



**RIO DELL CITY COUNCIL AGENDA**  
**REGULAR MEETING - 6:00 PM**  
**TUESDAY, MARCH 19, 2024**  
City Council Chambers  
675 Wildwood Avenue, Rio Dell

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**Welcome** - Copies of this agenda, staff reports and other material available to the City Council are available at the City Clerk's office in City Hall, 675 Wildwood Avenue and available on the City's website at [cityofriodell.ca.gov](http://cityofriodell.ca.gov). Your City Government welcomes your interest and hopes you will attend and participate in Rio Dell City Council meetings often.

**SPECIAL PUBLIC HEALTH EMERGENCY ALTERNATIONS TO MEETING FORMAT  
CORONAVIRUS (COVID 19)**

City Council meetings held in City Hall Council Chambers to in-person attendance by the public. The public may also attend these meeting virtually through Zoom. The meetings will also be viewable via livestreaming through our partners at Access Humboldt via their YouTube channel or Suddenlink (Optimum) channels on Cable TV.

**Public Comment by Email:**

In balancing the health risks associated with COVID-19 and need to conduct government in an open and transparent manner, public comment on agenda items can be submitted via email at [publiccomment@cityofriodell.ca.gov](mailto:publiccomment@cityofriodell.ca.gov). Please note the agenda item the comment is directed to (example: Public Comments for items not on the agenda) and **email no later than one-hour prior to the start of the Council meeting**. Your comments will be read out loud, for up to three minutes.

Meeting can be viewed on Access Humboldt's website at <https://www.accesshumboldt.net/>. Suddenlink Channels 10, 11 & 12 or Access Humboldt's YouTube Channel at <https://www.youtube.com/user/accesshumboldt>.

**Zoom Public Comment:**

When the Mayor announces the agenda item that you wish to comment on, call the conference line and turn off your TV or live stream. Please call the toll-free number **1-888-475-4499**, enter meeting **ID 987 154 0944** and press star (\*) 9 on your phone – this will raise your hand. You will continue to hear the meeting on the call. When it is time for public comment on the item you wish to speak on, the Clerk will unmute your phone. You will hear a prompt that will indicate your phone is unmuted. Please state your name and begin your comment. You will have 3 minutes to comment.

**A. CALL TO ORDER**

**B. ROLL CALL**

**C. PLEDGE OF ALLEGIANCE**

**D. CEREMONIAL MATTERS**

**E. PUBLIC PRESENTATIONS**

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

**F. CONSENT CALENDAR**

The Consent Calendar adopting the printed recommended Council action will be enacted with one vote. The Mayor will first ask the staff, the public, and the Councilmembers if there is anyone who wishes to address any matter on the Consent Calendar. The matters removed from the Consent Calendar will be considered individually following action on the remaining consent calendar items.

1. 2024/0319.01 - Approve Minutes of the March 5, 2024 regular meeting **(ACTION)** - Pg. #4

2. 2024/0319.02 - Receive and File FY 2024-25 Operating and Capital Budget Calendar **(ACTION)** - Pg. #9

3. 2024/0319.03 - Adopt Resolution No. 1599-2024 Amending the City Master Salary Table **(ACTION)** - Pg. #12

4. 2024/0319.04 - Receive and File Check Register for February 2024 - Pg. #17

**G. ITEMS REMOVED FROM THE CONSENT CALENDAR**

**H. REPORTS/STAFF COMMUNICATIONS**

1. 2024/0319.05 - City Manager/Staff Update **(RECEIVE & FILE)** - Pg. #21

**I. SPECIAL PRESENTATIONS/STUDY SESSIONS**

**J. SPECIAL CALL ITEMS/COMMUNITY AFFAIRS/PUBLIC HEARINGS**

1. 2024/0319.06 - Taxpayer Deception Act AKA Taxpayer Protection and Accountability Act **(DISCUSSION/POSSIBLE ACTION)** - Pg. #26

**K. ORDINANCES/SPECIAL RESOLUTIONS/PUBLIC HEARINGS**

- [1.](#) 2024/0319.07 - Second Reading (by title only) and Adoption of Ordinance No. 404-2024 Amending the Rio Dell Municipal Code (RDMC) Establishing a Cannabis Cultivation Tax Guarantee **(DISCUSSION/POSSIBLE ACTION)** - Pg. #40

**L. COUNCIL REPORTS/COMMUNICATIONS**

**M. ADJOURNMENT**

*The next regular City Council meeting is scheduled for  
Tuesday, April 2, 2024 at **6:00 PM**.*

**RIO DELL CITY COUNCIL  
REGULAR MEETING MINUTES  
MARCH 5, 2024**

The regular meeting of the Rio Dell City Council was called to order at 6:03 p.m. by Mayor Garnes.

**ROLL CALL:** Present: Mayor Garnes, Mayor Pro Tem Carter, Councilmembers Orr, and Wilson

Absent: Councilmember Woodall (excused)

Others Present: Chief of Police Allen, Finance Director Sanborn, Wastewater Superintendent Kelly, Water/Roadways Superintendent Jensen Senior Fiscal Assistant Maciel, and City Clerk Dunham

Absent: Community Development Director Caldwell (excused)

**ANNOUNCEMENT OF ITEMS TO BE DISCUSSED IN CLOSED SESSION**

Conference with Labor Negotiator – Kyle Knopp, City Manager – Rio Dell Employees Association, Rio Dell Peace Officers Association and all Contract Employees Pursuant to Gov't Code §54957

**PUBLIC COMMENT REGARDING CLOSED SESSION**

No public comment was received.

**RECESS INTO CLOSED SESSION**

The Council recessed into closed session with City Manager Knopp and Finance Director Sanborn at 5:30 p.m.

**RECONVENE INTO OPEN SESSION**

The Council reconvened into open session at 6:00 p.m. Mayor Garnes announced that there was nothing to report out of closed session.

**PUBLIC PRESENTATIONS**

Mayor Garnes invited public comment on non-agenda matters. No public comment was received.

**CONSENT CALENDAR**

Mayor Garnes asked if any councilmember, staff or member of the public would like to

**MARCH 5, 2024 MINUTES**  
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remove any item from the consent calendar for a separate discussion. No items were removed.

A motion was made by Carter/Orr to approve the consent calendar including the following items:

- 1) Minutes of the February 20, 2024 regular meeting;
- 2) Resolution No. 1598-2024 Authorizing the Application for a Regional Early Action Planning (REAP) Grant for a Housing Condition Survey

Motion carried 4-0.

**REPORTS/STAFF COMMUNICATIONS**

City Manager Knopp provided a staff update and reported that the City weathered the most recent storm system fairly well compared to other neighboring areas. There were no major long-term power outages, very few traffic incidents, and the wastewater system held up well with no reported Sanitary Sewer Overflows (SSO's).

Councilmember Wilson mentioned today's voting process and noted that there is no longer a voting precinct in Rio Dell. He asked staff to pursue getting a voting center in Rio Dell, or at least a voter drop-off box which would benefit both Rio Dell and Scotia residents.

City Manger Knopp agreed to reach out to the Registrar of Voters, Juan Cervantes at County Elections to get information.

**SPECIAL CALL ITEMS/COMMUNITY AFFAIRS/PUBLIC HEARINGS**

Authorize the City Manager to Develop and Issue Bid for 2024 Street Resurfacing Work

City Manager Knopp provided a rough project site map of both earthquake related repairs and non-earthquake related repairs. He explained that the bid for this work would be structured to include non-earthquake related repairs as additive items. He added that earthquake related repairs are eligible for CDAA funding at a 75-25 State-Local share with the future possibility of the State funding 100 percent of the earthquake related repairs.

He said that as the Council is aware, there are roads that sustained earthquake related damages. These were subdivided into two separate categories. He said that Federal Highway Authority streets which do not appear on the list, and would not be part of the bid, included Blue Slide, Belleview, Pacific and Monument Rd. These will be funded under a different funding source through the Federal government and will come back to the Council at a future date.

**MARCH 5, 2024 MINUTES**  
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He explained that in this year's budget, the Council appropriated \$100,000 for pavement repairs and there is an additional \$8,000 planned to be secured through the Coronavirus Response and Relief Supplemental Appropriations Act. The remaining balance would come from the Streets funds.

He noted that one street in particular that was taken off the no pave list because of needed infrastructure repairs was Elm St. The damaged water lines as a result of the earthquake were repaired so that street is now eligible for paving.

He said in discussing it with the Streets Superintendent, staff is recommending adding some spot repairs to a few different locations; one is adjacent to Elm St. on Wildwood Ave., some improvements to some small sections on Center St. near the school, and some minor repairs on Rigby Ave.

City Manager Knopp explained that the idea is to put the project out to bid with primary work being the earthquake related repairs and non-related earthquake as additives. He said that this ties back to the Council's paving list to not pave streets that would need to be immediately dug up.

He noted that after the capital projects for the water system are completed in 2024, there should be an array of new streets that come off of that list and can be paved. He said that one of the big questions is financing of those projects with potential problems with the General Fund being able to cover those costs. He noted that there is still the pending work to Monument Road as a result of the 2017 storm damage and pending reimbursement from the Federal Government which could be extremely long. He said that there are other damage related issues that the General Fund might have to pick up.

Mayor Garnes referred to the damage of the Painter St. overpass as a result of the earthquake and asked for the status of that repair.

City Manager Knopp said that the project is lined up for a STIP grant and the City was awarded between \$700,000-\$800,000 for sidewalk expansion in that particular area along with a crosswalk across Painter St. with an ADA landing. The engineering portion of the project has been funded but there may be some right-of-way work that needs to be done and from there, construction could begin relatively soon.

Councilmember Wilson asked if any of the slurry seal projects would be covered under the earthquake reimbursement grants.

City Manager Knopp noted that slurry seal projects would not be covered under the earthquake related reimbursements but the City did get some crack sealing covered under FHA on sections of roads including Belleview, Pacific and Blue Slide Road.

**MARCH 5, 2024 MINUTES**  
**Page 4**

Mayor Garnes called for public comment on the proposed bid and associated work. No public comment was received.

Motion was made by Orr/Carter authorizing the City Manager to develop and issue the bid for the 2024 Street Resurfacing Work. Motion carried 4-0.

**ORDINANCES/SPECIAL RESOLUTIONS/PUBLIC HEARINGS**

Second Reading (by title only) and Adoption of Ordinance No. 404-2024 amending the Rio Dell Municipal Code (RDMC) Establishing a Cannabis Cultivation Tax Guarantee

City Manager Knopp recommended the final reading and adoption of the ordinance be continued to the March 19, 2024 regular meeting as staff received some additional comments from the City Attorney which would need to be incorporated into the ordinance.

Motion was made by Carter/Wilson to continue consideration and possible adoption of the ordinance to the March 19, 2024 regular meeting. Motion carried 4-0.

**COUNCIL REPORTS/COMMUNICATIONS**

Mayor Pro Tem Carter reported that she attended a Chamber of Commerce meeting and they formed a sub-committee within the Chamber to try and modernize processes and come up with creative ways to help businesses in which she is now a member.

She announced that the Community Resource Center is holding a volunteer fair on March 13, 2024 from 5-7 p.m. with volunteers from various organizations setting up tables in attempt to showcase what they do and try to recruit volunteers from our community. She said if anyone is willing to donate even an hour of their time a week to please come and listen to what they have to say.

