

**AGENDA
CITY OF FERNDALE – HUMBOLDT COUNTY CALIFORNIA – U.S.A.
REGULAR CITY COUNCIL MEETING**

Location:	City Hall	Date:	August 4, 2011
	834 Main Street	Time:	7 pm
	Ferndale CA 95536	Posted: 8/1/11	

We welcome you to the meeting. Members of the Public may be heard on any business item on this Agenda before or during the City Council consideration of the item. The public may also directly address the City Council on any item of interest to the public that is not on the Agenda during the public comment time; however, the City Council generally cannot take action on an item not on the agenda.

A person addressing the City Council will be limited to five (5) minutes unless the Mayor of the City Council grants a longer period of time. While not required, we would appreciate it if you would identify yourself with your name and address when addressing the Council.

This City endeavors to be ADA compliant. Should you require assistance with written information or access to the facility, or a hearing amplification, please call 786-4224 24 hours prior to the meeting.

TO SPEAK ON ANY ISSUE, BE ACKNOWLEDGED BY THE MAYOR BEFORE PROCEEDING TO THE PODIUM, STATE YOUR NAME AND ADDRESS FOR THE RECORD (optional), AND DIRECT YOUR COMMENTS ONLY TO THE COUNCIL.

1. CALL MEETING TO ORDER – Mayor
2. PLEDGE ALLEGIANCE TO THE FLAG
3. ROLL CALL – City Clerk
4. CEREMONIAL:
 - a. Fernbridge Centennial Celebration Proclamation Page 4
5. MODIFICATIONS TO THE AGENDA
6. STUDY SESSIONS
7. PUBLIC COMMENT. (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. Items requiring Council action not listed on this agenda will be placed on the next regular agenda for consideration, unless a finding is made by at least 2/3rds of the Council that the item came up after the agenda was posted and is of an urgent nature requiring immediate action. This portion of the meeting will be approximately 30 minutes total for all speakers, with each speaker given no more than five minutes.) Page 5
8. CONSENT CALENDAR. (All matters listed under this category are considered to be routine by the City Council and will be enacted by one motion. Unless a specific request is made by a Councilmember, staff or the public, the Consent Calendar will not be read. There will be no separate discussion of these items. However, if discussion is required, that item will be removed from the Consent Calendar and considered separately under “Call Items.”)
 - a. Acceptance of Accounts Payable Page 6
 - b. Approval of previous minutes:
 - i. July 7, 2011 Page 16
 - ii. July 27, 2011 Page 18
9. CALL ITEMS
10. PRESENTATION / Community Forum

11. BUSINESS

- a. Resolution 2011-31 for 12th Progress Pay Request for Management and Construction Related Costs for the Wastewater Treatment Plant..... Page 20
- b. Acceptance of bid for Sewer Manhole project Page 24
- c. Art Exhibit on the City Green Page 32
- d. Wind Turbine Update Page 33
- e. Exclusive Rights to Convey Ferndale Housing to a Non-Profit..... Page 36
- f. Angelina Wellness Center Page 37

12. CORRESPONDENCE Page 70

13. REPORTS

- a. City Manager Staff Report and Community Events Page 72
- b. Commissions / Committees and others
 - i. Health Department Page 80
- c. Council Reports and Comments
 - i. HCAOG Page 81
 - ii. Salt River Watershed Council..... Page 85

14. ADJOURN Page 88

**This notice is posted in compliance with Government Code §54954.2.
The next Regular Meeting of the Ferndale City Council will be held on
THURSDAY, September 1, 2011 in the Auditorium of City Hall at 7:00pm**

Section 1

Call Meeting to Order

Section 2

Pledge Allegiance

Section 3

Roll Call

Section 4

Ceremonial

Fernbridge Centennial Celebration Proclamation

**A PROCLAMATION OF THE MAYOR
OF THE CITY OF FERNDALE**

**Honoring the Centennial Celebration of Fernbridge,
the “Queen of the Bridges” on August 7, 2011**

WHEREAS, The Humboldt County Board of Supervisors approved proceeding with steps leading to the construction of a bridge over the Eel River near Singleys in 1909; and

WHEREAS, The new bridge was dedicated on November 16, 1911, with ceremonies attended by 1500 people; and

WHEREAS, Fernbridge has been declared a State Historical Civil Engineering Landmark in 1976; and

WHEREAS, Fernbridge was placed on the national Register of historic Places in 1987; and

WHEREAS, The Fernbridge Celebration Committee has set August 7, 2011 as the day to celebrate the 100th Anniversary of Fernbridge; and

WHEREAS, Fernbridge has withstood the great floods of 1913, 1937, 1955, 1964 and 1986; and

WHEREAS, For a Century, the “Queen of the Bridges” has been a magnificent entryway into our town of Ferndale.

NOW, THEREFORE, the Mayor of Ferndale, on Behalf of the City Council of the City of Ferndale does hereby proclaim

**August 7, 2011 the
Centennial Celebration of
Fernbridge, the “Queen of Bridges”**

Proclaimed this 4th Day of August, 2011

Attest:

Jeffrey Farley, Mayor

Nancy Kaytis-Slocum, City Clerk

Section 5

Modifications to the Agenda

Section 6

Study Sessions

Section 7

Public Comment

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.

Items requiring Council action not listed on this agenda will be placed on the next regular agenda for consideration, unless a finding is made by at least 2/3rd of the Council (three of the five members) that the item came up after the agenda was posted and is of an urgent nature requiring immediate action.

This portion of the meeting will be approximately 30 minutes total for all speakers, with each speaker given no more than five minutes. Please state your name and address for the record. (This is optional.)

