



**CITY OF OAKDALE
City Council
Regular Meeting Minutes**

City Council Chambers
277 North Second Avenue
Oakdale, California

Monday, October 2, 2017

7:00 PM

City Council Chambers

1. CALL TO ORDER:

Mayor Paul called the meeting to order at 7:00 p.m.

2. CITY COUNCIL MEMBERS PRESENT/ABSENT:

Present: Mayor Paul
Mayor Pro Tem Dunlop
Council Member Bairos
Council Member McCarty
Council Member Murdoch

Staff Present: City Manager Whitemyer
City Attorney Hallinan
Management Analyst Andersen
Finance Director Avila
Public Services Director Gravel
Police Chief Heller
Attorney Madison
Management Analyst Mondragon
City Clerk Teixeira

3. PLEDGE OF ALLEGIANCE:

Mayor Paul led the assembly in the Pledge of Allegiance.

4. INVOCATION:

The invocation was provided by Council Member Murdoch.

5. PRESENTATIONS/ACKNOWLEDGEMENTS:

No formal presentations or acknowledgements occurred.

6. ADDITIONS/DELETIONS:

Mayor Paul asked whether there were any additions or deletions to the agenda. There were no requests to add or delete items from the agenda.

7. PUBLIC COMMENTS:

No public comments.



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8. APPOINTMENT TO BOARDS AND COMMISSIONS:

None scheduled.

9. CITY COUNCIL CONSENT AGENDA:

Mayor Paul asked whether there were any questions or requests to remove items from the Consent Agenda. There were no questions, comments or requests to remove items from the Consent Agenda.

MOTION

To approve the City of Oakdale City Council Consent Agenda Items 9.1 through 9.4 for October 2, 2017 as follows:

- 9.1: Approve the Regular City Council Meeting Minutes of September 18, 2017.
- 9.2: Receive and File the Warrant List for the period of September 14, 2017 to September 26, 2017.
- 9.3: Waive Readings of Ordinances/Resolutions except by Title.
- 9.4: Approve by Minute Order City Co-Sponsorship of the Friends of Oakdale Library Annual Book Sale (March 5 – 8, 2018).

Moved by Mayor Pro Tem Dunlop seconded by Council Member McCarty and PASSED AND ADOPTED this 2nd day of October 2017 by the following vote:

AYES:	COUNCIL MEMBERS: Bairos, Dunlop, McCarty, Murdoch and Paul	(5)
NOES:	COUNCIL MEMBERS: None	(0)
ABSENT:	COUNCIL MEMBERS: None	(0)
ABSTAINED:	COUNCIL MEMBERS: None	(0)

Motion carried 5/0 by City Council roll call vote.

10. PUBLIC HEARINGS:

- 10.1: Consider Introducing and Waiving the First Reading of Ordinance 1250 (also known as CODE TEXT AMENDMENT 2017-10) an Ordinance of the City of Oakdale, California amending the Oakdale Municipal Code, Chapter 19, Offenses — Miscellaneous, Article IV Coasting Devices related to rules and regulations governing skate park use. The proposed Code Text Amendment includes specific language related to Government Code Section 831.7, and Health and Safety Code Sections 115800 and 115800.1 stating that skateboarding and in-line skating or other wheeled devices are deemed hazardous



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recreational activities. *Notice of Public Hearing published in the Oakdale Leader September 20, 2017.*

Mayor Paul declared the public hearing open at 7:05 p.m. and requested the staff report.

Management Analyst Andersen presented the staff report recommending that the City Council introduce and waive the first reading of Ordinance 1250 which would amend Oakdale Municipal Code, Chapter 19, Offenses — Miscellaneous, Article IV Coasting Devices, specifically as to the rules and regulations governing skate park use. The proposed Code Text Amendment includes specific language related to Government Code Section 831.7, and Health and Safety Code Sections 115800 and 115800.1 stating that skateboarding and in-line skating or other wheeled devices are deemed hazardous recreational activities.

Mayor Paul requested public testimony at 7:07 p.m.

Public Comment

Dr. Joseph Izzo

There being further public testimony, Mayor Paul closed the public hearing at 7:08 p.m.

MOTION

To introduce and waive the first reading of Ordinance 1250 amending Oakdale Municipal Code, Chapter 19, Offenses — Miscellaneous, Article IV Coasting Devices, specifically as to the rules and regulations governing skate park use. The proposed Code Text Amendment includes specific language related to Government Code Section 831.7, and Health and Safety Code Sections 115800 and 115800.1 stating that skateboarding and in-line skating or other wheeled devices are deemed hazardous recreational activities.