She then reported that she is now on the Board of Directors for COAD (Community Organizations Active in Disasters) and as they move forward she is very happy to be a voice for the community on that board.

She also attended a RREDC meeting on February 26, 2024 where the board received an update about efforts to open access to broadband.

She said that she also attended Blue Lake Rancheria's Disaster Preparedness Academy over the weekend which was very educational, and would be attending a Cal Cities Redwood Empire Division meeting in Willits on Friday.

Councilmember Orr said that he had nothing to report but wanted to congratulate the Monument Middle School. He said that they went to the JC Basketball and Cheer Competition in Crescent City and both teams placed.

**MARCH 5, 2024 MINUTES**  
**Page 5**

Councilmember Wilson announced that on the RCEA Board, there is a Citizens Advisory Committee and they are reaching out for a representative from Rio Dell to fill that vacancy. The committee gets together and talks about ideas to pass along to RCEA. He said if anyone is interested in serving, to contact him or the City Manager for an application. He noted that they meet quarterly.

Mayor Garnes reported that she would be attending an HTA meeting tomorrow and also attending the Cal Cities Redwood Empire Division meeting in Willits on Friday.

She reminded everyone of the March 19, 2024 virtual meeting with the California Public Utilities Commission (CPUC) hearing related to AT&T's landline services, from 2-6 p.m. She said that the rural areas would be affected the most if landline services are eliminated.

She said that she also attended the Disaster Preparedness Academy at Blue Lake Rancheria and that it was very good. She thanked Humboldt Area Foundation for providing the grant for lunches for both days and thanked Blue Lake Rancheria for providing the training and disaster kits that contained approximately \$200 in emergency related merchandise.

**ADJOURNMENT**

A motion was made by Carter/Orr to adjourn the meeting at 6:30 p.m. to the March 19, 2024 regular meeting. The motion carried 4-0.

\_\_\_\_\_  
Debra Garnes, Mayor

Attest:

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



**675 Wildwood Avenue**  
**Rio Dell, CA 95562**  
**(707) 764-3532**  
**(707) 764-5480 (fax)**



March 19, 2024

TO: Mayor and Members of the City Council  
FROM: Travis Sanborn, Finance Director  
THROUGH: Kyle Knopp, City Manager  
SUBJECT: Budget Calendar for Fiscal Year 2024-25

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IT IS RECOMMENDED THAT THE CITY COUNCIL:

Receive and file the Fiscal Year (FY) 2024-25 Operating and Capital Budget Calendar Item

BACKGROUND AND DISCUSSION

The City's annual Operating and Capital Budget should be adopted by June 30 of each fiscal year to allow for expenditures starting July 1 of the new fiscal year. The FY 2024-25 proposed budget calendar reflects this directive, beginning in March 2024, with the budget's anticipated adoption by the council on June 18, 2024.

ATTACHMENTS:

- FY 2024-25 Proposed Budget Calendar

# FY 2024-25 Proposed Budget Calendar

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## **MARCH**

- **March 1-31**
  - Development of proposed staffing plan
  - Salary costs are calculated based on the proposed staffing plan
  - Revenue forecasting is completed
  - Budget worksheets are compiled
- **Tuesday, March 19<sup>th</sup> City Council Proposed Budget Calendar on Consent Calendar**
  - Agendize budget calendar
- **Friday, March 22<sup>nd</sup>**
  - Budget Packets Distributed to Department Heads/Supervisors

## **APRIL**

- **April - Priority Setting Meetings with City Council**
- **Friday, April 8<sup>th</sup>**
  - Department Heads/Supervisors turn in Budget Requests to Finance Director
- **April 15 – April 19**
  - Information compiled by Finance
- **April 22 – April 26**
  - City Manager reviews Budget and provides recommended changes to Finance
  - City Manager meets with Department Heads/Supervisors as needed
- **Tuesday, April 30<sup>th</sup>**
  - Finance finishes preparing the recommended budget for City Manager approval

# FY 2023-24 Proposed Budget Calendar

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## MAY

- **May 6 - May 17**
  - Prepare Staff Report and Final Preparations for Recommended Budget
- **Tuesday, May 21<sup>st</sup> City Council Meeting**
  - The City Manager presents the Recommended Operating and Capital Budget
- **May 22– May 31**
  - *Special budget meetings, if necessary*

## JUNE

- **Tuesday, June 4<sup>th</sup> City Council Meeting**
  - City Public Hearing- City Manager presents the revised Recommended Operating and Capital Budget
- **June 5-June 17**
  - *Special budget meetings if necessary*
- **Tuesday, June 18<sup>th</sup> City Council Meeting**
  - Special Presentation - Finance Director Presents the Final Operating and Capital Budget for Adoption Resolution No. \_\_\_\_\_

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



DATE: March 19, 2024  
TO: Mayor and Members of the City Council  
FROM: Travis Sanborn, Finance Director  
THROUGH: Kyle Knopp, City Manager  
SUBJECT: Adoption of Resolution No. 1599-2024 Amending the City Master Salary Table

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Approve adoption of Resolution No. 1599-2024 amending the City Master Salary Table.

BACKGROUND AND DISCUSSION

On March 5, 2024, the City Council authorized and directed the City Manager to offer increased compensation of \$2 per hour to the City of Rio Dell Employees Association, Peace Officers Association, and Contract Employees. The City Salary Table needs to be amended to reflect this change.

ATTACHMENTS

- Resolution 1599-2024
- Exhibit "A" Compensation Schedule per Resolution 1599-2024
- Compensation Schedule per Resolution 1523-2022



**RESOLUTION NO. 1599-2024  
A RESOLUTION OF THE CITY COUNCIL  
OF THE CITY OF RIO DELL  
AMENDING AND ADOPTING THE CITY MASTER SALARY TABLE**

**WHEREAS**, the City of Rio Dell recognizes the value of adopting a salary schedule that promotes the recruitment and retention of employees; and

**WHEREAS**, a pay structure with competitive salaries is essential in attracting and retaining a skilled, motivated workforce, thereby increasing the level of service to the City’s residents; and

**WHEREAS**, the City of Rio Dell City Council recognizes the hardships employees face with high inflation and an increased cost of living; and

**WHEREAS**, a salary table helps provide transparency in compensation; and

**WHEREAS**, Section 36506 of the Government Code of the State of California provides that the City Council shall, by Resolution or Ordinance, fix the compensation for all appointive officers and employees.

**WHEREAS**, the Master Salary Tables are attached as Exhibit “A” to this Resolution and have been reviewed and considered by the City Council; and

**NOW THEREFORE BE IT RESOLVED**, by the City Council of the City of Rio Dell

- 1) The Master Salary Tables attached hereto as Exhibit “A” are hereby adopted.
- 2) The City Manager is authorized to extend the employee contracts for the City of Rio Dell Peace Officers Association, Employees Association, and Contract Employees through June 30, 2025.
- 3) All prior resolutions concerning compensation for City employees that conflict with this Resolution or the attached Master Salary Tables are hereby repealed, and this Resolution shall be effective for the pay period ending March 22, 2024.

**PASSED AND ADOPTED** by the City of Rio Dell on this 19th day of March 2024 by the following roll call vote:

- Ayes:
- Noes:
- Abstain:
- Absent:

\_\_\_\_\_  
Debra Garnes, Mayor

ATTEST:

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

**Exhibit "A"**  
 CITY OF RIO DELL COMPENSATION SCHEDULE  
 Resolution No. 1599 -2024

**Peace Officers Association**

JOB TITLE	Salary Range				
	A	B	C	D	E
Police Officer	54,766	57,296	59,953	62,742	65,671
Police Officer Recruit	50,165				
Police Corporal	62,847	65,782	68,863	72,098	75,495
Sergeant	68,939	72,178	75,579	79,150	82,899

**Rio Dell Employee's Association**

JOB TITLE	Salary Range				
	A	B	C	D	E
Accountant I	56,031	58,624	61,347	64,207	67,209
Accountant II	61,416	64,279	67,285	70,441	73,755
Admin. Assistant	40,870	42,706	44,633	46,657	48,782
Administrative Tech.	46,732	48,861	51,096	53,443	55,907
Community Service Officer	47,797	49,979	52,270	54,675	57,201
Fiscal Assistant I	39,102	40,849	42,683	44,609	46,632
Fiscal Assistant II	42,729	44,658	46,683	48,809	51,041
Management Analyst I	61,416	64,279	67,285	70,441	73,755
Office Assistant	35,815	37,397	39,059	40,804	42,636
PW Leadman	46,732	48,861	51,096	53,443	55,907
Records Tech.	42,729	44,658	46,683	48,809	51,041

**Rio Dell Employee's Association (continued)**

Sr. Fiscal Assistant	46,732	48,861	51,096	53,443	55,907
Utility Worker I	37,417	39,080	40,826	42,660	44,585
Utility Worker II	40,870	42,706	44,633	46,657	48,782
Utility Worker III	44,682	46,708	48,835	51,069	53,415
W/WW Plant Op. I	43,693	45,670	47,745	49,924	52,212
W/WW Plant Op. II	47,797	49,979	52,270	54,675	57,201
W/WW Plant Op. III	52,327	54,735	57,264	59,919	62,707
Operator In Training (OIT)	43,693				

**Management/Confidential Employees**

JOB TITLE	Salary Range				
	A	B	C	D	E
City Clerk	56,031	58,624	61,347	64,207	67,209
City Manager	111,522	117,099	122,953	129,101	135,556
Chief of Police	97,980	102,671	107,597	112,768	118,199
Finance Director	87,084	91,230	95,583	100,154	104,954
Community Dev. Dir.	87,084	91,230	95,583	100,154	104,954
Management Analyst II	67,359	70,519	73,837	77,321	80,979
Senior Management Analyst	73,921	77,409	81,071	84,917	88,955
Wastewater Sup.	72,219	75,622	79,195	82,947	86,886
Water/Streets Sup.	72,219	75,622	79,195	82,947	86,886

City of Rio Dell  
 COMPENSATION SCHEDULE  
 Resolution No. 1523-2022

<b>Peace Officers Association</b>					
JOB TITLE	Salary Range				
	A	B	C	D	E
Police Officer	<del>50,606</del>	<del>53,136</del>	<del>55,793</del>	<del>58,582</del>	<del>61,511</del>
Police Officer Recruit	<del>46,005</del>				
Police Corporal	<del>58,687</del>	<del>61,622</del>	<del>64,703</del>	<del>67,938</del>	<del>71,335</del>
Sergeant	<del>64,779</del>	<del>68,018</del>	<del>71,419</del>	<del>74,990</del>	<del>78,739</del>