Section 8

Consent Agenda

All matters listed under this category are considered to be routine by the City Council and will be enacted by one motion.

Is there anyone on the Council, Staff or the public that would like to pull an item off the Consent Agenda for scrutiny? Those items will be considered separately under "Call Items."

City of Ferndale
834 Main Street, P.O. Box 236, Ferndale, CA 95536

Printed Regular Checks

General Checking - Distribution Detail - From 06/21/11 To 07/20/11
Check #: All - Vendor: All - Payee Name: All - By Payee Name - AP Pmt Distribution

Chk No.	Date	Pay	Ven ID	Vendor Name \ Payee Name	Distribution	Check
Acct No.	Type		Override Description		Amount	Amount
43894	07/12/11		AFLAC	AFLAC - REMIT. PROCESSING SERV. EMPLOYEE PAID		368.68
	10012260			Health insurance payable	368.68	
Total for AFLAC - REMIT. PROCESSING SERV.						368.68
43868	07/01/11		ARNKE	ARNOLD C. KEMP		1,539.07
	10435052			Building regulation/inspectio	1,539.07	
43874	07/06/11		ARNKE	ARNOLD C. KEMP MONTHLY		1,191.64
	10435052			Building regulation/inspectio	1,191.64	
Total for ARNOLD C. KEMP						2,730.71
43857	06/27/11		BAKTA	BAKER & TAYLOR LIBRARY		69.04
	10615024			Books	69.04	
43895	07/12/11		BAKTA	BAKER & TAYLOR		369.50
	10615024			Books	369.50	
Total for BAKER & TAYLOR						438.54
43834	06/23/11		BAYWE	BAY WEST SUPPLY, INC. RESTROOMS		244.83
	10175024			Supplies - public restroom	78.61	
	10635020			Buildings and grounds maintenance	166.22	
Total for BAY WEST SUPPLY, INC.						244.83
43917	07/12/11		BENAD	BENEFICIAL ADMIN COMPANY INC.		Void
	10012260			Health insurance payable	Void	
	10105007			Medical insurance	Void	
	10125007			Medical insurance	Void	
	10215007			Medical insurance	Void	
	10315007			Medical insurance	Void	
	10635007			Medical insurance	Void	
	22315007			Medical insurance	Void	
	25315007			Medical insurance	Void	
	26315007.1			Medical Insurance	Void	
	30515007			Medical insurance	Void	
43923	07/13/11		BENAD	BENEFICIAL ADMIN COMPANY INC.		187.04
	10012260			Health insurance payable	43.57	
	10105007			Medical insurance	8.88	
	10125007			Medical insurance	24.12	
	10215007			Medical insurance	48.24	
	10315007			Medical insurance MONTHLY	4.94	
	10635007			Medical insurance	1.21	
	22315007			Medical insurance	1.57	
	25315007			Medical insurance	3.65	
	26315007.1			Medical Insurance	2.17	
	30515007			Medical insurance	48.69	
Total for BENEFICIAL ADMIN COMPANY INC.						187.04
43858	06/27/11		BRSMT	BRET SMITH REIMBURSEMENT		300.00
	10215044			Meetings and dues	300.00	
43896	07/12/11		BRSMT	BRET SMITH		48.04
	10215012			Office expense	48.04	

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Acct No.		Type		Override Description	Amount	Amount
Total for BRET SMITH						348.04
43859	06/27/11		CALST	CALIFORNIA STATE DISBURSEMENT UNIT	EMPLOYEE PAID	393.22
	10012250			Garnishments payable		393.22
43897	07/12/11		CALST	CALIFORNIA STATE DISBURSEMENT UNIT		408.91
	10012250			Garnishments payable		408.91
Total for CALIFORNIA STATE DISBURSEMENT UNI						802.13
43875	07/06/11		CHACO	CHAMBER OF COMMERCE	QUARTERLY PAYMENT	5,967.25
	10175072			Chamber of Commerce		5,967.25
Total for CHAMBER OF COMMERCE						5,967.25
43898	07/12/11		CITEU	CITY OF EUREKA	HAZ MAT CONTRIBUTION	569.00
	10315055			Contractual services		569.00
Total for CITY OF EUREKA						569.00
43869	07/01/11		CITFO	CITY OF FORTUNA	MONTHLY	1,016.66
	10215035			Dispatch service		1,016.66
Total for CITY OF FORTUNA						1,016.66
43860	06/27/11		DVLNO	DAVE LENARDO	SEWER DEPT	290.00
	30515055			Contractual services		290.00
43899	07/12/11		DVLNO	DAVE LENARDO		240.00
	30515055			Contractual services		240.00
Total for DAVE LENARDO						530.00
43900	07/12/11		DOCST	DOCUSTATION	MONTHLY	360.95
	10165078			Copy machine expense		360.95
Total for DOCUSTATION						360.95
43912	07/12/11		DOUCU	DOUG CULBERT	REIMBURSEMENT	71.17
	30515012			Office expense		71.17
Total for DOUG CULBERT						71.17
43901	07/12/11		DUNMA	DUN & MARTINEK LLP	MONTHLY	90.00
	10145052			Professional services		90.00
Total for DUN & MARTINEK LLP						90.00
43876	07/06/11		EDWJO	EDWARD JONES & COMPANY		10,503.80
	10105010			Deferred comp		479.20
	10125010			Deferred retirement		1,595.34
	10215010			Deferred retirement		3,309.69
	10315010			Deferred retirement		765.72
	10635010			Deferred retirement	QUARTERLY PAYMENT	231.40
	22315010			Deferred retirement		229.45
	25315010			Deferred retirement		126.56
	26315010.1			Deferred compensation		534.18
	30515010			Deferred retirement		3,232.26
Total for EDWARD JONES & COMPANY						10,503.80