Moved by Mayor Pro Tem Dunlop, seconded by Council Member McCarty PASSED AND ADOPTED this 2nd day of October 2017 by the following vote:

AYES:	COUNCIL MEMBERS: Bairos, Dunlop, McCarty, Murdoch and Paul	(5)
NOES:	COUNCIL MEMBERS: None	(0)
ABSENT:	COUNCIL MEMBERS: None	(0)
ABSTAINED:	COUNCIL MEMBERS: None	(0)

Motion carried 5/0 by City Council roll call vote.

11. STAFF REPORTS:

- 11.1: Consider a Resolution of the City of Oakdale City Council Approving an Amended Police Service Agreement with the Oakdale Joint Unified School District for a School Resource Officer Program and Authorizing the City Manager to Execute Agreement.



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Police Chief Heller presented the staff report recommending that the City Council approve the draft resolution in staff's report, approving the amended Police Service Agreement with the Oakdale Joint Unified School District for a School Resource Officer Program and to authorize the City Manager to execute the agreement.

MOTION

To adopt Resolution 2017-116, a Resolution of the City of Oakdale City Council Approving an Amended Police Service Agreement with the Oakdale Joint Unified School District for a School Resource Officer Program and Authorizing the City Manager to Execute Agreement.

Moved by Council Member McCarty seconded by Council Member Murdoch and PASSED AND ADOPTED this 2nd day of October 2017 by the following vote:

AYES:	COUNCIL MEMBERS: Bairos, Dunlop, McCarty, Murdoch and Paul	(5)
NOES:	COUNCIL MEMBERS: None	(0)
ABSENT:	COUNCIL MEMBERS: None	(0)
ABSTAINED:	COUNCIL MEMBERS: None	(0)

Motion carried 5/0 by City Council roll call vote.

11.2: Consider Accepting by Minute Order the August 2017 Treasurer's Report.

Finance Director Avila presented the staff report recommending the City Council accept by Minute Order the August 2017 Treasurer's Report.

MOTION

To Accept by Minute Order, the August 2017 Treasurer's Report.

Moved by Council Member McCarty seconded by Mayor Pro Tem Dunlop and PASSED this 2nd day of October 2017 by the following vote:

AYES:	COUNCIL MEMBERS: Bairos, Dunlop, McCarty, Murdoch and Paul	(5)
NOES:	COUNCIL MEMBERS: None	(0)
ABSENT:	COUNCIL MEMBERS: None	(0)
ABSTAINED:	COUNCIL MEMBERS: None	(0)

Motion carried 5/0 by City Council roll call vote.

11.3: Discussion of Proposed Ordinance 2017-____, Repealing Article IV. Medical Marijuana Dispensary, Cultivation and Delivery Ban, of Chapter 14, Health and Sanitation, and Adding Chapter 37, Cannabis Regulations, to the Oakdale Municipal Code to Regulate Cannabis Businesses.



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A PowerPoint Presentation was provided and is included herein as Exhibit A to these minutes.

City Manager Whitemyer presented a comprehensive staff report and advised the City Council that Embert Madison, an attorney with the City Attorney's office of Churchwell White is in attendance to respond to questions.

In conclusion, City Manager Whitemyer stated staff is requesting the City Council provide direction to staff pertaining to the proposed ordinance contained in the staff report. The proposed ordinance would repeal Article IV. Medical Marijuana Dispensary, Cultivation and Delivery Ban, of Chapter 14, Health and Sanitation, and would add Chapter 37, Cannabis Regulations, to the Oakdale Municipal Code to allow regulation of Cannabis businesses.

Public Comment

Zach Drivon
Kathleen Westenberg
Karen O'Bannon
Frank Edwards
Phillip Douglas
Joseph Izzo
Michael Brennan
Robert Amaral
Mark Izzo
Patricia Izzo

The City Council discussed at length with the City Manager Whitemyer, Attorney Madison and City Attorney Hallinan City Attorneys Madison and Hallinan the proposed ordinance and to what extent State law allows the City to legally regulate cannabis use, operations and permits.

MOTION

To move forward with City staff recommendations for the proposed repeal of Article IV. Medical Marijuana Dispensary, Cultivation and Delivery Ban, of Chapter 14, Health and Sanitation, and the addition of Chapter 37, Cannabis Regulations, to the Oakdale Municipal Code to allow regulation of Cannabis businesses and; further to include additional, but legally defensible regulations for home grow operations; legally defensible fines for ordinance violations and fee schedules and, to provide additional details as to what other cities are charging cannabis operations.