<b>Rio Dell Employee's Association</b>					
JOB TITLE	Salary Range				
	A	B	C	D	E
Accountant I	<del>51,871</del>	<del>54,464</del>	<del>57,187</del>	<del>60,047</del>	<del>63,049</del>
Accountant II	<del>57,256</del>	<del>60,119</del>	<del>63,125</del>	<del>66,281</del>	<del>69,595</del>
Admin. Assistant	<del>36,710</del>	<del>38,546</del>	<del>40,473</del>	<del>42,497</del>	<del>44,622</del>
Administrative Tech.	<del>42,572</del>	<del>44,701</del>	<del>46,936</del>	<del>49,283</del>	<del>51,747</del>
Community Service Officer	<del>43,637</del>	<del>45,819</del>	<del>48,110</del>	<del>50,515</del>	<del>53,041</del>
Fiscal Assistant I	<del>34,942</del>	<del>36,689</del>	<del>38,523</del>	<del>40,449</del>	<del>42,472</del>
Fiscal Assistant II	<del>38,569</del>	<del>40,498</del>	<del>42,523</del>	<del>44,649</del>	<del>46,881</del>
Management Analyst I	<del>57,256</del>	<del>60,119</del>	<del>63,125</del>	<del>66,281</del>	<del>69,595</del>
Office Assistant	<del>31,655</del>	<del>33,237</del>	<del>34,899</del>	<del>36,644</del>	<del>38,476</del>
PW Leadman	<del>42,572</del>	<del>44,701</del>	<del>46,936</del>	<del>49,283</del>	<del>51,747</del>
Records Tech.	<del>38,569</del>	<del>40,498</del>	<del>42,523</del>	<del>44,649</del>	<del>46,881</del>
Sr. Fiscal Assistant	<del>42,572</del>	<del>44,701</del>	<del>46,936</del>	<del>49,283</del>	<del>51,747</del>
Utility Worker I	<del>33,257</del>	<del>34,920</del>	<del>36,666</del>	<del>38,500</del>	<del>40,425</del>
Utility Worker II	<del>36,710</del>	<del>38,546</del>	<del>40,473</del>	<del>42,497</del>	<del>44,622</del>
Utility Worker III	<del>40,522</del>	<del>42,548</del>	<del>44,675</del>	<del>46,909</del>	<del>49,255</del>
W/WW Plant Op. I	<del>39,533</del>	<del>41,510</del>	<del>43,585</del>	<del>45,764</del>	<del>48,052</del>
W/WW Plant Op. II	<del>43,637</del>	<del>45,819</del>	<del>48,110</del>	<del>50,515</del>	<del>53,041</del>
W/WW Plant Op. III	<del>48,167</del>	<del>50,575</del>	<del>53,104</del>	<del>55,759</del>	<del>58,547</del>
Operator In Training (OIT)	<del>39,533</del>				

<b>Management/Confidential Employees</b>					
JOB TITLE	Salary Range				
	A	B	C	D	E
City Clerk	<del>51,871</del>	<del>54,464</del>	<del>57,187</del>	<del>60,047</del>	<del>63,049</del>
City Manager	<del>111,522</del>	<del>117,099</del>	<del>122,953</del>	<del>129,101</del>	<del>135,556</del>
Chief of Police	<del>93,820</del>	<del>98,511</del>	<del>103,437</del>	<del>108,608</del>	<del>114,039</del>
Finance Director	<del>82,924</del>	<del>87,070</del>	<del>91,423</del>	<del>95,994</del>	<del>100,794</del>
Community Dev. Dir.	<del>82,924</del>	<del>87,070</del>	<del>91,423</del>	<del>95,994</del>	<del>100,794</del>
Management Analyst II	<del>63,199</del>	<del>66,359</del>	<del>69,677</del>	<del>73,161</del>	<del>76,819</del>
Senior Management Analyst	<del>69,761</del>	<del>73,249</del>	<del>76,911</del>	<del>80,757</del>	<del>84,795</del>
Wastewater Sup.	<del>68,059</del>	<del>71,462</del>	<del>75,035</del>	<del>78,787</del>	<del>82,726</del>
Water/Streets Sup.	<del>68,059</del>	<del>71,462</del>	<del>75,035</del>	<del>78,787</del>	<del>82,726</del>



**City of Rio Dell  
Check Listing for City Council Meeting**

Ref#	Date	Vendor	Description	Amount
12841	2/07/2024	[0576] 101 AUTO PARTS	Boxed Miniatures, Spring	5.57
12842	2/07/2024	[5381] ALTERNATIVE BUSINESS CONCEPTS	MONTHLY MAINTENANCE & COPIER CHARGES FOR JANUARY 2024 - City Hall & COPIER CHARGES FOR JANUARY 2024 - PD	728.59
12843	2/07/2024	[2224] AQUA BEN CORPORATION	Hydrofloc 851, Hydrofloc 750L	5,488.62
12844	2/07/2024	[3975] AT&T - 5709	FAX LINE EXPENSES FOR JANUARY 2024 - PD, FAX LINE EXPENSES FOR JANUARY 2024 - City Hall	67.08
12845	2/07/2024	[4892] KEVIN T CALDWELL	Reimbursement: Ellis Art & Engineering Supplies - Zoning Maps,	98.33
12846	2/07/2024	[4937] CALIF DEPT OF TRANSPORTATION	Reimbursement: Scrapper's Edge - Laminated Roll	486.90
12847	2/07/2024	[2293] CITY OF FORTUNA	Signals & Lighting Billing Oct - Dec 2023	6,328.33
12848	2/07/2024	[2356] DOWNEY BRAND LLP	Police Dispatch for February 2024	42.50
12849	2/07/2024	[2385] EUREKA READYMIX	Services Rendered Through Dec. 31, 2023	1,123.95
12850	2/07/2024	[2405] FORTUNA ACE HARDWARE	13.58 Tons of 3/4 Base Class 2 PU, 14.20 Tons of 3/4 Base Class 2 PU, 3yds Concrete for Inside Shop	35.77
12851	2/07/2024	[5052] GHD, INC	Water Control Building Maintenance (Roof Leaking): Caulkgun and Sealant	38,025.48
12852	2/07/2024	[2444] HENSELL MATERIALS, INC.	Professional Services Rendered Through 1/27/24	281.65
12853	2/07/2024	[7027] LEWIS, CARLY	Quick Setting Cement and Black Concrete Color	180.49
12854	2/07/2024	[2551] MIRANDA'S ANIMAL RESCUE	CUSTOMER DEPOSIT REFUND	1,900.00
12855	2/07/2024	[3006] MISSION LINEN SUPPLY, INC	Animal Control for Jan. 2024	321.87
12856	2/07/2024	[2569] NORTH COAST LABORATORIES, INC.	Cleaning & Maintenance on PW Shirts; Clean Mop Head; Hand Soap, Clean Mop Head; Paper Towels, Cleaning & Maintenance on PW Shirts, Clean Mop Head, Cleaning & Maintenance of PW Shirts; Clean Mop Head	540.00
12857	2/07/2024	[4393] NYLEX.net. Inc.	Coliform Quanti-tray, Ammonia Nitrogen w/o Distillation, ELAP Certification Fee, Coliform Quanti-tray, ELAP Certification Fee	1,834.44
12858	2/07/2024	[7716] RESTORATION FIRST RESPONDER NETWORK	Lenovo Desktop	315.38
12859	2/07/2024	[7272] TRAVIS M SANBORN	Montly Contracted Rate - Psychotherapy	2,236.01
12860	2/07/2024	[4525] SHERLOCK RECORDS MGMT	Reimbursement: CSMFO Conference	147.20
12861	2/07/2024	[2715] STEWART TELECOMMUNICATION	STORAGE SERVICE FOR JANUARY 2024	556.05
12862	2/07/2024	[7585] SWEAT PANDA FORTUNA, LLC	Phone Lines PD - March 2024, Phone Lines City Hall - March 2024	477
12863	2/07/2024	[4908] THE MITCHELL LAW FIRM, LLP	Unlimited Month to Month Membership w/Auto Renew, Unlimited Month to Month Membership w/Auto Renew	4,108
4	2/07/2024	[2779] WILDWOOD SAW	LEGAL SERVICES FOR JANUARY 2024, LEGAL SERVICES FOR JANUARY 2024	348
			Repair on a Stihl Trimmer and Blower, Weed Eater Tune-up	

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**City of Rio Dell  
Check Listing for City Council Meeting**

Ref#	Date	Vendor	Description	Amount
12866	2/14/2024	[6038] ACCURATE TERMITE & PEST SOLUTIONS	RODENT & INSECT CONTROL @ 475 HILLTOP DR	220.00
12867	2/14/2024	[7237] BPR CONSULTING GROUP	Flat Fee Plan Check: SFD Fire Rebuild/Remodel - 192 Bellevue Ave	2,327.42
12868	2/14/2024	[2303] COAST CENTRAL CREDIT UNION	POA Dues for PPE 2/9/2024	138.90
12869	2/14/2024	[2340] DEPT OF JUSTICE ACCOUNTING	Blood Alcohol Analysis for January 2024	35.00
12870	2/14/2024	[2405] FORTUNA ACE HARDWARE	Cobweb Brush, Rags, Hose,	126.89
12871	2/14/2024	[6486] GREEN TO GOLD ENTERPRISES	Reciprocating Saw Blade Set	38.05
12872	2/14/2024	[2474] HUMMEL TIRE & WHEEL, INC	Tires for '21 Ford F-150	837.06
12873	2/14/2024	[7475] LEAF CAPITAL FUNDING LLC	Lease of Kyocera TA 308ci Copier System	204.41
12874	2/14/2024	[2521] LEAGUE OF CALIF. CITIES	Membership Dues for Redwood Empire Division (2024)	75.00
12875	2/14/2024	[2522] LECAH	Membership Dues - Chief 2024	100.00
12877	2/14/2024	[2619] PITNEY BOWES, INC.	QUARTERLY LEASING PAYMENT 12/30/2023-3/29/2024	180.85
12878	2/14/2024	[2693] SHELTON'S AUTO LUBE	Oil Change for '21 Ford F-150, Oil Change on '21 Ford Explorer	226.64
12879	2/14/2024	[4570] SHRED AWARE	Shredding	76.48
12880	2/14/2024	[6373] THATCHER COMPANY, INC.	Sodium Bisulfite 25% - 275 G TOTE, Deposit Return	4,952.68
12881	2/14/2024	[2750] USA BLUEBOOK	Gauge, Ammonia Standard, CalGas	658.65
12882	2/21/2024	[2407] FORBUSCO LUMBER	Chloramine Project - Lumber, Chloramine Project - Lumber	174.36
12883	2/21/2024	[6486] GREEN TO GOLD ENTERPRISES	Chloramine Project - Outlet Box	5.97
12884	2/21/2024	[4922] GRUNDMAN'S SPORTING GOODS	Install Nightsight Optics	450.00
12885	2/21/2024	[7692] HEALTH SPORT	MEMBERSHIP - Agustin Sierra	112.00
12886	2/21/2024	[6932] MANSON, JESSE	CUSTOMER DEPOSIT REFUND	70.54
12887	2/21/2024	[2569] NORTH COAST LABORATORIES	Ammonia Nitrogen w/o Distillation, ELAP Certification Fee, Ammonia Nitrogen w/o Distillation, ELAP Certification Fee	390.00
12888	2/21/2024	[6100] NORTHERN CALIFORNIA GLOVE	Gloves, Safety Jackets and Pants	297.12
12889	2/21/2024	[4393] NYLEX.net. Inc.	MONTHLY MAINTENANCE FOR MARCH 2024	3,230.00
12890	2/21/2024	[6825] OPTIMUM	INTERNET SERVICES FEBRUARY 2024	900.00
12891	2/21/2024	[6943] PACE SUPPLY CORP	Valves	1,638.88
12892	2/21/2024	[6349] RECOLOGY EEL RIVER	Trash Bags for January 2024	241.86
12893	2/21/2024	[2664] ROGERS MACHINERY INC	Water Infiltration Gallery Pump	5,585.06
12894	2/21/2024	[2750] USA BLUEBOOK	pH Buffer Pack	235.72
12895	2/21/2024	[6173] VACMASTERS	Trigger Gun, Wand Pipe, Wand, Nozzles	252
12896	2/21/2024	[2787] WYCKOFF'S	Conduit, Coupling, and Bushings, Chloramine Project - Conduit, Box Cover, Connectors, and Switches, Outlet, Cover, and Cover, Chloramine Project - Adaptors, Nail Plate and Clamps	409
7	2/28/2024	[2225] AQUA SIERRA CONTROLS, INC	DFS Repair	305