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Acct No.	Type			Override Description	Amount	Amount
43835	06/23/11		EELRI	EEL RIVER DISPOSAL	FENCE DEBRI	521.60
	21625020			Building and grounds maint		521.60
Total for EEL RIVER DISPOSAL						521.60
100	06/27/11	EFT	EMPDE	EMPLOYMENT DEVELOPMENT DEPARTMENT	PAYROLL TAXES	775.83
	10012302			State P/R Tax Deposits		775.83
100	07/12/11	EFT	EMPDE	EMPLOYMENT DEVELOPMENT DEPARTMENT		837.38
	10012302			State P/R Tax Deposits		837.38
43925	07/13/11		EMPDE	EMPLOYMENT DEVELOPMENT DEPARTMENT		249.83
	10012302			State P/R Tax Deposits		249.83
Total for EMPLOYMENT DEVELOPMENT DEPART						1,863.04
43861	06/27/11		FORIR	FORTUNA IRON \ FORTUNA IRON CORPORATION		405.94
	21625020			Building and grounds maint	BIKE RACK	405.94
Total for FORTUNA IRON CORPORATION						405.94
43902	07/12/11		FORMO	FORTUNA MOTORS		172.94
	10215014			Vehicle expense	POLICE DEPT	172.94
Total for FORTUNA MOTORS						172.94
43903	07/12/11		FRWES	FRESHWATER ENVIRONMENTAL SERVICES		175.00
	30515092			Sewer plant permit	SEWER PLANT	175.00
Total for FRESHWATER ENVIRONMENTAL SERVI						175.00
43918	07/12/11		FRONT	FRONTIER		720.01
	10155034			Telephone		206.95
	10215034			Telephone	MONTHLY	202.48
	10615034			Telephone		125.74
	24315034			Telephone		55.81
	30515034			Telephone		129.03
Total for FRONTIER						720.01
43904	07/12/11		GECAP	GE CAPITAL	MONTHLY	171.19
	10165078			Copy machine expense		171.19
Total for GE CAPITAL						171.19
43905	07/12/11		HUMTE	HUMBOLDT TERMITE & PEST		114.00
	10215020			Building and gounds maint.	POLICE DEPT	49.00
	10635020			Buildings and grounds maintenance	COMMUNITY CENTER	65.00
Total for HUMBOLDT TERMITE & PEST						114.00
43906	07/12/11		HUMTI	HUMMEL TIRE & WHEEL, INC		124.25
	30515014			Vehicle expense	SEWER DEPT	124.25
Total for HUMMEL TIRE & WHEEL, INC						124.25
43907	07/12/11		JASHY	JASON HYNES		300.00
	10215026.1			Uniform allowance		300.00
Total for JASON HYNES						300.00
43870	07/01/11		JAYPA	JAY PARRISH		400.00
	10165096			Car Allowance		400.00

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Acct No.	Type			Override Description	Amount	Amount
Total for JAY PARRISH						400.00
43862	06/27/11		LMREN	L & M RENNER, INC.		1,088.70
	10215016			Fuel	577.01	
	24315016			Vehicle Fuel MONTHLY	381.05	
	30515016			Vehicle gas	130.64	
43919	07/12/11		LMREN	L & M RENNER, INC.		2,157.33
	10155033			Utilities gas	302.50	
	10215016			Fuel MONTHLY	983.06	
	24315016			Vehicle Fuel	649.19	
	30515016			Vehicle gas	222.58	
Total for L & M RENNER, INC.						3,246.03
43908	07/12/11		LINFR	LINDSEY FRANK		300.00
	10215026.1			Uniform allowance	300.00	
Total for LINDSEY FRANK						300.00
43920	07/12/11		MANHD	MANHARD CONSULTING LTD		2,407.00
	10425052			General engineering	654.50	
	10425053			Developer engineering	125.00	
	30515095			Capital outlay SEWER DEPT	1,627.50	
Total for MANHARD CONSULTING LTD						2,407.00
43871	07/01/11		MIRRE	MIRANDA'S RESCUE		450.00
	10225096			Animal control QUARTERLY PAYMENT	450.00	
Total for MIRANDA'S RESCUE						450.00
43836	06/23/11		MISSN	MISSION UNIFORM & LINEN COMMUNITY CENTER		23.69
	10635020			Buildings & grounds maintenance - Commu	23.69	
43909	07/12/11		MISSN	MISSION UNIFORM & LINEN		23.69
	10635020			Buildings & grounds maintenance - Commu	23.69	
Total for MISSION UNIFORM & LINEN						47.38
43837	06/23/11		NANKA	NANCY KAYTIS-SLOCUM		46.33
	10125012			Office expense	21.43	
	30515012			Office expense SEWER DEPT	16.02	
	30515016			Vehicle gas	8.88	
Total for NANCY KAYTIS-SLOCUM						46.33
43863	06/27/11		NORCO	NORTH COAST LABORATORIES LTD.		50.00
	30515157			Effluent testing SEWER DEPT	50.00	
Total for NORTH COAST LABORATORIES LTD.						50.00
100	06/27/11	EFT	NORVA	NORTH VALLEY BANK		4,738.55
	10012301			Federal P/R Tax Deposits PAYROLL TAXES	4,738.55	
100	07/12/11	EFT	NORVA	NORTH VALLEY BANK		4,884.54
	10012301			Federal P/R Tax Deposits	4,884.54	
43872	07/01/11		NORVL	NORTH VALLEY BANK (1) \ NORTH VALLEY BANK		1,948.36
	26315194			Interest-Six Rivers loan LOAN PAYMENT	1,948.36	