Moved by Mayor Pro Tem Dunlop seconded by Council Member McCarty and PASSED this 2nd day of October 2017 by the following vote:



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NOES:	COUNCIL MEMBERS: Bairos	(1)
ABSENT:	COUNCIL MEMBERS: None	(0)
ABSTAINED:	COUNCIL MEMBERS: None	(0)

Motion carried 4/1 by City Council roll call vote with Council Member Bairos dissenting.

12. CITY MANAGER’S REPORT:

City Manager Whitemyer reported the Lion’s Club had donated a new basketball backboard for the River Avenue Park and it looks great. He continued stating he can’t say enough good things about the City’s local organizations who contribute so greatly to benefit the community.

13. CITY COUNCIL ITEMS:

No items were received from the City Council.

14. ADJOURNMENT:

There being no further business, Mayor Paul adjourned the meeting at 8:33 p.m.

ATTEST:

APPROVED:

/s/Kathy Teixeira
Kathy Teixeira, CMC
City Clerk

/s/Pat Paul
Pat Paul
Mayor

CITY OF OAKDALE CANNABIS REGULATIONS

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Proposition 64

- Voters of California approved Prop. 64 – “Control, Regulate and Tax Adult Use of Marijuana” (AUMA).
- Prop. 64 was approved by 57.1% of California voters
- Stanislaus County approved the measure with 50.2% voting “Yes” and 49.8% voting “No”
- 4,110 Oakdale voters said “Yes” and 4,204 Oakdale voters said “No” to the measure. A difference of 94 votes or 49.43% “Yes” and 50.57% “No”.

Proposed Cannabis Ordinance

- Repeals Article IV. Medical Marijuana Dispensary, Cultivation and Delivery Ban, of Chapter 14, Health and Sanitation, and adds Chapter 37, Cannabis Regulations, to the Oakdale Municipal Code to regulate cannabis businesses.
- All cannabis businesses would be approved pursuant to a development agreement and a conditional use permit.
- All fees associated with these uses will be established as part of the development agreement process.

Proposed Cannabis Ordinance (cont.)

- Establishes a permit program for adults that desire to cultivate cannabis within their private residence for personal use.
- Applicable fees for personal cultivation will be established by resolution by the City Council.
- By adopting the proposed ordinance, the City Council will ensure that the regulation of cannabis remains within local control of the City while adhering to the requirements of state law.