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**City of Rio Dell  
Check Listing for City Council Meeting**

Ref#	Date	Vendor	Description	Amount
12898	2/28/2024	[6841] BADGER METER INC.	Auto-Chem Sample Pump Inlet and Outlet, Gas Phase Sulfite Sensor	428.95
12899	2/28/2024	[4063] CITY OF FERNDALE	Background Checks	296.30
12900	2/28/2024	[2303] COAST CENTRAL CREDIT UNION	POA Dues for PPE 2/23/2024	138.90
12901	2/28/2024	[7436] DODSON, JENNIFER	CUSTOMER DEPOSIT REFUND	55.75
12902	2/28/2024	[2501] KEENAN SUPPLY	Chloramine Project - Repair	496.66
12903	2/28/2024	[2519] LC ACTION POLICE SUPPLY	Super Sock Bean Bags	628.65
12904	2/28/2024	[7728] NATURAL RESOURCES SERVICES - RCAA	Rio Dell Eel River Trail Outreach and Education	4,800.00
12905	2/28/2024	[2569] NORTH COAST LABORATORIES	BOD/NFR, ELAP Certification Fee	300.00
12906	2/28/2024	[4393] NYLEX.net. Inc.	MONTHLY MAINTENANCE FOR FEBRUARY 2024	3,230.00
12907	2/28/2024	[2601] PETERSON	(2) Level 1 Generator Inspection, Perform Complete Inspection	2,006.42
12908	2/28/2024	[4338] QUILL CORPORATION	Blank Laser Check Top (Rose)	76.11
12909	2/28/2024	[5931] ROBERT COLBURN ELECTRIC, INC.	Connected Owner Supplied VFD	1,562.50
12910	2/28/2024	[7185] STAPLES ADVANTAGE	Pens, Note Pads, Ribbon Epson, Folders, Staples, Toner, Tape, Toner, Note Pads, Envelopes, Log Book, Toner, File Jackets	626.19
12911	2/28/2024	[2719] STATE WATER RESOURCES CONTROL BOARD	Wastewater Operator Certification Exam Grade 2	155.00
12912	2/28/2024	[6373] THATCHER COMPANY, INC.	Aqua Ammonia, 25% TECH - 375 # Drum, Sodium Bisulfite 25% - 275 G Tote, Deposit Return	7,067.25
12913	2/28/2024	[2750] USA BLUEBOOK	Chloramine Project - Translucent PE Tubing	190.26
12914	2/28/2024	[3917] VERIZON WIRELESS	Safety Phones PD & PW (& Mayor): Jan 17 - Feb 16	656.88
12915	2/28/2024	[6037] WELLS FARGO VENDOR FIN SERV	KYOCERA COPIER PAYMENT FOR MARCH 2024	391.07
12916	2/28/2024	[2787] WYCKOFF'S	Chloramine Project - Power Supply, Spliverm Tubing, Box, Wallplate	61.12
<b>Total Checks/Deposits</b>				<b>113,342.07</b>

Ref#	Date	Vendor	Description	Amount
6243378	2/02/2024	ELECTRONIC FUNDS TRANSFER	EFT: MISSIONSQUARE RETIREMENT PAYMENT FOR PPE 01/26/2024	-11,861.99
9837294	2/05/2024	ELECTRONIC FUNDS TRANSFER	EFT: ALLIED ADMIN-DELTA DENTAL PAYMENT FOR JANUARY 2024.	-1,997.32
613-968	2/05/2024	ELECTRONIC FUNDS TRANSFER	EFT FOR EDD PAYROLL TAXES FOR PPE 01/26/2024	-3,601.46
5173617	2/05/2024	ELECTRONIC FUNDS TRANSFER	EFT FOR EFTPS PAYROLL TAXES FOR PPE 01/26/2024	-16,994.
6693299	2/14/2024	ELECTRONIC FUNDS TRANSFER	EFT: MISSIONSQUARE RETIREMENT PAYMENT FOR PPE 02/09/2024	-11,861
5022343	2/14/2024	ELECTRONIC FUNDS TRANSFER	EFT: WEXBANK/SHELL FUEL COMPANY PAYMENT FOR JAN/FEB 2024.	-3,867
9837300	2/15/2024	ELECTRONIC FUNDS TRANSFER	EFT FOR PG&E ONLINE PAYMENT FOR FEBRUARY 2024	-24,077
302	2/20/2024	ELECTRONIC FUNDS TRANSFER	EFT: BANK OF AMERICA CREDIT CARD PAYMENTS FOR JAN & FEB 2024	-10,930
				<i>Section F, Item 4.</i>

**City of Rio Dell  
Check Listing for City Council Meeting**

Ref#	Date	Vendor	Description	Amount
9837299	2/20/2024	ELECTRONIC FUNDS TRANSFER	EFT: BENEFIT BRIDGE (PACE) PAYMENT FOR FEB 2024	-33,859.58
9837297	2/20/2024	ELECTRONIC FUNDS TRANSFER	EFT: DEARBORN LIFE INSURANCE PAYMENT FOR MARCH 2024.	-472.50
422-608	2/20/2024	ELECTRONIC FUNDS TRANSFER	EFT FOR EDD PAYROLL TAXES FOR PPE 02/09/2024	-3,147.45
1545652	2/20/2024	ELECTRONIC FUNDS TRANSFER	EFT FOR EFTPS PAYROLL TAXES FOR PPE 02/09/2024	-16,506.30
9837298	2/20/2024	ELECTRONIC FUNDS TRANSFER	EFT FOR VSP INSURANCE ONLINE PAYMENT FOR MARCH 2024	-445.12
9837303	2/29/2024	WITHDRAWAL	ANALYSIS SERVICE CHARGE FOR FEBRUARY 2024.	-310.99
192770	2/29/2024	ELECTRONIC FUNDS TRANSFER	EFT FOR AFLAC INSURANCE ONLINE PAYMENT FOR FEBRUARY 2024.	-1,626.56
<b>Total EFT's/Bank Withdrawals</b>				<b>-141,561.87</b>

Ref#	Date	Vendor	Description	Amount
TRX TO PR	2/12/2024	TRANSFER FROM CHECK TO PAYROLL ACCOUNT	TRANSFER TO PAYROLL ACCT FOR PPE 02/09/2024	-46,089.84
TRX TO PR	2/26/2024	TRANSFER FROM CHECK TO PAYROLL ACCOUNT	TRANSFER TO PAYROLL ACCT FOR PPE 02/23/2024	-45,238.54
<b>Total Transfer Between Accounts</b>				<b>-91,328.38</b>

Ref#	Date	Vendor	Description	Amount
16902	2/29/2024	WITHDRAWAL	DEBIT CARD FOR POSTAGE TO MAIL U/B BILLS FOR FEBRUARY 2024	-516.11
<b>Total Debit Card Withdrawals</b>				<b>-516.11</b>

Section F, Item 4.



## Staff Highlights – 2024-03-19

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### City Council

#### City Manager

Discussion on reimbursement timing for the Water CIP project with the Water Board staff. Due to the State's finance process, reimbursements for the project could be delayed many many months from the payment of contractors. This could lead to cash flow issues for the City, so staff will be looking into bridge financing and returning to the Council at a future date for possible action.

Meeting with County staff to discuss a Countywide sales tax for roads.

Discussions on the utilization of a phone app for Rental Housing Inspection Program.

Discussions ongoing with the County regarding update of the City's Emergency Operations Plan.

The City's Measure Z application for the Police Department is still alive and being reviewed by the Measure Z Committee.

### City Clerk

Processed Nine (9) Building Permit Applications:

1205 Riverside Dr. – Sewer Lateral

55 Belleview Ave. – Perimeter Foundation

415-425 Dixie St. – Sewer Lateral

223 Belleview Ave. – Residential Remodel

140 N. Pacific Ave. #4 – Gas Line

227 Ogle Ave. – Foundation Repairs

548 Rigby Ave. – Foundation and Misc. Earthquake Repairs

1125 Northwestern Ave. – Four (4) Shipping Containers

157 Monument Rd. – Sewer Cleanout

Processed One (1) Business License Application:

G.R. Sundberg, Inc. – Non-Resident Engineering Contractor

Processed One (1) Encroachment Permit Application

486 Third Ave. – Replace Pole and Overhead Service



Misc:

Submitted CHF/CIRB Building Permit Report for February

Submitted Bureau of Labor Statistics Employment Report for March

Attended LTRG Zoom Meeting on 3/14/24

City Attorney

Human Resources, Risk & Training

Finance Department

Budget Calendar Development

Finalizing MDA for annual audit presentation

Assist cannabis businesses with upcoming tax payments and required forms for the growing season.

Work with HCD reps and the County of Humboldt on CBDG grants

CRRSAA funding allocation request sent to Caltrans

Sent Audit RFP to potential candidates – addressing inquiries

PD ABC Grant Reimbursement

Worked with City contract engineers to get revised QAP to Caltrans

Hazardous Materials Response Authority (HMRA) invoicing and contracts

Worked with City Manager updating UEI #

Public Works Water

Public Works Wastewater

Monthly sampling 3/5/2024, results at end of month.

Repaired Lower Lateral break on 3<sup>rd</sup> Avenue and Dixie.

Jetted Riverside, 2<sup>nd</sup> & Elko, 1<sup>st</sup> & Elko, DJ's run, and both sides of Fern Lift Station.

Lateral Inspection at 1205 Riverside, Passed inspection. New Clean out was installed

Lateral Inspection at 415 Dixie. Passed inspection. New Clean out was installed.



**Public Works Streets, Buildings and Grounds**

**Public Works City Engineer**

**Public Works Capital Projects**

**Police Department**

The Department had the following statistics for the period of January 31 to March 12, 2024. The summation of Calls for Service may be greater than the total as multiple officers can now be assigned to the same call for service. There may also be administrative calls for service that are not documented below.

