

August 28, 2018

REGULAR MEETING

The special meeting of the regular meeting of the Loyalton City Council was called to order by Mayor Mark Marin on August 28, 2018 at 6:00pm at Loyalton City Hall Auditorium.

COUNCIL MEMBERS PRESENT

M. Marin, N. Rogers, J. Markum

COUNCIL MEMBERS ABSENT

None

STAFF PRESENT

T. Smith-Deputy City Clerk-City Bookkeeper

GUESTS PRESENT

J. Naughton (Evexia Science), Sign-in Sheet available for view on people attending the meeting.

APPROVAL OF AGENDA

(1 attachment) Removed from Agenda Item(s) 10-3, 10-4 and 10-5, duplicates of 10-2. Move item 14-7 to 14-4, Business License Application for Evexia Science. Motion to approve changes to the agenda, J. Markum, seconded N. Rogers. Roll Call Vote: J. Markum-Aye, N. Rogers-Aye, M. Marin-Aye. Motion carried. Motion to approve agenda as amended, J. Markum, seconded by N. Rogers. Roll Call Vote: J. Markum-Aye, N. Rogers-Aye, M. Marin-Aye. Motion carried.

ANNOUNCEMENTS

1. Mayor Marin announced the city has a new employee, Ken Bennett.
2. Mayor Marin announced that "205 Granite" is being occupied by the owner, they are not vagrants living there. The home is currently in foreclosure and there are no violations being committed there. The home has no water or power.
3. Council Member Markum announced that the city has a preliminary budget and once the numbers are confirmed it should be on the next Agenda for council action.

APPROVAL OF MINUTES

(2 attachments) N. Rogers made a motion to approve the minutes from the regular city council meeting of **July 17, 2018**, it was seconded by J. Markum. Roll Call Vote: J. Markum-Aye, N. Rogers-Aye, M. Marin-Aye. Motion carried.) N. Rogers made a motion to approve the minutes from the special city council meeting of **August 6, 2018**, it was seconded by J. Markum. Roll Call Vote: J. Markum-Aye, N. Rogers-Aye, M. Marin-Aye. Motion carried.

STAFF REPORTS/WRITTEN COMMUNICATIONS

None

PUBLIC COMMENT

1. B. Mitchell asked for an update on the speed signs? N. Rogers said there was nothing to report but D. Marsh explained that one site at the east end of town has been approved but the west end sign is extremely complicated and requires a different site which now requires approval. Once approved, they excavation and installation should begin.
2. C. Griffin reminded the council and the audience of the "correct rules of order" and asked that everyone follow them. S. Gross had a few comments on Mrs. Griffin's remarks.
3. D. Marsh presented council with a letter from SPJUSD Superintendent's Office regarding the zoning and the proposed site of the marijuana facility in location to the address of 605 School St. which currently has youth activities taking place.
4. Gus Donowho heard there is rumor the water rates are going up and if so why are we not using the installed water meters and charging appropriately for water use? The meters were installed in 1985 and have never been used. B. Mitchell stated that council did not want to use them at the time they were installed, they were a requirement of the USDA for the loan. He stated with the current proposed increase, the city is considering beginning to use and read the meters.
5. Ann Terrasas mentioned the date on the agenda was incorrect (08.21.2018), she was looking at the old agenda.

FIRE DEPARTMENT REPORT

Presented by Fire Chief S. Heywood:

1. The radio repeater is in from Sierra County.
2. Regarding the antique fire engine, the fire dept. is all for the museum to take over the maintenance and protection of the fire engine.
3. Loyaltan Fire Crews have been out a total of 34 days so far this year on the state's wild land fire events, thank you fire fighter here and everywhere.

FINANCIAL REPORT

(4 attachments) No Report.

APPROVAL OF FINANCIAL REPORT

J. Markum made a motion to approve the Financial Report as presented August 8, 2018; it was seconded by N. Rogers. B. Mitchell asked for the balance in the City's General Funds Account, the bookkeeper responded with \$159,700.56. Roll Call Vote: J. Markum-Aye, N. Rogers-Aye, M. Marin-Aye. Motion carried.

PAYMENT OF BILLS

(1 attachment) With no questions regarding the bills, M. Markum made a motion to pay the bills not to exceed **\$55,116.92**; it was seconded by N. Rogers. Roll Call Vote: J. Markum-Aye, N. Rogers-Aye, M. Marin-Aye. Motion carried.

ACKNOWLEDGEMENT OF APPROVAL OF FUNDS TRANSFERS

(1 Attachment) J. Markum made a motion to approve the four transfers from the general fund to the enterprise loan fund (September 2018) for a total of \$24,000.00, it was seconded by N. Rogers. Roll Call Vote: J. Markum-Aye, N. Rogers-Aye, M. Marin-Aye. Motion carried.