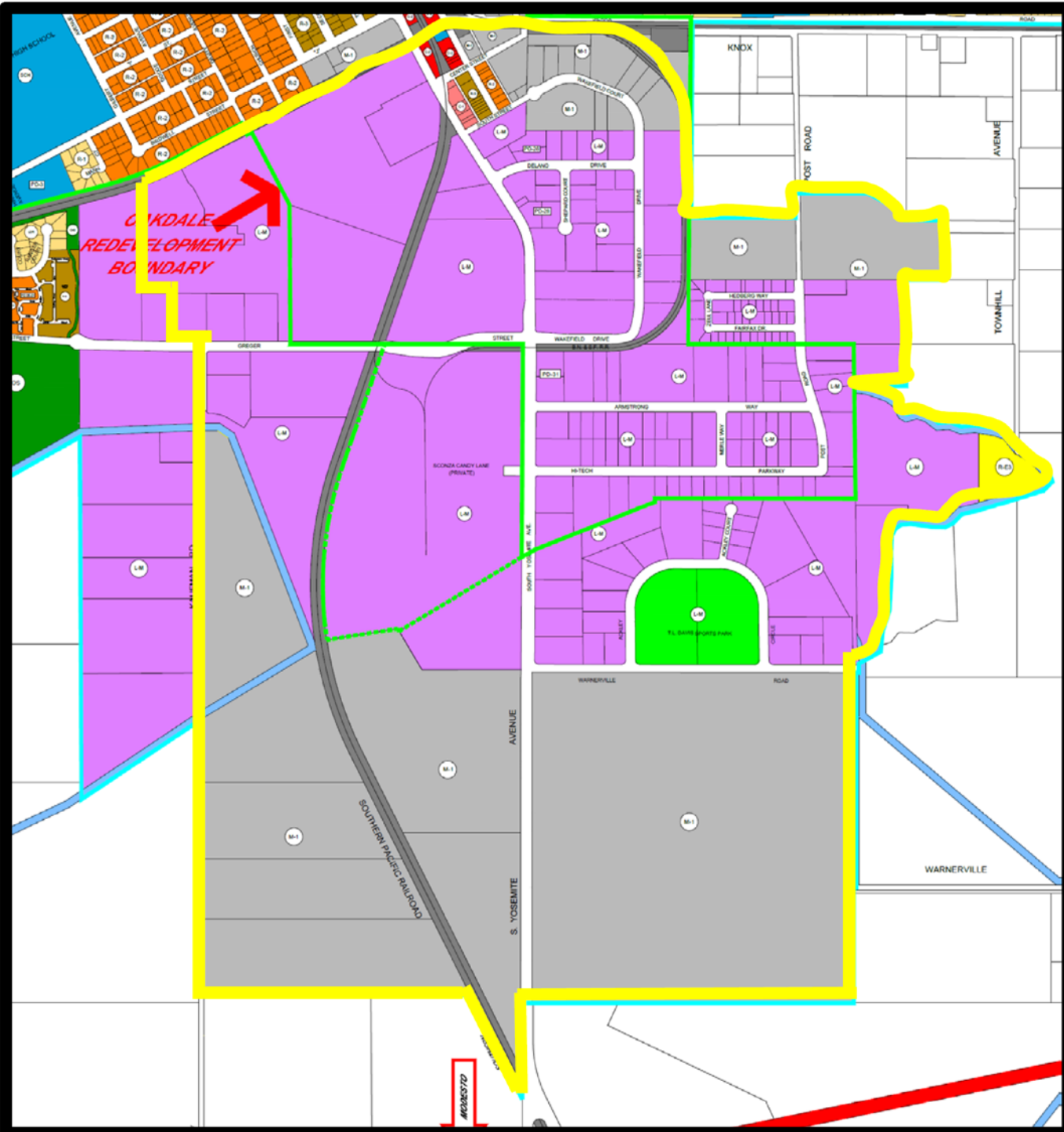
Cannabis Cultivation for Personal Use

- An Administrative Cultivation Permit (“ACP”) will be required to cultivate indoors a maximum of six (6) plants per parcel for personal use.
- “Indoors” includes both a personal residence and a secure shed or greenhouse located on the same property as the residence. Property owner permission is required.
- Inspections are required to obtain an ACP, which expires in one (1) year. An additional inspection is required to renew the permit.
- ACP fees will be established by resolution of the City Council.

Commercial Cannabis Cultivation

- Commercial cultivation is only permitted indoors within the Limited Industrial (L-M) or Light Industrial (M-1) districts as indicated in the following map.