Officer	Calls for Service	Reports	Arrests
Allen	63	9	0
Conner	39	1	0
Beauchaine	113	1	0
Landry	132	24	9
House	67	15	1
Sierra	91	18	8
Felder	26	3	0
Clark	86	3	N/A
Totals	486	74	18
Averages	11.6 per day	12.3 per week	3.0 per week
2023 Yearly Average	13.7 per day	10.9 per week	3.6 per week

**Calls for Service at 355 Center Street**

Type	Date	Time	Location	Primary Unit	Case #
FU	02/09/2024	11:06:26	355 CENTER ST	6S2	
UNK	02/12/2024	03:23:32	355 CENTER ST	6S2	
WELFARE	02/12/2024	19:28:38	355 CENTER ST	R619	24-0000051
WELFARE	02/12/2024	19:45:52	355 CENTER ST	R619	
OUTAMB	02/22/2024	21:29:23	355 CENTER ST	R618	
FU	02/23/2024	07:22:20	355 CENTER ST	6S2	
WELFARE	02/25/2024	09:25:32	355 CENTER ST	6S2	
415	02/26/2024	07:21:26	355 CENTER ST	6S2	
415	02/26/2024	09:25:06	355 CENTER ST	6S2	
911U	02/26/2024	20:04:30	355 CENTER ST	R610	
415N	02/27/2024	17:29:24	355 CENTER ST	6S1	
602	03/04/2024	10:26:40	355 CENTER ST	6A1	24-0000068
UNW	03/05/2024	20:16:19	355 CENTER ST	6S1	24-0000069
FI	03/05/2024	21:56:03	355 CENTER ST	R618	
PROWLER	03/05/2024	22:24:03	355 CENTER ST	6S1	24-0000070
UNK	03/06/2024	19:08:27	355 CENTER ST	R618	



242R	03/07/2024	19:25:16	355 CENTER ST	6S1
FU	03/08/2024	08:33:34	355 CENTER ST	6S2

FI – Field Interview or pedestrian contact  
 415 – Argument or generic disturbance  
 FU – Follow up contact or generic call for service  
 WELFARE – Check for physical or mental health  
 911U – 911 hang up call  
 415N – Noise complaint  
 602 – Trespasser  
 UNW – Unwanted person on property  
 PROWLER – Suspicious person in area not open to the public  
 UNK – Unknown reason for call for service  
 242R – Assault and battery report

6S2 – Corporal Crystal Landry  
 R619 – Officer Aimee House  
 6S1 – Sergeant John Beauchaine  
 R618 – Officer Agustin Sierra  
 R610 – Sergeant Jeff Conner  
 6A1 – Chief Greg Allen

During the period of January 31 to March 12, 2024, there were twenty-four calls for service relating to animal control. Five dogs were taken to Miranda's rescue. Three dogs were arrested for being vagrants, however, all three were bailed out of custody by their humans. The other two had been abandoned by their human when he moved and left his dogs behind. The man's former roommate tried to take care of them, but they were more than he could handle.

Officer House and Officer Sierra completed a forty-hour course on Crisis Intervention Training. This class helps prepare officers for dealing with persons in the midst of a mental health crisis and is highly valuable training. Chief Allen taught a portion of this course.

Chief Allen represented Rio Dell PD along with members of other local law enforcement agencies in Hoops and Heroes Basketball Game against Zane Middle School 8<sup>th</sup> Grade Basketball Team. Of course, the heroes dominated the game and walked away with the victory!

The department is the proud caretaker of a medicine disposal kiosk located in the lobby. It is available to the public Monday through Friday 8am-5pm. Illegal street drugs, animal medicines, insulin, batteries, vitamins, cosmetics and syringes are not accepted.

On February 3, 2024, Corporal Landry went to check on a black BMW that had been stopped in the street for about thirty minutes. As she drove past, she noticed that the car did not have a front license plate. The man behind the wheel, waved and then took off. He was wearing a sweatshirt with the hood pulled up and he just did not look right. Corporal Landry turned around and tried to stop the vehicle for the minor equipment infraction. However, the driver accelerated and refused to yield to her lights and





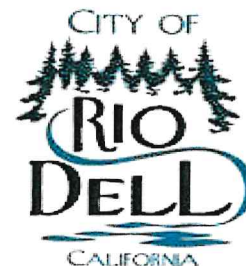
siren. The man sped on narrow streets and ran stop signs, trying to elude the police. The BMW got on the freeway and continued southbound at speeds over 100mph. Corporal Landry ended the pursuit. She was able to determine that the BMW belonged to the mother of a young man who had fled from Rio Dell officers on numerous occasions. She continued to investigate and was able to establish that the owner's son was the person driving the car. A warrant for his arrest was obtained and he was taken into custody about a week later when he was found hiding in the bathroom of his girlfriend's residence.

On February 9, 2024, Corporal Landry took a burglary report from a man who had been incarcerated for a week. Several thousand dollars worth of property was stolen. The victim had several security cameras that had been disabled by the thieves, but not before some of the video was stored in the cloud. Corporal Landry was able to recognize a woman leaving the house carrying more than one guitar. She wrote a search warrant for the woman's residence and recovered the guitars along with some of the other stolen property. A check of the woman's phone found evidence that another woman, the victim's ex-girlfriend, had been involved in the theft. A search warrant was obtained for her residence also and additional stolen property was recovered. Corporal Landry continued to investigate and received information that an e-bike stolen in the burglary was located in Redway. She wrote a third warrant which was served with the assistance of the Sheriff's Department and the \$6,000 bike was recovered. Additional information directed Corporal Landry to a fourth residence, this one in Rio Dell. Another search warrant was served, however, no additional evidence or stolen property was located. So far, three persons have been charged/arrested in the case and there are additional suspects that are still under investigation.

### **Community Development Department**

### **Intergovernmental**

### **Humboldt-Rio Dell Business Park**



*Rio Dell City Hall  
675 Wildwood Avenue  
Rio Dell, CA 95562  
(707) 764-3532  
cityofriodell.ca.gov*

March 19, 2024

TO: Rio Dell City Council

FROM: Kyle Knopp, City Manager

SUBJECT: Discussion on the “Taxpayer Deception Act” AKA “Taxpayer Protection and Accountability Act”

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Direct the City Manager to draft a letter of opposition. Or;

Provide alternative direction to staff.

BACKGROUND AND DISCUSSION

On November 9, 2022 the voters of the City of Rio Dell approved Measure ‘O’ which is a 0.75 percent sales tax. Measure ‘O’ replaced the original Measure ‘J’ sales tax rate which was set at the higher 1 % sales tax rate. This tax generates approximately \$300,000 per year for the general fund. The general fund is the primary source of funding for the police department. The general fund has also been the primary source of funding for the past five years of streets projects. The tax has led to significant staffing increases in the Police Department and a Pavement Condition index that has increased by nearly 25% since 2017.

The so called “Taxpayer Protection and Government Accountability Act” would amend the California Constitution with provisions that limit voters' authority and input, adopt new and stricter rules for raising taxes and fees, and may make it more difficult to impose fines and penalties for violation of state and local laws.

The measure puts billions of local government tax and fee revenues at risk statewide with related core public service impacts. The measure would have significant negative impacts on the City of Rio Dell operations and core service delivery. Specifically, it would retroactively eliminate the local voters approval of Measure O since the measure does not have a sunset date. In doing so, the measure would eliminate approximately one fifth of General Fund revenues and impacting all the services associated with.

**I. MAJOR PROVISIONS**

Fees and Charges<sup>1</sup>:

- Except for licensing and other regulatory fees, fees and charges may not exceed the “actual cost” of providing the product or service for which the fee is charged. “Actual cost” is the “minimum amount necessary.” The burden to prove the fee or charge does not exceed “actual cost” is changed to “clear and convincing” evidence.
- Requires fees and charges paid for the use of local and state government property and the amount paid to purchase or rent government property to be “reasonable.” These fees and charges are currently allowed to be market-based. Whether the amount is “reasonable” (introducing a new legal standard aiming to force below market fee and charge amounts) must be proved by “clear and convincing evidence.”<sup>2</sup> The standard may significantly reduce the amount large companies (e.g., oil, utilities, gas, railroads, garbage/refuse, cable, and other corporations) will pay for the use of local public property.
- Prohibits fees on new development based on vehicle miles traveled.

Taxes<sup>3</sup>:

- Taxes and fees adopted after Jan. 1, 2022, that do not comply with the new rules, are void unless reenacted<sup>4</sup>.
- Invalidates *Upland* decision that allows a majority of local voters to pass special taxes. The measure specifies that taxes proposed by the initiative are subject to the same rules as taxes placed on the ballot by a city council.
- Expressly prohibits local advisory measures which allow local voters to express a preference for how local general tax dollars should be spent.<sup>5</sup>
- Requires voter approval to expand existing taxes (e.g., Utility, Transient Occupancy) to new territory (e.g., annexations) or to expand the tax base (e.g., new utility service)
- New taxes can only be imposed for a specific time period.
- City charters may not be amended to include a tax or fee.
- All state taxes require majority voter approval.

Fines and Penalties<sup>6</sup>:

- May require voter approval of fines, penalties, and levies for corporations and property owners that violate state and local laws unless a new, undefined adjudicatory process is used to impose the fines and penalties.

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<sup>1</sup> Initiative No. 21-0042A1 (pgs.4-6; Section 1 (a)-(j))  
<sup>2</sup> Initiative No. 21-0042A1 (pg.5; (3))  
<sup>3</sup> Initiative No. 21-0042A1 (pgs.4-6; Section 1 (a)-(j))  
<sup>4</sup> Initiative No. 21-0042A1 (pg.7; Section 6 (Sec. 2)(g))  
<sup>5</sup> Initiative No. 21-0042A1 (pg.6 (3))  
<sup>6</sup> Initiative No. 21-0042A1 (pg. 5 (4))

## II. DISCUSSION/ADDITIONAL BACKGROUND

On Jan. 4, 2022, the California Business Roundtable filed the “Taxpayer Protection and Government Accountability Act” or AG# 21-0042A1. On Feb. 1, 2023, the measure qualified for the November 2024 ballot.

The League of California Cities, along with a broad coalition of local governments, labor and public safety leaders, infrastructure advocates, and businesses, strongly opposes this initiative. Local government revenue-raising authority is currently substantially restricted by state statute and constitutional provisions, including the voter approved provisions of Proposition 13 of 1978, Proposition 218 of 1996, and Proposition 26 of 2010. The Taxpayer Protection and Government Accountability Act adds and expands restrictions on voters and local government tax and fee authority.

### **Fees and Taxes**

Local governments levy a variety of fees and other charges to provide core public services.

Major examples of affected fees and charges are:

- Nuisance abatement charges, such as for weed, rubbish, and general nuisance abatement to fund community safety, code enforcement, and neighborhood cleanup programs.
- Commercial franchise fees.
- Emergency response fees, such as in connection with DUI.
- Advanced Life Support (ALS) transport charges.
- Document processing and duplication fees.
- Transit fees, tolls, parking fees, and public airport and harbor use fees.
- Facility use charges, fees for parks and recreation services, garbage disposal tipping fees.

Virtually every city, county, and special district must regularly (e.g., annually) adopt increases to fee rates and charges and revise rate schedules to accommodate new users and activities. Most of these would be subject to new standards and limitations under threat of legal challenge. Based on the current volume of fees and charges imposed by local agencies, including council-adopted increases to simply accommodate inflation, Cal Cities estimates the amount of local government fee and charge revenue at risk is approximately \$2 billion per year including those adopted since Jan. 1, 2022. Over ten years, \$20 billion of local government fee and charge revenues will be at heightened legal peril.