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Acct No.		Type		Override Description	Amount	Amount
Total for NORTH VALLEY BANK						11,571.45
43838	06/23/11	PACGA		PACIFIC GAS & ELECTRIC		1,156.44
	22315058			Street lighting	1,156.44	
43924	07/13/11	PACGA		PACIFIC GAS & ELECTRIC		3,078.81
	10155032			Utilities electric	167.19	
	10175032			Electric - public restroom	21.30	
	10215032			Utilities electric	138.67	
	10615032			Utilities	149.23	
	10625032			Utilities - electric MONTHLY	39.06	
	10635032			Utilities	355.90	
	22315058			Street lighting	27.22	
	24315032			Utilities	172.72	
	30515032			Utilities - electric - plant	2,007.52	
Total for PACIFIC GAS & ELECTRIC						4,235.25
43910	07/12/11	QUILL		QUILL		75.92
	10615012			Office expense LIBRARY	75.92	
Total for QUILL						75.92
43873	07/01/11	ROBSM		ROBIN SMITH		153.47
	10245052			Professional services MONTHLY	153.47	
Total for ROBIN SMITH						153.47
43877	07/06/11	SCOUTS		SCOUTS		450.00
	10165099			Miscellaneous QUARTERLY PAYMENT	450.00	
Total for SCOUTS						450.00
43921	07/12/11	SEQGA		SEQUOIA GAS COMPANY		1,308.07
	10155033			Utilities gas	639.77	
	10615031			Gas MONTHLY	246.83	
	10635033			Gas	421.47	
Total for SEQUOIA GAS COMPANY						1,308.07
43913	07/12/11	SDRMA		SPECIAL DISTRICT RISK MANAGEMENT AUT		Void
	10012260			Health insurance payable	Void	
	10105007			Medical insurance	Void	
	10125007			Medical insurance	Void	
	10215007			Medical insurance	Void	
	10315007			Medical insurance	Void	
	10635007			Medical insurance	Void	
	22315007			Medical insurance	Void	
	24315007			Medical insurance	Void	
	25315007			Medical insurance	Void	
	26315007			Medical insurance	Void	
	30515007			Medical insurance	Void	

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Acct No.	Type	Override Description	Amount	Amount		
43916	07/12/11	SDRMA		SPECIAL DISTRICT RISK MANAGEMENT AUT		10,637.43
10012260				Health insurance payable	1,085.08	
10105007				Medical insurance	517.44	
10125007				Medical insurance	1,187.87	
10215007				Medical insurance	3,027.01	
10315007				Medical insurance MONTHLY	153.25	
10635007				Medical insurance	146.71	
22315007				Medical insurance	170.27	
24315007				Medical insurance	202.79	
25315007				Medical insurance	197.75	
26315007				Medical insurance	189.23	
30515007				Medical insurance	3,760.03	
Total for SPECIAL DISTRICT RISK MANAGEMENT A						10,637.43
43864	06/27/11	FEREN		THE FERNDALE ENTERPRISE		65.45
10115013				Advertising - Council ADVERTISING	47.60	
10415013				Advertising	17.85	
Total for THE FERNDALE ENTERPRISE						65.45
43911	07/12/11	THOGZ		THOMAS W. GONZALEZ, SR COMMUNITY CENTER		260.00
10635020				Buildings and grounds maintenance	260.00	
Total for THOMAS W. GONZALEZ, SR						260.00
43839	06/23/11	TOWCO		TOWN & COUNTRY REFRIGERATION COMMUNITY CENTER		160.00
10635020				Buildings and grounds maintenance	160.00	
Total for TOWN & COUNTRY REFRIGERATION						160.00
43865	06/27/11	USBNK		U.S. BANK CORPORATE PAYMENT SYSTEM		290.26
10125012				Office expense PARSAC MEETING	69.99	
10125044				Meetings and dues REIMBURSED	220.27	
Total for U.S. BANK CORPORATE PAYMENT SYSTE						290.26
43840	06/23/11	VALLU		VALLEY LUMBER		343.31
10175024				Supplies - public restroom	13.21	
10635020				Buildings and grounds maintenance COMMUNITY CENTER	275.97	
20625020				Blding/Grd Mnt.	54.13	
Total for VALLEY LUMBER						343.31
43922	07/12/11	VERZN		VERIZON		241.33
10155034				Telephone	28.73	
10215034				Telephone	114.93	
24315034				Telephone MONTHLY	11.48	
30515034				Telephone	86.19	
Total for VERIZON						241.33
Total for the 60 checks					65,535.45	65,535.45

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Account Distributions

Account No.	Account Description	Amount
10012250	Garnishments payable	802.13
10012260	Health insurance payable	1,497.33
10012301	Federal P/R Tax Deposits	9,623.09
10012302	State P/R Tax Deposits	1,863.04
10105007	Medical insurance	526.32
10105010	Deferred comp	479.20
10115013	Advertising - Council	47.60
10125007	Medical insurance	1,211.99
10125010	Deferred retirement	1,595.34
10125012	Office expense	91.42
10125044	Meetings and dues	220.27
10145052	Professional services	90.00
10155032	Utilities electric	167.19
10155033	Utilities gas	942.27
10155034	Telephone	235.68
10165078	Copy machine expense	532.14
10165096	Car Allowance	400.00
10165099	Miscellaneous	450.00
10175024	Supplies - public restroom	91.82
10175032	Electric - public restroom	21.30
10175072	Chamber of Commerce	5,967.25
10215007	Medical insurance	3,075.25
10215010	Deferred retirement	3,309.69
10215012	Office expense	48.04
10215014	Vehicle expense	172.94
10215016	Fuel	1,560.07
10215020	Building and grounds maint.	49.00
10215026.1	Uniform allowance	600.00
10215032	Utilities electric	138.67
10215034	Telephone	317.41
10215035	Dispatch service	1,016.66
10215044	Meetings and dues	300.00
10225096	Animal control	450.00