L-M and M-1 Districts Available for Cannabis Cultivation



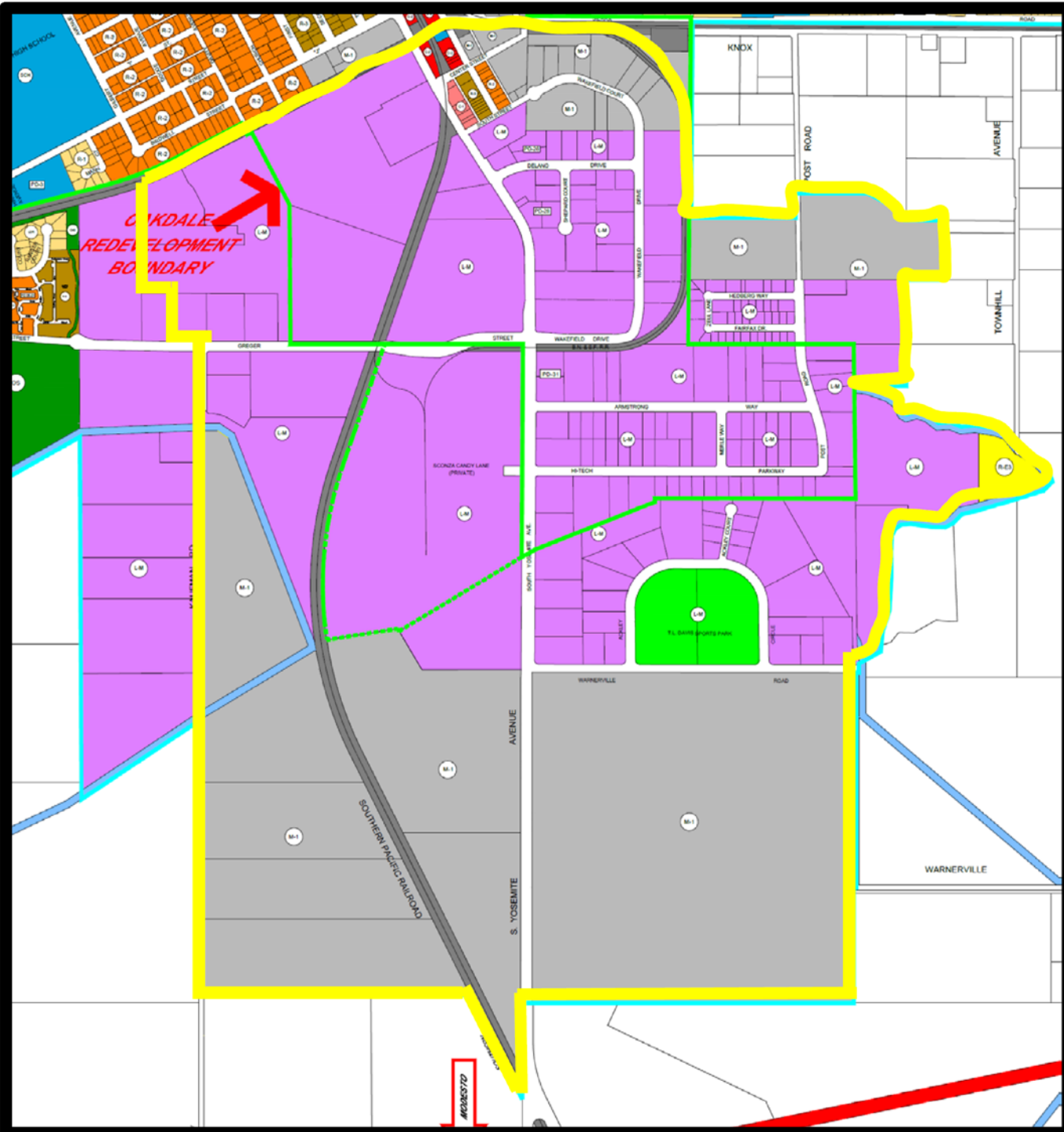
Commercial Cannabis Cultivation (cont.)

- Is only permitted with a Development Agreement and Conditional Use Permit.
- Other requirements include:
 - Employee Permits,
 - Secure Building protocols,
 - a Security Plan,
 - Insurance requirements, and a
 - Waste Management Plan.

Cannabis Testing Laboratory

- Permits independent laboratories which will be responsible for testing the commercial cannabis products to ensure that the THC, CBD and other details of the products are accurately represented to consumers
- These facilities will operate similarly to most laboratory testing facilities but independent from any cultivator or dispensary to ensure unbiased results.
- Testing laboratories are allowed within the Limited Industrial (L-M) or Light Industrial (M-1) districts as shown on the following map with a Development Agreement and Conditional Use Permit.