Hundreds of local tax measures were approved in 2022<sup>7</sup> that likely do not comply with the provisions of the initiative. Nearly \$2 billion of annual revenues from these voter-approved measures will cease a year after the effective date of the measure, reducing the local public services funded by these measures, unless the tax is re-submitted for voter approval.

Reductions on local government tax revenues have impacts on core services and infrastructure including fire and emergency response, law enforcement, streets and roads, drinking water, sewer sanitation, parks, libraries, affordable housing, homelessness prevention, and mental health services.

### **Fines and Penalties**

Under existing law, cities are required to provide due process before imposing a penalty or fine for violation of its municipal code:

1. A local agency must adopt administrative procedures that govern imposing fines and penalties, including providing a reasonable period of time for a person responsible for a continuing violation to correct or remedy the violation [Gov't Code 53069.4].

<sup>7</sup> <http://www.californiacityfinance.com/Votes2211final.pdf>

2. Notice must be given to the violating party before imposing the penalty; and give the party an opportunity to be heard and present any facts or arguments [*Merco Construction Engineers v. Los Angeles Unified School District* (1969) 274 CA 2d 154, 166].
3. The fine may not be "excessive" [U.S. Constitution amendments VIII and XIV].

The initiative converts administratively-imposed fines and penalties into taxes unless a new, undefined, and ambiguous "adjudicatory due process" is followed. This provision may put at risk authority to impose fines and penalties for violations of state and local law.

### III. FISCAL IMPACT

The Taxpayer Protection and Government Accountability Act will take billions of dollars away from local government services statewide. This includes approximately \$300,000 annually from Police and street services.

Attachments:

Full text of the measure

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BELL, McANDREWS & HILTACHK, LLP  
ATTORNEYS AND COUNSELORS AT LAW  
455 CAPITOL MALL, SUITE 600  
SACRAMENTO, CALIFORNIA 95814

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21-0042 Amdt. # 1

January 4, 2022

RECEIVED

JAN 04 2022

INITIATIVE COORDINATOR  
ATTORNEY GENERAL'S OFFICE

Anabel Renteria  
Initiative Coordinator  
Office of the Attorney General  
State of California  
PO Box 994255  
Sacramento, CA 94244-25550

Re: Initiative 21-0042 - Amendment Number One

Dear Initiative Coordinator:

Pursuant to subdivision (b) of Section 9002 of the Elections Code, enclosed please find Amendment #1 to Initiative No. 21-0042 "The Taxpayer Protection and Government Accountability Act." The amendments are reasonably germane to the theme, purpose or subject of the initiative measure as originally proposed.

I am the proponent of the measure and request that the Attorney General prepare a circulating title and summary of the measure as provided by law, using the amended language.

Thank you for your time and attention processing my request.

Sincerely,



Thomas W. Hiltachk

## The Taxpayer Protection and Government Accountability Act

[Deleted codified text is denoted in ~~strikeout~~. Added codified text is denoted by *italics and underline*.]

### Section 1. Title

This Act shall be known, and may be cited as, the Taxpayer Protection and Government Accountability Act.

### Section 2. Findings and Declarations

(a) Californians are overtaxed. We pay the nation’s highest state income tax, sales tax, and gasoline tax. According to the U.S. Census Bureau, California’s combined state and local tax burden is the highest in the nation. Despite this, and despite two consecutive years of obscene revenue surpluses, state politicians in 2021 alone introduced legislation to raise more than \$234 *billion* in new and higher taxes and fees.

(b) Taxes are only part of the reason for California’s rising cost-of-living crisis. Californians pay billions more in hidden “fees” passed through to consumers in the price they pay for products, services, food, fuel, utilities and housing. Since 2010, government revenue from state and local “fees” has more than doubled.

(c) California’s high cost of living not only contributes to the state’s skyrocketing rates of poverty and homelessness, they are the pushing working families and job-providing businesses out of the state. The most recent Census showed that California’s population dropped for the first time in history, costing us a seat in Congress. In the past four years, nearly 300 major corporations relocated to other states, not counting thousands more small businesses that were forced to move, sell or close.

(d) California voters have tried repeatedly, at great expense, to assert control over whether and how taxes and fees are raised. We have enacted a series of measures to make taxes more predictable, to limit what passes as a “fee,” to require voter approval, and to guarantee transparency and accountability. These measures include Proposition 13 (1978), Proposition 62 (1986), Proposition 218 (1996), and Proposition 26 (2010).

(e) Contrary to the voters’ intent, these measures that were designed to control taxes, spending and accountability, have been weakened and hamstrung by the Legislature, government lawyers, and the courts, making it necessary to pass yet another initiative to close loopholes and reverse hostile court decisions.

### Section 3. Statement of Purpose

(a) In enacting this measure, the voters reassert their right to a voice and a vote on new and higher taxes by requiring any new or higher tax to be put before voters for approval. Voters also intend that all fees and other charges are passed or rejected by the voters themselves or a governing body elected by voters and not unelected and unaccountable bureaucrats.

(b) Furthermore, the purpose and intent of the voters in enacting this measure is to increase transparency and accountability over higher taxes and charges by requiring any tax measure placed on the ballot—

either at the state or local level—to clearly state the type and rate of any tax, how long it will be in effect, and the use of the revenue generated by the tax.

(c) Furthermore, the purpose and intent of the voters in enacting this measure is to clarify that any new or increased form of state government revenue, by any name or manner of extraction paid directly or indirectly by Californians, shall be authorized only by a vote of the Legislature and signature of the Governor to ensure that the purposes for such charges are broadly supported and transparently debated.

(d) Furthermore, the purpose and intent of the voters in enacting this measure is also to ensure that taxpayers have the right and ability to effectively balance new or increased taxes and other charges with the rapidly increasing costs Californians are already paying for housing, food, childcare, gasoline, energy, healthcare, education, and other basic costs of living, and to further protect the existing constitutional limit on property taxes and ensure that the revenue from such taxes remains local, without changing or superseding existing constitutional provisions contained in Section 1(c) of Article XIII A.

(e) In enacting this measure, the voters also additionally intend to reverse loopholes in the legislative two-thirds vote and voter approval requirements for government revenue increases created by the courts including, but not limited to, *Cannabis Coalition v. City of Upland*, *Chamber of Commerce v. Air Resources Board*, *Schmeer v. Los Angeles County*, *Johnson v. County of Mendocino*, *Citizens Assn. of Sunset Beach v. Orange County Local Agency Formation Commission*, and *Wilde v. City of Dunsmuir*.

Section 4. Section 3 of Article XIII A of the California Constitution is amended to read:

Sec. 3(a) Every levy, charge, or exaction of any kind imposed by state law is either a tax or an exempt charge.

(b)(1) (a) Any change in state statute law which results in any taxpayer paying a new or higher tax must be imposed by an act passed by not less than two-thirds of all members elected to each of the two houses of the Legislature, and submitted to the electorate and approved by a majority vote, except that no new ad valorem taxes on real property, or sales or transaction taxes on the sales of real property, may be imposed. Each Act shall include:

(A) A specific duration of time that the tax will be imposed and an estimate of the annual amount expected to be derived from the tax.

(B) A specific and legally binding and enforceable limitation on how the revenue from the tax can be spent. If the revenue from the tax can be spent for unrestricted general revenue purposes, then a statement that the tax revenue can be spent for “unrestricted general revenue purposes” shall be included in a separate, stand-alone section. Any proposed change to the use of the revenue from the tax shall be adopted by a separate act that is passed by not less than two-thirds of all members elected to each of the two houses of the Legislature and submitted to the electorate and approved by a majority vote.

(2) The title and summary and ballot label or question required for a measure pursuant to the Elections Code shall, for each measure providing for the imposition of a tax, including a measure proposed by an elector pursuant to Article II, include:

(A) The type and amount or rate of the tax;

(B) The duration of the tax; and



(C) The use of the revenue derived from the tax.

(c) Any change in state law which results in any taxpayer paying a new or higher exempt charge must be imposed by an act passed by each of the two houses of the Legislature. Each act shall specify the type of exempt charge as provided in subdivision (e), and the amount or rate of the exempt charge to be imposed.

(d) (b) As used in this section and in Section 9 of Article II, "tax" means every any levy, charge, or exaction of any kind imposed by the State state law that is not an exempt charge, except the following:

(e) As used in this section, "exempt charge" means only the following:

~~(1) a charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the State of conferring the benefit or granting the privilege to the payor.~~

(1) (2) A reasonable charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable actual costs to the State of providing the service or product to the payor.

(2) (3) A charge imposed for the reasonable regulatory costs to the State incident to issuing licenses and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof.

(3) A levy, charge, or exaction collected from local units of government, health care providers or health care service plans that is primarily used by the State of California for the purposes of increasing reimbursement rates or payments under the Medi-Cal program, and the revenues of which are primarily used to finance the non-federal portion of Medi-Cal medical assistance expenditures.

(4) A reasonable charge imposed for entrance to or use of state property, or the purchase, rental, or lease of state property, except charges governed by Section 15 of Article XI.

(5) A fine, or penalty, or other monetary charge including any applicable interest for nonpayment thereof, imposed by the judicial branch of government or the State, as a result of a state administrative enforcement agency pursuant to adjudicatory due process, to punish a violation of law.

(6) A levy, charge, assessment, or exaction collected for the promotion of California tourism pursuant to Chapter 1 (commencing with Section 13995) of Part 4.7 of Division 3 of Title 2 of the Government Code.

(f) (e) Any tax or exempt charge adopted after January 1, 2022 2010, but prior to the effective date of this act, that was not adopted in compliance with the requirements of this section is void 12 months after the effective date of this act unless the tax or exempt charge is reenacted by the Legislature and signed into law by the Governor in compliance with the requirements of this section.

(g) (1) (d) The State bears the burden of proving by a preponderance of the clear and convincing evidence that a levy, charge, or other exaction is an exempt charge and not a tax. The State bears the burden of proving by clear and convincing evidence that the amount of the exempt charge is reasonable and that the amount charged does not exceed the actual cost of providing the service or product to the payor. that the amount is no more than necessary to cover the reasonable costs of the governmental activity and

that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor's burdens on, or benefits received from, the governmental activity

(2) The retention of revenue by, or the payment to, a non-governmental entity of a levy, charge, or exaction of any kind imposed by state law, shall not be a factor in determining whether the levy, charge, or exaction is a tax or exempt charge.

(3) The characterization of a levy, charge, or exaction of any kind as being voluntary, or paid in exchange for a benefit, privilege, allowance, authorization, or asset, shall not be a factor in determining whether the levy, charge, or exaction is a tax or an exempt charge.

(4) The use of revenue derived from the levy, charge or exaction shall be a factor in determining whether the levy, charge, or exaction is a tax or exempt charge.

(h) As used in this section:

(1) "Actual cost" of providing a service or product means: (i) the minimum amount necessary to reimburse the government for the cost of providing the service or product to the payor, and (ii) where the amount charged is not used by the government for any purpose other than reimbursing that cost. In computing "actual cost" the maximum amount that may be imposed is the actual cost less all other sources of revenue including, but not limited to taxes, other exempt charges, grants, and state or federal funds received to provide such service or product.