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10245052	Professional services	153.47
10315007	Medical insurance	158.19
10315010	Deferred retirement	765.72
10315055	Contractual services	569.00
10415013	Advertising	17.85
10425052	General engineering	654.50
10425053	Developer engineering	125.00
10435052	Building regulation/inspectio	2,730.71
10615012	Office expense	75.92
10615024	Books	438.54
10615031	Gas	246.83
10615032	Utilities	149.23
10615034	Telephone	125.74
10625032	Utilities - electric	39.06
10635007	Medical insurance	147.92
10635010	Deferred retirement	231.40
10635020	Buildings and grounds maintenance	974.57
10635032	Utilities	355.90
10635033	Gas	421.47
20625020	Blding/Grd Mnt.	54.13
21625020	Building and grounds maint	927.54
22315007	Medical insurance	171.84
22315010	Deferred retirement	229.45
22315058	Street lighting	1,183.66
24315007	Medical insurance	202.79
24315016	Vehicle Fuel	1,030.24
24315032	Utilities	172.72
24315034	Telephone	67.29
25315007	Medical insurance	201.40
25315010	Deferred retirement	126.56
26315007	Medical insurance	189.23
26315007.1	Medical Insurance	2.17
26315010.1	Deferred compensation	534.18
26315194	Interest-Six Rivers loan	1,948.36
30515007	Medical insurance	3,808.72
30515010	Deferred retirement	3,232.26

City of Ferndale
834 Main Street, P.O. Box 236, Ferndale, CA 95536

Printed Regular Checks

General Checking - Distribution Detail - From 06/21/11 To 07/20/11
Check #: All - Vendor: All - Payee Name: All - By Payee Name - AP Pmt Distribution

30515012	Office expense	87.19
30515014	Vehicle expense	124.25
30515016	Vehicle gas	362.10
30515032	Utilities - electric - plant	2,007.52
30515034	Telephone	215.22
30515055	Contractual services	530.00
30515092	Sewer plant permit	175.00
30515095	Capital outlay	1,627.50
30515157	Effluent testing	50.00
		65,535.45

City of Ferndale
834 Main Street, P.O. Box 236, Ferndale, CA 95536

Checkbook Register
USDA

Date Clr	Clr	Date Payee\Description	EFT	Deposits	Balance
6/29/2011	x	6/29/2011 DEPOSIT		640,305.64	642,120.01
6/29/2011	x	6/29/2011 Manhard	33,394.52		608,725.49
6/29/2011	x	6/29/2011 und Construction	606,861.12		1,864.37
6/29/2011	x	6/29/2011 mp Inspection	50.00		1,814.37

City of Ferndale

834 Main Street, P.O. Box 236, Ferndale, CA 95536

Printed PayCheck Checks

General Checking - Date Range: From 06/21/11 To 07/20/11 - Check #: All - Dept: All
 Sort Code: All - EmpID: All - Emp Name: All - By Check Number

Check #	Date	Emp. #	Employee Name	Amount
43841	06/28/11	1,215	DEBERA H. AUSTRUS	1,557.94
43842	06/28/11	2,190	HEATH A. BOHACIK	729.57
43843	06/28/11	5,220	STEVE L. COPPINI	1,110.24
43844	06/28/11	5,221	DOUGLAS E. CULBERT	1,862.72
43845	06/28/11	2,178	PAUL A. DIAZ JR.	985.35
43846	06/28/11	2,179	JASON R. HYNES	981.06
43847	06/28/11	1,214	NANCY S. KAYTIS-SLOCUM	1,346.11
43848	06/28/11	5,235	TIMOTHY W. MIRANDA	1,147.56
43849	06/28/11	1,012	JAY D. PARRISH	2,194.37
43850	06/28/11	2,200	BRET A. SMITH	1,349.75
43851	06/28/11	5,280	DANIEL V. SUTTON	1,017.64
43852	06/28/11	6,115	MARY ELLEN BOYNTON	84.84
43853	06/28/11	2,185	LINDSEY D. FRANK	1,141.96
43854	06/28/11	6,142	DIANNA L. RICHARDSON	84.84
43855	06/28/11	1,216	BRIANNA A. SMITH	363.88
43856	06/28/11	6,221	BONNIE K. VON BRAUN	27.05
43867	07/01/11	1,510	MARIA A. ROSA	193.31
43878	07/12/11	1,012	JAY D. PARRISH	2,391.87
43879	07/12/11	1,215	DEBERA H. AUSTRUS	1,661.42
43880	07/12/11	2,190	HEATH A. BOHACIK	835.88
43881	07/12/11	5,220	STEVE L. COPPINI	1,305.90
43882	07/12/11	5,221	DOUGLAS E. CULBERT	1,942.03
43883	07/12/11	2,178	PAUL A. DIAZ JR.	1,097.85
43884	07/12/11	2,179	JASON R. HYNES	1,128.11
43885	07/12/11	1,214	NANCY S. KAYTIS-SLOCUM	474.57
43886	07/12/11	5,235	TIMOTHY W. MIRANDA	1,241.23
43887	07/12/11	2,200	BRET A. SMITH	1,405.68
43888	07/12/11	5,280	DANIEL V. SUTTON	1,005.11
43889	07/12/11	6,115	MARY ELLEN BOYNTON	84.84
43890	07/12/11	2,185	LINDSEY D. FRANK	979.66
43891	07/12/11	6,142	DIANNA L. RICHARDSON	37.70
43892	07/12/11	1,216	BRIANNA A. SMITH	435.45
43893	07/12/11	6,221	BONNIE K. VON BRAUN	27.05
Total				32,232.54

City of Ferndale, Humboldt County, California USA
City Council Minutes for the July 7, 2011 Meeting 5:30 p.m.

