coleman Engineering staff will provide services on a typical 5-day per week, 8-hour per day schedule during normal City work hours of 7am – 3:30pm.

Coleman Engineering can also be available on different schedules and after hours for night and weekend emergencies. Costs for non-typical working hours are detailed below.

### **Engineering Fee**

Coleman Engineering will bill on a Time & Materials basis according to the terms of payment outlined in the Agreement. It is anticipated that Coleman Engineering staff will be directed to work for a maximum of 8-hours per day and a maximum of 40-hours per week. Hourly billing rates during these hours will be at straight time rates as shown on the attached Billing Rate Schedule.

## EXHIBIT A

Only as specifically directed by City staff, Coleman Engineering staff can be available to provide services in excess of 8-hours per day and in excess of 40-hours per week. It is assumed that this would only occur in an emergency. If overtime services are required, as defined by State and Federal employment laws, they will be billed at 1.5 times the straight time rates shown on the attached Billing Rate Schedule. Time billed during Holidays will be billed at 2 times the straight time rates shown on the attached Billing Rate Schedule.

### **Tasks Not Included in this Scope of Services**

This Scope of Services is intended to outline the services offered to the Client by Coleman Engineering. The list below is offered as a clarification of the services that are not anticipated for this engagement though Coleman Engineering will be pleased to discuss how we may provide any services that are required by the City.

1. Design services are not anticipated but can certainly be provided by Coleman Engineering if requested by the City
2. Permitting services are not anticipated but can be provided by Coleman Engineering if needed.
3. Public meetings are not anticipated to be required but can be provided if necessary.
4. CEQA review or other environmental consulting including cultural review or clearances are not anticipated but may be coordinated if needed.
5. Expert witness services are not anticipated to be required but can be provided if necessary.

## Coleman Engineering 2020 Billing Rate Schedule

| Classification            | Billing Rates |
|---------------------------|---------------|
| Principal Engineer        | \$210         |
| Project Manager           | \$196         |
| Assistant Project Manager | \$181         |
| Project Engineer          | \$165         |
| Staff Engineer            | \$145         |
| Engineering Intern        | \$86          |
| CAD Drafter/Designer      | \$122         |
| Project Technician        | \$111         |
| Project Assistant         | \$89          |
| Grade 1 Water/WW Operator | \$90          |
| Grade 2 Water/WW Operator | \$100         |
| Grade 3 Water/WW Operator | \$110         |
| Grade 4 Water/WW Operator | \$145         |
| Grade 5 Water/WW Operator | \$180         |

- Billing rates and expense charges are subject to annual update.
- Hourly rates include Indirect Costs such as general computers, telephone, fax, routine in-house reproductions, first class letter postage, miscellaneous supplies, and other incidental general expenses.
- Direct Costs of services and materials such as vendor reproductions/prints, shipping, major in-house Coleman Engineering reproduction efforts, travel expenses, special engineering supplies, etc. will be billed at actual cost plus 10%.
- Sub-Consultants will be billed at actual cost plus 10%.
- Mileage will be billed at the current Federal Rate (\$0.575/mile as of Jan. 1, 2020)
- Expert Witness Services will be billed at standard rates plus a 25% premium.
- Computer charges are included in the Standard Hourly Rates for those employees and contract personnel assigned to use such specialty hardware and software.
- Billing rates apply to all computers and equipment, whether owned or rented by Coleman Engineering, and to all employment categories including regular full-time, part-time, limited term and contract personnel, etc.
- A finance charge of 1.5% per month (an annual rate of 18%) on the unpaid balance will be added to invoice amounts if not paid within 45 days from the date of the invoice.