(2) "Extend" includes, but is not limited to, doing any of the following with respect to a tax or exempt charge: lengthening its duration, delaying or eliminating its expiration, expanding its application to a new territory or class of payor, or expanding the base to which its rate is applied.

(3) "Impose" means adopt, enact, reenact, create, establish, collect, increase or extend.

(4) "State law" includes, but is not limited to, any state statute, state regulation, state executive order, state resolution, state ruling, state opinion letter, or other legal authority or interpretation adopted, enacted, enforced, issued, or implemented by the legislative or executive branches of state government. "State law" does not include actions taken by the Regents of the University of California, Trustees of the California State University, or the Board of Governors of the California Community Colleges.

Section 5. Section 1 of Article XIII C of the California Constitution is amended, to read:

Sec. 1. Definitions. As used in this article:

(a) "Actual cost" of providing a service or product means: (i) the minimum amount necessary to reimburse the government for the cost of providing the service or product to the payor, and (ii) where the amount charged is not used by the government for any purpose other than reimbursing that cost. In computing "actual cost" the maximum amount that may be imposed is the actual cost less all other sources of revenue including, but not limited to taxes, other exempt charges, grants, and state or federal funds received to provide such service or product.

(b) "Extend" includes, but is not limited to, doing any of the following with respect to a tax, exempt charge, or Article XIII D assessment, fee, or charge: lengthening its duration, delaying or eliminating its expiration, expanding its application to a new territory or class of payor, or expanding the base to which its rate is applied.

~~(c)~~ ~~(a)~~ "General tax" means any tax imposed for general governmental purposes.

~~(d)~~ "Impose" means adopt, enact, reenact, create, establish, collect, increase, or extend.

~~(e)~~ ~~(b)~~ "Local government" means any county, city, city and county, including a charter city or county, any special district, or any other local or regional governmental entity, or an elector pursuant to Article II or the initiative power provided by a charter or statute.

~~(f)~~ "Local law" includes, but is not limited to, any ordinance, resolution, regulation, ruling, opinion letter, or other legal authority or interpretation adopted, enacted, enforced, issued, or implemented by a local government.

~~(g)~~ ~~(c)~~ "Special district" means an agency of the State, formed pursuant to general law or a special act, for the local performance of governmental or proprietary functions with limited geographic boundaries including, but not limited to, school districts and redevelopment agencies.

~~(h)~~ ~~(d)~~ "Special tax" means any tax imposed for specific purposes, including a tax imposed for specific purposes, which is placed into a general fund.

~~(i)~~ ~~(e)~~ As used in this article, and in Section 9 of Article II, "tax" means every any-levy, charge, or exaction of any kind, imposed by a local government law that is not an exempt charge. ~~except the following:~~

~~(i)~~ As used in this section, "exempt charge" means only the following:

~~(1)~~ A charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege.

~~(1)~~ ~~(2)~~ A reasonable charge imposed for a specific local government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable actual costs to the local government of providing the service or product.

~~(2)~~ ~~(3)~~ A charge imposed for the reasonable regulatory costs to a local government for issuing licenses and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof.

~~(3)~~ ~~(4)~~ A reasonable charge imposed for entrance to or use of local government property, or the purchase, rental, or lease of local government property.

~~(4)~~ ~~(5)~~ A fine, or penalty, ~~or other monetary charge~~ including any applicable interest for nonpayment thereof, imposed by the judicial branch of government or a local government administrative enforcement agency pursuant to adjudicatory due process, ~~as a result of~~ to punish a violation of law.

~~(5)~~ ~~(6)~~ A charge imposed as a condition of property development. No levy, charge, or exaction regulating or related to vehicle miles traveled may be imposed as a condition of property development or occupancy.

~~(6)~~ ~~(7)~~ An Assessments and property-related fees assessment, fee, or charge imposed in accordance with the provisions of subject to Article XIII D, or an assessment imposed upon a business in a tourism marketing district, a parking and business improvement area, or a property and business improvement district.

(7) A charge imposed for a specific health care service provided directly to the payor and that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the health care service. As used in this paragraph, a "health care service" means a service licensed or exempt from licensure by the state pursuant to Chapters 1, 1.3, or 2 of Division 2 of the Health and Safety Code.

The local government bears the burden of proving by a preponderance of the evidence that a levy, charge, or other exaction is not a tax, that the amount is no more than necessary to cover the reasonable costs of the governmental activity and that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor's burdens on, or benefits received from, the governmental activity.

Section 6. Section 2 of Article XIII C of the California Constitution is amended to read:

Sec. 2. Local Government Tax Limitation. Notwithstanding any other provision of this Constitution:

(a) Every levy, charge, or exaction of any kind imposed by local law is either a tax or an exempt charge. All taxes imposed by any local government shall be deemed to be either general taxes or special taxes. Special purpose districts or agencies, including school districts, shall have no power to levy general taxes.

(b) No local law government, whether proposed by the governing body or by an elector, may impose, extend, or increase any general tax unless and until that tax is submitted to the electorate and approved by a majority vote. A general tax shall not be deemed to have been increased if it is imposed at a rate not higher than the maximum rate so approved. The election required by this subdivision shall be consolidated with a regularly scheduled general election for members of the governing body of the local government, except in cases of emergency declared by a unanimous vote of the governing body.

~~(c) Any general tax imposed, extended, or increased, without voter approval, by any local government on or after January 1, 1995, and prior to the effective date of this article, shall continue to be imposed only if approved by a majority vote of the voters voting in an election on the issue of the imposition, which election shall be held within two years of the effective date of this article and in compliance with subdivision (b).~~ (d) No local law government, whether proposed by the governing body or by an elector, may impose, extend, or increase any special tax unless and until that tax is submitted to the electorate and approved by a two-thirds vote. A special tax shall not be deemed to have been increased if it is imposed at a rate not higher than the maximum rate so approved.

(d) The title and summary and ballot label or question required for a measure pursuant to the Elections Code shall, for each measure providing for the imposition of a tax, include:

(1) The type and amount or rate of the tax;

(2) the duration of the tax; and

(3) The use of the revenue derived from the tax. If the proposed tax is a general tax, the phrase "for general government use" shall be required, and no advisory measure may appear on the same ballot that would indicate that the revenue from the general tax will, could, or should be used for a specific purpose.

(e) Only the governing body of a local government, other than an elector pursuant to Article II or the initiative power provided by a charter or statute, shall have the authority to impose any exempt charge. The governing body shall impose an exempt charge by an ordinance specifying the type of exempt charge

as provided in Section 1(j) and the amount or rate of the exempt charge to be imposed, and passed by the governing body. This subdivision shall not apply to charges specified in paragraph (7) of subdivision (j) of Section 1.

(f) No amendment to a Charter which provides for the imposition, extension, or increase of a tax or exempt charge shall be submitted to or approved by the electors, nor shall any such amendment to a Charter hereafter submitted to or approved by the electors become effective for any purpose.

(g) Any tax or exempt charge adopted after January 1, 2022, but prior to the effective date of this act, that was not adopted in compliance with the requirements of this section is void 12 months after the effective date of this act unless the tax or exempt charge is reenacted in compliance with the requirements of this section.

(h)(1) The local government bears the burden of proving by clear and convincing evidence that a levy, charge or exaction is an exempt charge and not a tax. The local government bears the burden of proving by clear and convincing evidence that the amount of the exempt charge is reasonable and that the amount charged does not exceed the actual cost of providing the service or product to the payor.

(2) The retention of revenue by, or the payment to, a non-governmental entity of a levy, charge, or exaction of any kind imposed by a local law, shall not be a factor in determining whether the levy, charge, or exaction is a tax or exempt charge.

(3) The characterization of a levy, charge, or exaction of any kind imposed by a local law as being paid in exchange for a benefit, privilege, allowance, authorization, or asset, shall not be factors in determining whether the levy, charge, or exaction is a tax or an exempt charge.

(4) The use of revenue derived from the levy, charge or exaction shall be a factor in determining whether the levy, charge, or exaction is a tax or exempt charge.

Section 7. Section 3 of Article XIII D of the California Constitution is amended, to read:

Sec. 3. Property Taxes, Assessments, Fees and Charges Limited

(a) No tax, assessment, fee, ~~or~~ charge, or surcharge, including a surcharge based on the value of property, shall be assessed ~~by any agency~~ upon any parcel of property or upon any person as an incident of property ownership except:

(1) The ad valorem property tax ~~imposed pursuant to~~ described in Section 1(a) of Article XIII and Section 1(a) of Article XIII A, and described and enacted pursuant to the voter approval requirement in Section 1(b) of Article XIII A.

(2) Any special non-ad valorem tax receiving a two-thirds vote of qualified electors pursuant to Section 4 of Article XIII A, or after receiving a two-thirds vote of those authorized to vote in a community facilities district by the Legislature pursuant to statute as it existed on December 31, 2021.

(3) Assessments as provided by this article.

(4) Fees or charges for property related services as provided by this article.

(b) For purposes of this article, fees for the provision of electrical or gas service shall not be deemed charges or fees imposed as an incident of property ownership.

Section 8. Sections 1 and 14 of Article XIII are amended to read:

Sec. 1 Unless otherwise provided by this Constitution or the laws of the United States:

(a) All property is taxable and shall be assessed at the same percentage of fair market value. When a value standard other than fair market value is prescribed by this Constitution or by statute authorized by this Constitution, the same percentage shall be applied to determine the assessed value. The value to which the percentage is applied, whether it be the fair market value or not, shall be known for property tax purposes as the full value.

(b) All property so assessed shall be taxed in proportion to its full value.

(c) All proceeds from the taxation of property shall be apportioned according to law to the districts within the counties.

Sec. 14. All property taxed by state or local government shall be assessed in the county, city, and district in which it is situated. Notwithstanding any other provision of law, such state or local property taxes shall be apportioned according to law to the districts within the counties.

Section 9. General Provisions

A. This Act shall be liberally construed in order to effectuate its purposes.

B. (1) In the event that this initiative measure and another initiative measure or measures relating to state or local requirements for the imposition, adoption, creation, or establishment of taxes, charges, and other revenue measures shall appear on the same statewide election ballot, the other initiative measure or measures shall be deemed to be in conflict with this measure. In the event that this initiative measure receives a greater number of affirmative votes, the provisions of this measure shall prevail in their entirety, and the provisions of the other initiative measure or measures shall be null and void.

(2) In furtherance of this provision, the voters hereby declare that this measure conflicts with the provisions of the "Housing Affordability and Tax Cut Act of 2022" and "The Tax Cut and Housing Affordability Act," both of which would impose a new state property tax (called a "surcharge") on certain real property, and where the revenue derived from the tax is provided to the State, rather than retained in the county in which the property is situated and for the use of the county and cities and districts within the county, in direct violation of the provisions of this initiative.

(3) If this initiative measure is approved by the voters, but superseded in whole or in part by any other conflicting initiative measure approved by the voters at the same election, and such conflicting initiative is later held invalid, this measure shall be self-executing and given full force and effect.