At 5:30 pm, Mayor Jeffrey Farley announced the closed session item: Public Employee Performance Evaluation per GC 54954.5 for the City Manager. The council came out of closed session and reported conducting City Manager evaluation. In open session, the council studied and discussed the Budget and the Wastewater Facility Change Order #6. The study session ended at 7:00 pm.

Mayor Jeffrey Farley called the Regular City Council Meeting to order at 7:04 p.m. Present were Councilmen Titus, Lorenzen and Maxwell as well as City Manager Jay Parrish, Finance Manager Deb Austrus, Administrative Assistant Brianna Smith, Project Manager Kent Hanford and Police Chief Bret Smith. Councilman Mierzwa was absent. Those present pledged allegiance to the flag.

Modifications to the Agenda: Pull item 5c Eugene Street entrance to Russ Park. There was no public comment.

Consent Calendar: MOTION: (Maxwell/Titus) Accept Accounts Payable, Approve the minutes for June 2, 2011 and June 20, 2011. Three ayes with one nay from Lorenzen.

Consultant Elizabeth Conner gave an update on Navy Housing. There will be a possible special meeting in a couple of weeks to establish a time limit for bids from property management agencies. Speaking from the public were Duane Martin and Dick Hooley discussing review of the environmental study, will meeting be open to the public? Why are they saying that only 12 units will be for low income? Elizabeth Connor explained that 50% is low income and the remaining 50% is moderate income.

Russ Park Committee Activity Report and Work Plan: Jim Stretch gave his annual report update along with work plan. MOTION: (Titus/Maxwell). Approve the proposed 2011-12 Russ Park Work Plan as submitted. All in favor.

Appointment of Russ Park Committee Members: Andrei Hedstrom gave a brief background why he wants to be part of the Russ Park Committee and that it will be a true pleasure to contribute and serve on the committee. MOTION: (Maxwell/Titus) Appoint city residents Andrei Hedstrom and Doug Olsen to fill the two vacancies on the Russ Park Committee, effective immediately. All in favor.

Eugene Street entrance to Russ Park: Pulled agenda item until meeting with Jay Parrish, Jim Stretch and Gerald Silva.

Resolution 2011-28 for 11th Progress Pay Request for Management and Construction Related Costs for the WWTP: Kent Hanford gave an update. Jorgen Von Frausing-Borch gave thanks to all for the hard work on the WWTP. MOTION: (Maxwell/Titus) Approve Resolution 2011-28 for 11th Progress Pay Request for Management and Construction Related Costs for the WWTP. Three ayes. Councilman Lorenzen abstained.

Accept Change Order 6: MOTION: (Maxwell/Titus) Approve Wastewater Treatment Plant Change Order #6. Three ayes with one nay from Lorenzen.

Resolution 2011-29 Adoption of FY 11-12 Budget and Resolution 2011-30 Adoption of FY Fees and Fines Schedule: MOTION: (Farley/Maxwell) Approve Resolution 2011-30 Adoption of FY 11-12 Budget and Resolution 2011-30 Adoption of FY Fees and Fines. Three ayes with one nay from Lorenzen.

Art Exhibit on the City Green: City Manager Jay Parrish spoke on possible sculpture by world famous Italian artist to be put in the city green. MOTION: (Titus/Maxwell) Provide opportunity to City Manager to explore this further. All in favor.

Resolution 2011-27 A Resolution to the City Council of the City of Ferndale to Close Brown Street from Main Street to the North Valley Bank Parking Lot on July 15, 2011 for the NVB Anniversary Celebration and to close the Remainder of Brown Street from the NVB Parking Lot to Berding Street for use of the Ferndale Fire Department: MOTION: (Maxwell/Titus) Approve Resolution 2011-27. All in favor.

City Manager Contract Review: MOTION: (Titus/Maxwell) Authorize staff to memorialize council direction regarding City Manager Contract and salary adjustment in a Resolution to be signed by the Mayor. Three ayes. Councilman Lorenzen abstained.

Signs: City Manager Jay Parrish gave update on Sign Ordinance. MOTION: (Maxwell/Titus). Delay enforcement of Sign Ordinance as long as businesses make progress on appropriate new ordinance language. Three ayes with one nay from Lorenzen.

Change Order for Miksis Project: MOTION: (Titus/Maxwell) Approve the change order for Miksis project. Three ayes with one nay from Lorenzen.

The meeting was adjourned at 8:30 pm. The next regular council meeting will be August 4, 2011.

Respectfully Submitted:

Brianna Smith
Administrative Assistant

City of Ferndale, Humboldt County, California USA

City Council Minutes for the July 27, 2011 Special Meeting 5:30 p.m.

Page 1

Mayor Jeffrey Farley called the Special Meeting to order at 5:35 p.m. Present were Councilmen Titus, Maxwell, Mierzwa and Lorenzen as well as City Manager Jay Parrish, Finance Manager Deb Austrus and Manhard representative Kent Hanford.

The City Manager gave an update on Wastewater Treatment Plant Change Orders #7 & #8. Kent Hanford explained the scope of work that was associated with the change orders.