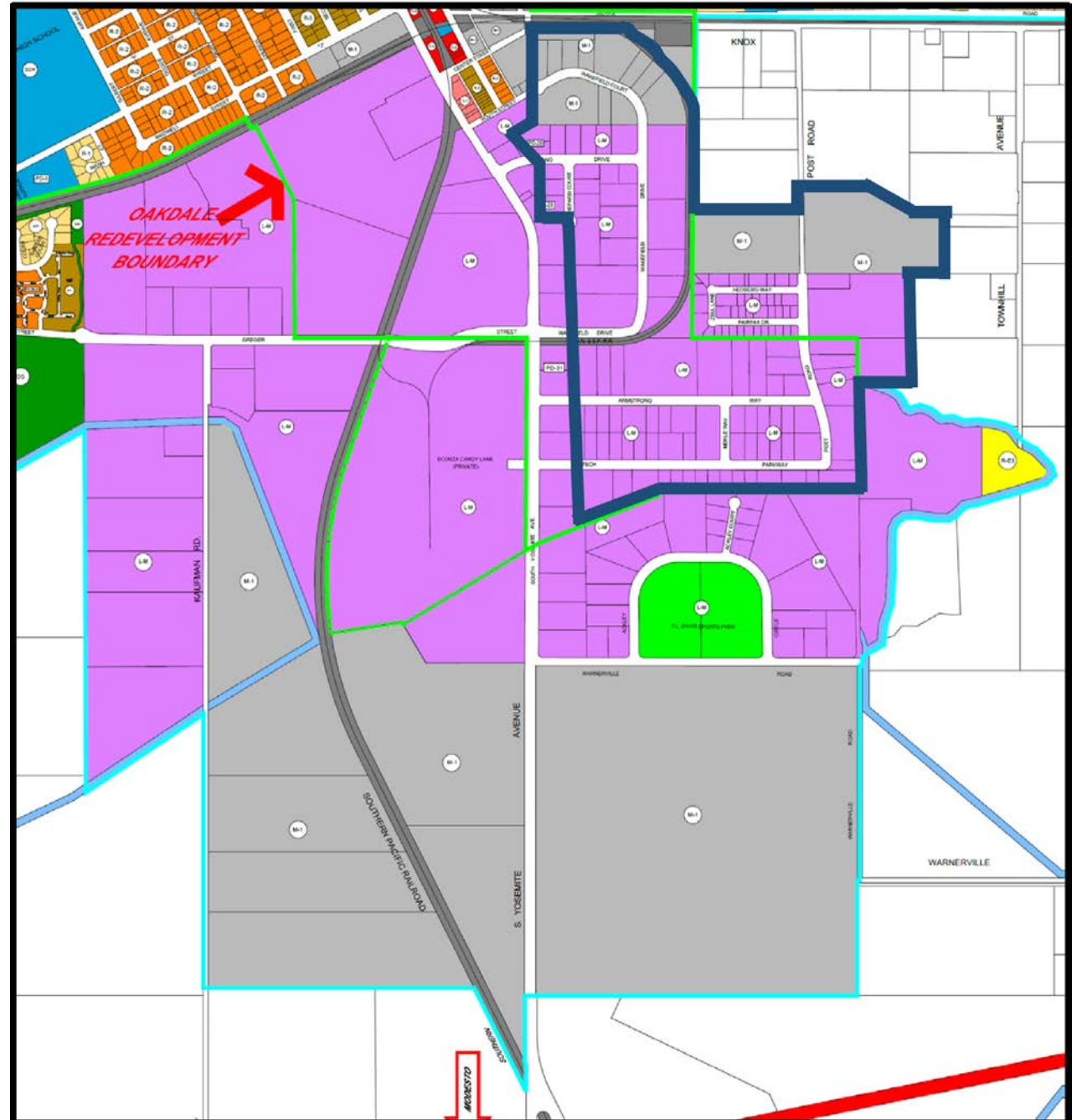
L-M and M-1 Districts Available for Cannabis Laboratories



Cannabis Dispensaries

- The proposed ordinance permits up to two (2) cannabis dispensaries located within the Limited Industrial (L-M) or Light Industrial (M-1) districts as shown in the following map
- Dispensaries will only be permitted with a Development Agreement and Conditional Use Permit.

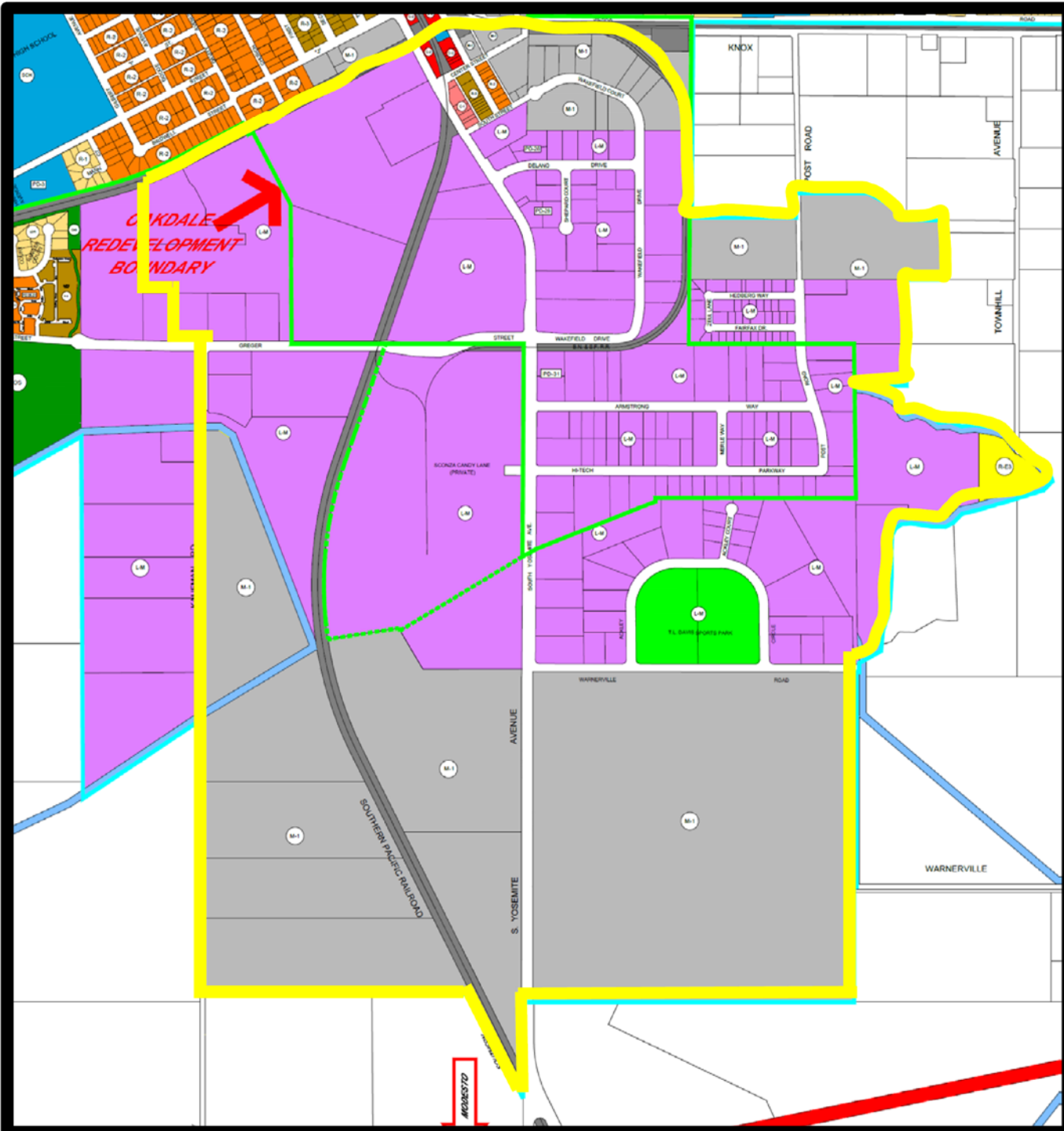
L-M and M-1 Districts Available For Cannabis Dispensaries