C. The provisions of this Act are severable. If any portion, section, subdivision, paragraph, clause, sentence, phrase, word, or application of this Act is for any reason held to be invalid by a decision of any court of competent jurisdiction, that decision shall not affect the validity of the remaining portions of this Act. The People of the State of California hereby declare that they would have adopted this Act and each and every portion, section, subdivision, paragraph, clause, sentence, phrase, word, and application not

declared invalid or unconstitutional without regard to whether any portion of this Act or application thereof would be subsequently declared invalid.

D. If this Act is approved by the voters of the State of California and thereafter subjected to a legal challenge alleging a violation of state or federal law, and both the Governor and Attorney General refuse to defend this Act, then the following actions shall be taken:

(1) Notwithstanding anything to the contrary contained in Chapter 6 of Part 2 of Division 3 of Title 2 of the Government Code or any other law, the Attorney General shall appoint independent counsel to faithfully and vigorously defend this Act on behalf of the State of California.

(2) Before appointing or thereafter substituting independent counsel, the Attorney General shall exercise due diligence in determining the qualifications of independent counsel and shall obtain written affirmation from independent counsel that independent counsel will faithfully and vigorously defend this Act. The written affirmation shall be made publicly available upon request.

(3) A continuous appropriation is hereby made from the General Fund to the Controller, without regard to fiscal years, in an amount necessary to cover the costs of retaining independent counsel to faithfully and vigorously defend this Act on behalf of the State of California.

(4) Nothing in this section shall prohibit the proponents of this Act, or a bona fide taxpayers association, from intervening to defend this Act.


675 Wildwood Avenue  
Rio Dell, CA 95562  
(707) 764-3532



**For the Meeting of March 19, 2024**

Consent Item;  Public Hearing Item

To: City Council

From: Kevin Caldwell, Community Development Director 

Through: Kyle Knopp, City Manager

Date: March 6, 2024

Subject: Text Amendments to the Rio Dell Municipal Code (RDMC) to establish a Cannabis Cultivation Tax Guarantee.

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**Recommendation:**

That the City Council:

1. Allow staff to summarize Ordinance No. 404-2024 amending the Rio Dell Municipal Code (RDMC) to establish a Cannabis Cultivation Tax Guarantee; and
2. Receive comments from the public; and
3. If there are no recommended changes to the Ordinance, approve and adopt Ordinance No. 403-2024 codifying the recommended changes.



**Discussion:**

As discussed at the meeting on February 20<sup>th</sup> staff presented Ordinance No. 404-2024 amending the Rio Dell Municipal Code (RDMC) to establish a Cannabis Cultivation Tax Guarantee.

The purpose of the Ordinance is to ensure that the City gets paid its cannabis taxes. As explained at the last meeting staff has significant concerns that there is a real possibility that a farmer can “grow and go” without paying their cultivation taxes. Due to this concern and the instability of the outdoor cannabis market, staff is recommending that the City amend the City’s Cannabis Tax regulations to establish a tax guarantee.

Attachment 1 includes a draft Ordinance which if approved and adopted would allow the City, at its sole discretion, to require either a **surety bond, a deposit in escrow, or a letter of credit** from a bank or other responsible financial institution authorized to do such business in the state.

**Attachment 1: Ordinance No. 404-2024**

**ORDINANCE NO. 404-2024**



**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RIO DELL  
APPROVING AMENDMENTS TO THE RIO DELL MUNICIPAL CODE TO ESTABLISH A  
CANNABIS CULTIVATION TAX GUARANTEE.**

**THE CITY COUNCIL OF THE CITY OF RIO DELL ORDAINS AS FOLLOWS:**

**WHEREAS** the City established commercial cannabis regulations, Section 17.30.090 of the Rio Dell Municipal Code (RDMC); and

**WHEREAS** in 2017 approximately 81% of the voters of Rio Dell approved Measure X which requires the City to tax cannabis operators at either a percentage of their gross revenue or by the square footage of their operation; and

**WHEREAS** the City currently taxes cultivators at \$2.00 per square foot; and

**WHEREAS** for the most part, the City's cultivators have paid their taxes; and

**WHEREAS** Dinsmore Plateau Farms did not pay their cultivation taxes and late charges for the 2022 growing season; and

**WHEREAS** the City worked with the owners to reduce the tax amount by 50% to \$71,600 and waive the late fees resulting in a total reduction of \$89,500; and

**WHEREAS** Dinsmore Plateau Farms leased the operations to a new operator for the 2023 growing season; and

**WHEREAS** the new operator paid the outstanding balance of \$71,600 before the 2023 growing season; and

**WHEREAS** the new operator reported that they intended to cultivate 21,000 square feet; and

**WHEREAS** the 2023 operator recently informed the City that they are no longer involved with the Dinsmore Plateau Farms property; and

**WHEREAS** the City inquired about the taxes for the 2023 growing season and the operator reported that the crop had mold and fungus issues that impacted overall production; and

**WHEREAS** at this point the City hopes to work with the operator but is not expecting to receive the entire \$42,000 in taxes for the 2023 growing season; and

**WHEREAS** the City currently does not require security to ensure the payment of taxes; and

**WHEREAS** staff recommends to ensure that a cultivator performs its fiduciary responsibility to timely remit taxes, the cultivator shall provide a guarantee by one or more of the methods specified in this section in the amount of \$2.00 per square foot of cultivation as identified in the annual cultivation declaration. The requirement for a guarantee shall remain in force at the sole discretion of the City; and

**WHEREAS** staff recommends that the cultivators either provide a surety bond, a deposit in escrow, or a letter of credit from a bank or other responsible financial institution authorized to do such business in the state, a letter of credit in a form acceptable to the City attorney; and

**WHEREAS** the proposed action is exempt from the requirements of the California Environmental Quality Act (CEQA) in that it is not a project that has the potential to cause a significant effect on the environment under Title 14 of the California Code of Regulations, Section 15061(b)(3).

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

**Section 1.**

Article II of Title 5 of the Rio Dell Municipal Code is hereby amended to read in as follows:

5.40.260 Security for payment of taxes.

(1) Surety Bond for Cultivation Activity

(a) The City at its sole discretion may require a guaranty for the payment of cultivation taxes, based on the annual cultivation declaration.

(b) Guarantee required. To ensure that persons engaged in business involving commercial cannabis cultivation activity timely remit taxes levied by this chapter, such person shall provide a guarantee by one or more of the methods specified in this section in the amount of \$2.00 per square foot of cultivation as identified in the annual cultivation declaration. The requirement for a guarantee shall remain in force at the sole discretion of the City.

(c) Persons to provide guarantee. The guarantee required under this section shall be provided before March 1<sup>st</sup> of each year by persons engaged in business involving commercial cannabis cultivation activity or by a personal guarantee from an owner(s), partner(s), member(s), officer(s), director(s), or responsible party(ies) of the cultivator, or any combination thereof.

(d) Methods. Persons engaged in business involving commercial cannabis cultivation activity shall provide one or more of the following methods to guarantee the performance of their obligations under this Chapter.

(i) Surety bond. Persons engaged in business involving commercial cannabis cultivation activity may elect to provide a surety bond, as defined by section 995.120 of the Code of Civil Procedure, in an amount defined in subsection (a) of this section, from a company authorized to do such business in the state. The bond shall be in a form acceptable to the City attorney. The bond shall be payable to the City and shall be conditioned upon payment in full of the tax, including penalties and interest due and to become due and owing to the City by said person engaged in business involving commercial cannabis cultivation activity during the effective period of the bond under the provisions of this chapter. The surety may terminate this bond,

except as to any liability already incurred or accrued, and may do so upon giving the cultivator and the Finance Director written notice to that effect. The surety shall provide written notice to the Finance Director not less than 30 days before the expiration, non-renewal, lapse, termination, or other similar event affecting such surety bond. Thirty days after receipt by the Finance Director of such notice or upon a later date specified in the notice, or upon the filing and acceptance of a new bond, the existing bond shall terminate and be of no more force and effect, except as to any liabilities or indebtedness incurred or accrued thereunder as of the date of termination.

(ii) Deposit in escrow. The persons engaged in business involving commercial cannabis cultivation activity may elect to deposit a cash sum, in an amount defined in subsection (a) of this section, either with the City or in escrow with a responsible financial institution authorized to do such business in the state. In the case of an escrow account, the cultivator shall file with the City an escrow agreement, which includes the following terms:

Funds of the escrow account shall be held in trust until released by the City and may not be used or pledged by the person engaged in business involving commercial cannabis cultivation activity as security in any matter during that period other than payment of the tax, penalties, and interest due and to become due and owing to the City under this chapter; and

In the case of a failure on the part of the person engaged in business involving commercial cannabis cultivation activity to remit taxes due under this chapter by the required due date, the institution shall immediately make all funds in such account available to the City for use in satisfying those taxes due, along with any related penalties and interest as provided for in this chapter.

(iii) Letter of credit. The person engaged in business involving commercial cannabis cultivation activity may elect to provide, from a bank or other responsible financial institution authorized to do such business in the state, a letter of credit in a form acceptable to the City attorney. Such letter shall be filed with the City and shall certify the following:

a. The financial institution irrevocably guarantees funds in an amount defined in subsection (a) of this section; and

b. In the case of failure on the part of the person engaged in business involving commercial cannabis cultivation activity to remit taxes due under this chapter by the required due date, the financial institution shall pay to the City immediately and without further action such funds as are necessary to satisfy those taxes due, along with any related penalties and interest as provided for in this chapter, up to the limit of credit stated in the letter.

(2) Request for Waiver of Guarantee. A person engaged in business involving commercial cannabis cultivation activity may request a waiver of the requirement to provide a guarantee or a reduction of the amount of the guarantee to the City Manager. The request should include a detailed statement, along with documentation, supporting the request. In considering the request, the City Manager may consider all relevant information, including, without limitation, the person’s current and prior performance with this Chapter. The decision of the City Manager shall be considered final.

**Section 2.**

To accommodate the proposed amendments, changes to the RDMC section numbers shall be amended as follows:

- 5.40.260 ~~Payment – Time limits.~~ Security for fiduciary performance.
- 5.40.270 ~~Payment – Time limits.~~
- ~~5.40.270~~ 5.40.280 ~~Payment – When taxes deemed delinquent.~~
- 5.40.280 5.40.290 ~~Notice not required by City.~~
- ~~5.40.290~~ 5.40.300 ~~Payment – Penalty for delinquency.~~
- ~~5.40.300~~ 5.40.310 ~~Waiver of penalties.~~
- ~~5.40.310~~ 5.40.320 ~~Refunds – Credits.~~
- ~~5.40.320~~ 5.40.330 ~~Refunds and procedures.~~

**Section 3. Severability**

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

**Section 4. Limitation of Actions**

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

**Section 5. Effective Date**

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

**I HEREBY CERTIFY** that the forgoing Ordinance was duly introduced at a regular meeting of the City Council of the City of Rio Dell on February 20, 2024 and furthermore the forgoing Ordinance was passed, approved and adopted at a regular meeting of the City Council of the City of Rio Dell, held on March 19, 2024 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Debra Garnes, Mayor

ATTEST:

I, Karen Dunham, City Clerk for the City of Rio Dell, State of California, hereby certify the above and foregoing to be a full, true and correct copy of Ordinance No. 404-2024 which was passed, approved and adopted at a regular meeting of the City Council of the City of Rio Dell, held on March 19, 2024.

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