Change Orders #7 & #8: MOTION: (Titus/Maxwell) Approve Wastewater Treatment Plant Change Orders #7 & #8. Four eyes with one nay from Lorenzen.

No Closed Session.

The meeting was adjourned at 6:05 pm.

The next regular council meeting will be August 4, 2011.

Respectfully Submitted:

Deb Austrus

Finance Manager

Section 9

CALL ITEMS

*These are items pulled from the consent agenda
for discussion and a separate motion.*

Section 10

PRESENTATIONS

Section 11

BUSINESS

Meeting Date:	August 4, 2011	Agenda Item Number	11a
Agenda Item Title:	Resolution 2011-31 for 12 th Progress Pay Request for Management and Construction Related Costs for the WWTP		
Presented By:	Jay Parrish, City Manager		
Type of Item:	<input checked="" type="checkbox"/> Action	<input type="checkbox"/> Discussion	<input type="checkbox"/> Information
Action Required:	<input type="checkbox"/> No Action	<input checked="" type="checkbox"/> Voice Vote	<input type="checkbox"/> Roll Call Vote

RECOMMENDATION:

Approve Resolution 2011-31 12th Progress Pay Request for Management and Construction Related Costs for the WWTP.

BACKGROUND:

Work on our WWTP began on August 2, 2010 and this is the 12th draw down from the USDA loan. The costs associated with this draw down include costs from Wahlund Construction for \$594,491.22, Construction Management costs from Manhard Consulting for \$23,247.66.

FISCAL IMPACT:

\$617,738.88 from the USDA loan account.



Civil Engineers
Surveyors
Water Resources Engineers
Water & Wastewater Engineers
Construction Managers
Environmental Scientists
Landscape Architects
Planners

July 27, 2011

Mr. Jay Parrish
City Manager
City of Ferndale
834 Main Street
Ferndale, CA 95536

RE: City of Ferndale Wastewater Treatment Plant Additions

Dear Mr. Parrish:

The Wastewater Treatment Plant Project has begun the 13th month of construction and most onsite improvements have been completed. The treatment tank including concrete, piping, walkways, stairs and hand railing is complete. The master liftstation is ready for startup. The filter building and process equipment are nearly complete with only flooring in the office area remaining. The effluent pumpstation improvements are constructed and ready for painting. Most site grading is close to finish grade and the garage building is under construction. Equipment start up will begin August 9th and the plant could be producing final treated effluent by the end of September.

The contractor has submitted the twelfth partial payment estimate. I have reviewed the estimate and find it acceptable and appropriate for the work completed at the time the estimate was prepared. The current pay estimate includes the following:

- Contractor Operational Costs
- Biological Treatment Tank Construction
- Master Liftstation Installation
- Filter Building Construction
- Site Piping Installation
- Equipment Acquisition and Installation
- Site Utility Installation
- Effluent Pump Station Construction

The retention required by the USDA contract specifications of ten percent, has been withheld from the partial payment request.

A summary of the current construction contract is included below

Original Contract Amount	\$	8,265,088.00
Net Total Change Orders	\$	325,704.08
Total Contract + Change Orders	\$	8,590,792.08
Contract Work + Change Order Work Completed To Date	\$	7,226,729.96
Work To Date Minus 10% Retention	\$	6,504,056.96
Previous Billed	\$	5,909,565.74
Work To Date Minus Previous Billed	\$	594,491.22
TOTAL AMOUNT DUE		\$ 594,491.22

In the coming month, all improvements on site, with the exception of paving, will be complete and the treatment process equipment start up will be nearly complete. The earthwork within the existing storage pond and all wetlands mitigation work will begin in mid October with the paving of the site and Port Kenyon Road to follow in late October or early November. If you have any questions, please feel free to contact me.

Sincerely,



Kent Hanford
Resident Project Representative

RESOLUTION 2011-31

**THE CITY COUNCIL OF THE CITY OF FERNDALE
APPROVES THE TWELFTH PARTIAL PAYMENT REQUEST TO WAHLUND CONSTRUCTION, MANHARD
CONSULTING FOR THE WASTEWATER TREATMENT FACILITY PROJECT**

WHEREAS, Wahlund Construction began Work on our Wastewater Treatment Plant on August 2, 2010;
and

WHEREAS, Manhard Consulting is supplying Construction Administration for this project; and

WHEREAS, The City of Ferndale will be processing partial pay requests on a monthly basis, as well as
periodic individual bills; and

WHEREAS, The City Council has received the eleventh partial payment request of \$594,491.22 for
Wahlund, \$23,247.66 for Manhard Consulting. This all falls within the parameters of our WWTP budget.

NOW THEREFORE BE IT RESOLVED that the City Council of the City of Ferndale hereby approves
payment of the Twelfth partial payment request in the amount of \$594,491.22 for Wahlund, \$23,247.66
for Manhard Consulting for a total of \$617,738.88

PASSED AND ADOPTED on this 4th day of August, 2011 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Jeffrey Farley, Mayor

ATTEST:

Nancy Kaytis-Slocum, City Clerk

Meeting Date:	August 4, 2011	Agenda Item Number	11b
Agenda Item Title:	Resolution 2011-32 Awarding the Sewer Rehab Contract to DCI Builders		
Presented By:	Jay Parrish, City Manager		
Type of Item:	<input checked="" type="checkbox"/> Action	<input type="checkbox"/> Discussion	<input type="checkbox"/> Information
Action Required:	<input type="checkbox"/> No Action	<input checked="" type="checkbox"/> Voice Vote	<input type="checkbox"/> Roll Call Vote

RECOMMENDATION:

Approve Resolution 2011-32 Awarding the Sewer Rehabilitation Contract to DCI Builders.