Cannabis Manufacturing

- Under the proposed ordinance, cannabis manufacturing is only permitted indoors within the Limited Industrial (L-M) or Light Industrial (M-1) districts as shown in that following map
- Cannabis Manufacturing is only permitted with a Development Agreement and Conditional Use Permit.
- Other requirements include Employee Permits, Secure Building protocols, a Security Plan, Insurance requirements, and a Waste Management Plan.

L-M and M-1 Districts Available for Cannabis Manufacturing



Enforcement – Personal Indoor Grows

- The proposed ordinance provides language that gives the City authority to suspend or terminate permits issued for personal indoor cannabis grows.
- Provisions allow the City to assess administrative penalties in the amount of \$250 for the first ordinance violation, \$500 for the second offense, and \$1,000 for any subsequent offense.

Enforcement – Commercial Activities

- Any approved commercial cannabis activity will also be governed by a development agreement and conditional use permit that will provide the City with significant enforcement authority if a permit holder does not comply with the conditions of approval for its business.

Fiscal Impacts – Cannabis Ban

- An ordinance that bans commercial cannabis activities has an estimated cost of \$550,000 to fully enforce an ordinance prohibiting all cannabis activities
- There is no identified revenue source other than the General Fund to absorb those costs.

Fiscal Impacts – Allowing Commercial Cannabis

- An ordinance allowing commercial cannabis activities is estimated to cost \$870,000
- These costs will be paid for by revenue derived from the approved cannabis activity development agreements.

Staffing Impacts – Cannabis Ban

- Enforcing an ordinance that bans commercial cannabis will require at least Three (3) Full Time Equivalents (Employees) which will include at least one police officer and one code enforcement officer.
- No funding source for these costs have been identified

Staffing Impacts – Allowing Cannabis

- Staffing resources to enforce an ordinance allowing commercial cannabis activities is estimated to require 5 full-time equivalent (FTE) positions.
- Staffing necessary to enforce cannabis activities impacts the following departments: Administration, Finance, Public Services (Building, Planning & Code Enforcement), Police Department, and Fire Department and would include at least two (2) police officers, one (1) firefighter and one (1) code enforcement officer.
- Staffing impacts will be funded by revenue collected from the approved cannabis activities, and will have no General Fund impact.