(1 Attachment) J. Markum made a motion to acknowledge the approval of partial payment no. 68, not to exceed \$8,904.99, it was seconded by N. Rogers. Roll Call Vote: J. Markum-Aye, N. Rogers-Aye, M. Marin-Aye. Motion carried.

PUBLIC WORKS COMMITTEE REPORTS/PARK AND RECREATION

Council Member Rogers stated that the city maintenance workers along with the volunteer work of Tony Finder, have been mowing and watering the park, watering downtown and maintaining the drip systems and mowing and watering the city center and museum outdoor area.

OTHER COMMITTEE REPORTS

Museum Update: (1 attachment) Nina Tucker from the Loyalton City Museum presented to city council the plans by the Museum Committee to construct a 10x14 garage, built by the LHS Construction Class to house the 1948 Model "T" Fire Engine donated to the museum by the Loyalton Fire Dept. The Fire Dept. received the donation from Ed White 30 years ago and before that, Joe Goss had given it to Ed White. The museum has submitted a grant to the Ford Motor Co. Foundation to fund the construction of the garage. Other plans for the outdoor museum site are a small scale train running the perimeter of the outdoor museum area as well as new landscaping and other historic out buildings. There was some concern and talk on where the buildings would be located within the outdoor area of the museum.

DISCUSSION AND POSSIBLE ACTION ITEMS

- 1. (1 attachment)** Samantha Stoughtenger from Farr West presented council with the Master Services Agreement between the City of Loyalton and Farr west Engineering. Mayor Marin asked all communication come through the city office, Sam stated they all do already. After some explanation and questions from S. Gross and a few questions from council for clarification, J. Markum made a motion to approve the Master Services Agreement between the City of Loyalton and Farr West Engineering. The motion was seconded by N. Rogers. Roll Call Vote: J. Markum-Aye, N. Rogers-Aye, M. Marin-Aye. Motion carried.
- 2. (1 attachment)** Samantha explained the first of the two task orders to the council (Task Order #1). J. Markum made a motion to accept Task Order #1 from Farr West Engineering, it was seconded by N. Rogers. Roll Call Vote: J. Markum-Aye, N. Rogers-Aye, M. Marin-Aye. Motion carried.
- 3. (1 attachment)** Samantha explained that this task order(Task Order #2)addresses the abatement order the city received some time back and how they strategically plan on tackling that. J. Markum made a motion to accept Task Order #2 for services related to scoping, analyzing and reporting on the 2013 CAO, not to exceed \$77,870.00, it was seconded by N. Rogers. Roll Call Vote: J. Markum-Aye, N. Rogers-Aye, M. Marin-Aye. Motion carried.
- 4. (1 attachment)** Mayor Marin brought the owner of Evexia Science, Jeffery Naughton to the front of the room and briefly introduced him to the crowd. Mayor Marin stated he had invited members of the Sierra County Sheriff's Department as well as the Sierra County Probation Department to the meeting and thanked them both for being here. Mr. Naughton described his business to council and the audience and explained he was here tonight to seek a business license to do business in Loyalton. Mr. Naughton addressed the issue of operating within the legal distance of any school and the requirements of the business license itself. Next, Steve Gross, City legal counsel, explained he had looked at the application and that Prop 64 allows for commercial cannabis activity and also it allows for local jurisdictions to enforce their own ordinances in regards to that activity. If a local jurisdiction does not have any ordinances in place, as is Loyalton, the law defaults to the state's law on commercial cannabis activity. he stated if the city wants to regulate commercial cannabis activity in Loyalton, they should do so and do so soon. They should also decide what exact activities they want to regulate. In respect to the current

application, Steve stated the applicant is required to present a letter from the city planner stating the location is zoned for the business' particular activity, there has not been a letter presented, that is enough to deny the application. Furthermore, S. Gross does not feel the applicant can get the letter because the address of the location on the application is not zoned for certain activity listed on the application and because of that, he does not see how this business license can be approved and he recommended the council deny the application. Council Member Markum stated she believes that the City Hall location is used for school activities and the Church located across from the applicant's location has a youth group that meets there, these two reasons should disqualify the application. Steve stated those are good reasons but the bureau could still issue a license notwithstanding those facts. He thinks just because of the zoning issue alone, this use is not allowed at that site. At this time several comments came from those in attendance at the meeting, they are as follows:

- Deputy Mike Fisher had questions regarding some of the activities that were going to take place? Adult & medical manufacturing? Any plans to manufacture oils? Asked about extraction. Cultivation on the premises? No.
- Probation Officer Chuck Henson made some general remarks, great points made by our attorney, Ca. Voter's have spoke, marijuana in Ca. is legal but is that what we want in our community? C. Henson thinks the application should be denied. Had concerns for our youth and as the community as a whole.
- Mayor Marin stated he didn't think it should be a council vote, he personally thinks it should go to the voters for a vote.
- District Supervisor #4 Jim Beard addressed the question of why Evexia Science left the Town of Truckee; he stated he contacted town planning manager Jenna Gatto who responded to Mr. Beard with a letter of which Mr. Beard read aloud to the council and audience (the letter is on file at city hall for viewing). Mr. Naughton responded to Ms. Gatto's letter and stated Ms. Gatto has her opinion on many things. Mr. Beard had several more questions for Mr. Naughton which Mr. Naughton answered.
- Denise Brown stated the city should take their time to put forth some regulations and ordinances and decide whether the city wants just a delivery service or a retail shop.
- Nina Tucker doesn't know why this is even being discussed since there is a zoning issue. Commented on the way of life in Loyalton and how this could affect that way of life.
- Mayor Marin asked Mr. Naughton about acquiring property at the mill site. Mr. Naughton stated they would hope that in the future, the city would annex the property located within the business park and then they would like to open a soda infused manufacturing business. Questions regarding taxing and revenue for the city followed.
- Greg Andal recommended the council go home and do their homework on the statistics surrounding activities around operating dispensaries.
- Tracy smith spoke as a Loyalton Community Member and stated Loyalton is a great place to live but many in the audience were acting so rude and ill behaved that they should be ashamed of themselves. If the attorney has recommended denying the application and the council always acts on the attorney's advice, why are they putting Mr. Naughton through all of this? Why don't they just deny the application?
- Samantha Redman wanted to point out that there are a lot of people who are ok with this. Growth in some fashion or another would be good for Loyalton. She also recommended that people don't get their facts from Google, use a credited website for your information. J. Markum responded to Ms. Redman.
- Jessica Norman stated she has concerns about the Sierra Nevada Children's Service that is located across from and within close proximity of the proposed marijuana business.

- Josh Makoutz questioned what the process is for the city to create ordinances to regulate commercial marijuana sales? S. Gross stated the council takes public input, the council prepares an ordinance and then the council adopts it.
- Janet McHenry, Loyalton Resident cited marijuana statistics for California as well as gave her personal opinion of how the marijuana commercial business would affect Loyalton.
- Brooks Mitchell is concerned on the affect that approving the application will have on the community, he thinks they should deny the application.

At the close of all the comments and before the council's vote, Mr. Naughton made a few last comments to the council. At that time, Mayor Marin asked for a motion. J. Markum made a motion to deny the business application, it was seconded by M. Marin. Roll Call Vote: J. Markum-No, N. Rogers-No, M. Marin-No. S. Gross stated the vote was to deny. J. Markum made a new motion to deny the application for business in Loyalton as presented, it was seconded by M. Marin. Roll Call Vote: J. Markum-Aye, N. Rogers-Aye, M. Marin-Aye. Motion carried.

(10 minute break)

5. With no discussion, J. Markum made a motion to allow Bastian Engineering to prepare the bid documents for the FEMA Projects, it was seconded by N. Rogers. A brief discussion followed the motion and second. Roll Call Vote: J. Markum-Aye, N. Rogers-Aye, M. Marin-Aye. Motion carried.

6. (1 attachment) In regards to the Notice of Public Hearing Water Rate Adjustment; letters must go out and 45 days following, a public hearing must take place. J. Markum made a motion to send the notice of public hearing out on September 10, 2018 with the Public Hearing to be held on October 25, 2018 at 6:00 pm at the Loyalton City Hall Auditorium. The motion was seconded by N. Rogers. Roll Call Vote: J. Markum-Aye, N. Rogers-Aye, M. Marin-Aye. Motion carried.

7. Mayor Marin had a few questions regarding the relocation of the "Little Fire Truck" and a few questions came from the audience. Mayor Marin made a motion to relocate the "Little Fire Truck" with the stipulation that the garage to house it is built prior to it being moved from its current location at the Sierra Brooks Fire Department. The motion was seconded by N. Rogers. Roll Call Vote: J. Markum-Aye, N. Rogers-Aye, M. Marin-Aye. Motion carried.

Meeting Adjourned

Closed Session:

None

APPROVED:



Mayor Mark Marin

ATTEST:



Tracy Smith, Deputy City Clerk