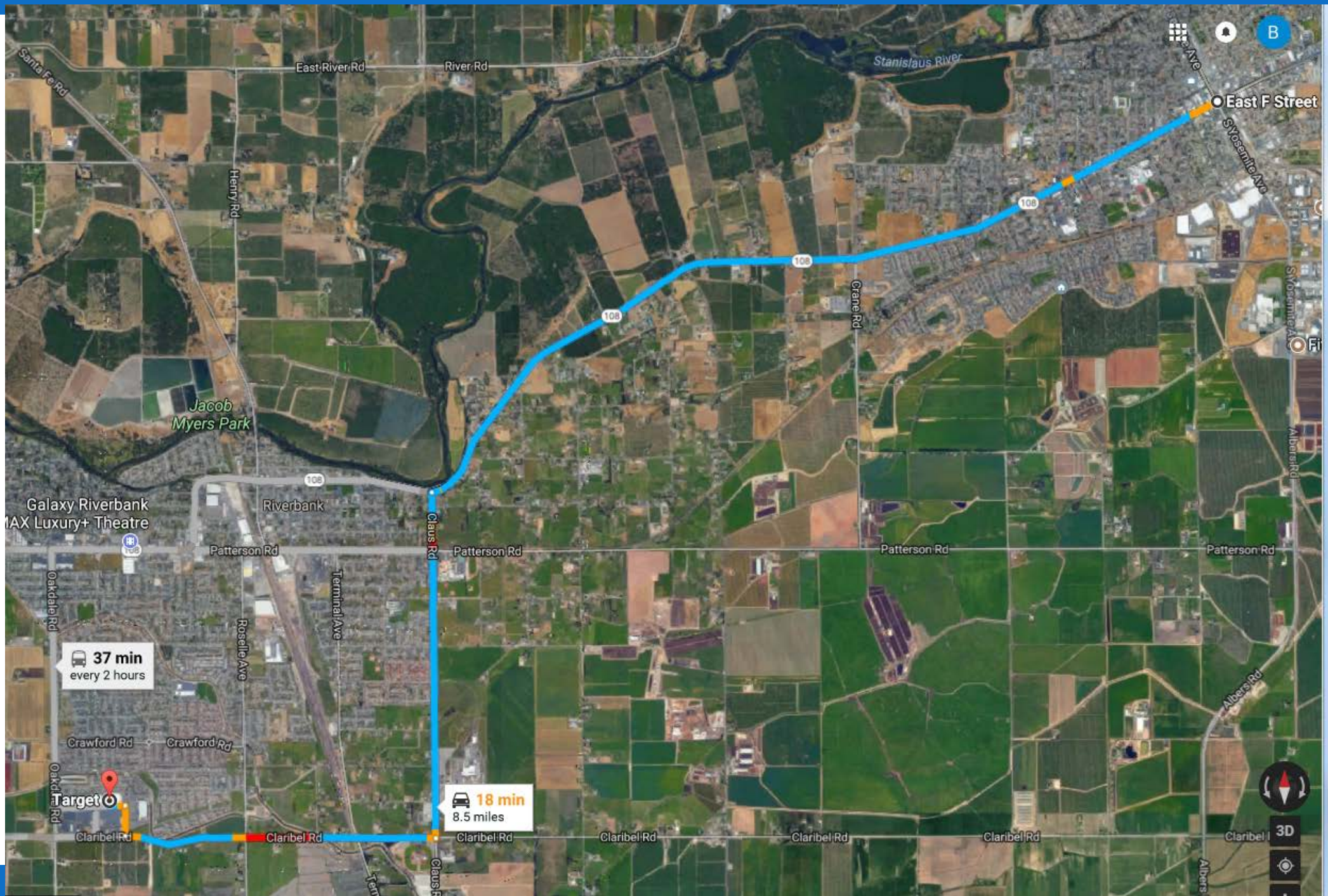
Who should pay for the costs of the legalization of cannabis?

- A ban on commercial cannabis activities in Oakdale places the burden on Oakdale taxpayers.
- An ordinance regulating commercial cannabis activities in Oakdale will place the burden on the cannabis industry.

Will a cannabis ban keep cannabis out of
Oakdale?

Oakdale is not very far from other communities

- Distance between Oakdale High School and Riverbank High School – 4.7 miles
- Distance between center of Oakdale and Target, Riverbank – 8.5 miles
- Distance between center of Oakdale and Vintage Faire Mall – 15.5 miles



Alternatives

- Direct staff to bring the proposed ordinance back to the council for introduction and first reading at a future City Council meeting
- Direct staff to amend the ordinance and bring the proposed ordinance back with the requested changes for introduction and first reading at a future City Council meeting
- Direct staff to continue the item for further discussion
- Reject the proposed ordinance from further discussion