BACKGROUND:

A Request for Proposals went out to Install three new sanitary sewer manholes and three new sanitary sewer clean outs as per plans and specifications by Manhard Consulting LTD. An alternative was included to eliminate one clean out and add one manhole.

We received the bids per the submittal requirements in the bid package. There were three bidders: DCI Builders (\$49,125.00 with an alternative of \$3,700); V&C Construction (\$91,683.75); Wahlund Construction (\$131,500 with an alternative of \$26,000). Engineer's recommendation is to award the project to DCI Builders.

FISCAL IMPACT:

\$60,748.75



**Residential
Commercial
Decorative Concrete
Site Development
Metal Buildings**

July 27, 2011

City of Ferndale
P.O. Box 1095
Ferndale, CA 95536

DCI Builders proposes the following:

* Install three new sanitary sewer manholes and three new sanitary sewer clean outs as per plans and specifications by Manhard Consulting LTD.

Bid proposal in the amount of: \$ 49,125⁰⁰

forty nine thousand one hundred and twenty five Dollars

Alternate:

* Eliminate one clean out and add one manhole.

Alternate in amount of \$ 3700⁰⁰

Three thousand seven hundred Dollars

Sincerely,

Dennis DelBiaggio, CEO
DCI Builders
707-786-5450
Lic #638887

707-786-5450
Fax: 707-786-4566

118 Port Kenyon Rd.
P.O. Box 112
Ferndale, CA 95536

dcibuilders.com



RE: City of Ferndale Manhole Project

DCI Builders Information

DCI Builders
118 Port Kenyon Road
P.O. Box 112
Ferndale, CA 95536
Lic# 638887
Phone: 707-786-5450
Fax: 707-786-4566

Contact Information

Dennis DelBiaggio, CEO
707-599-5382
dennis@dcibuilders.com

Josh Smith, Project Supervisor
707-599-5386



Timeline for completion of work:

4 weeks after caltrans approved permit,

V & C CONSTRUCTION, INC.

PO Box 1269 Minden, Nevada 89423

(775)782-4099 Fax :(775)782-4096

July 26, 2011

*Manhard Consulting Ltd.
427 F Street, Suite 236
Eureka, CA 95501*

RE: City of Ferndale – Sanitary Sewer Manholes and Cleanout Installation

To Whom It May Concern:

Please find enclosed our bid for the above referenced project. Our submission requirements are as follows:

1. *V&C Construction, Inc.
PO Box 1269
Minden, NV 89423
(775) 782-4099
Contact - Donny Mobley - (707) 496-5699*
2. *We plan on starting the project around August 23, 211 with a completion date of September 16, 2011.*
3. *Please find attached Book A.*
4. *Please find attached Book A with references listed with projects.*
5. **TOTAL BID PROPOSAL - \$91,683.75**

If you have any questions or need any additional information, please feel free to give me a call at (775) 782-4099.

Sincerely,



*Toni Van Winkle
Secretary*

V C CONSTRUCTION, INC.
 STATEMENT OF BIDDERS EXPERIENCE AND FINANCIAL QUALIFICATIONS
 SCHEDULE A-PROJECTS COMPLETED IN THE PAST FIVE YEARS

7/26/2011

East Washington Street Pedestrian Improv Carson City, Nevada	Carson City	Robert Fellows	\$305,015.75	Jun-10	Robert Fellows, P.E. Carson City Public Works 3505 Burd Way Carson City, NV 89701 (775) 887-2355 Ext 30370
Willow Court Subdivision Yerington, Nevada	Yerington Paiute Tribal Housing Authority	Dan Dyer	\$282,260.80	Dec-09	Lee Shaw Yerington Paiute Tribal Housing Authority 31 West Loop Road Yerington, NV 89447 (775) 463-2225
Bridge Street Project Yerington, Nevada	City of Yerington	Gregory Lyman	\$84,374.00	Nov-09	Sierra Brewer Farr West Engineering 5442 Longley Lane, Suite B Reno, NV 89511 (775) 851-4788
AI Tahoe Erosion Control Project 1 - Stage 1 South Lake Tahoe, California	City of South Lake Tahoe	Stan Hill	\$540,686.70	Oct-09	Cynthia Gillis City of South Lake Tahoe 1052 Tala Lane South Lake Tahoe, CA 96150 (530) 542-7415
Cal Tran Contract No. 09-2588014 Bishop, California	Cal Trans	Truman Denio	\$2,076,223.55	May-09	Gerry Jensen Qualicon Contractor, Inc. 1645 Esmeralda Avenue Minden, NV 89423 (775) 782-2006
South Second Street Improvements Bishop, California	City of Bishop	Deaton Dishon	\$892,790.88	Jun-09	David Grah City of Bishop 377 West Line Street Bishop, CA 93514 (760) 878-8458
2008 County Road Ditch Project Minden, Nevada	Town of Minden	Tim Russell	\$455,429.00	Feb-09	Tim Russell Resource Concepts, Inc. 340 N Minnesota Street Carson City, NV 89703 (775) 883-1500

**V C CONSTRUCTION, INC.
STATEMENT OF BIDDERS EXPERIENCE AND FINANCIAL QUALIFICATIONS
SCHEDULE A-PROJECTS COMPLETED IN THE PAST FIVE YEARS**

Name, Location and Description of Project	Owner	Design Engineer	Contract Price	Date Completed	Reference Contact Address & Phone
2011 Buckeye Rd(Buckeye Booster to Orchard) Water Transmission Main Installation Minden, NV	Town of Minden	Tim Russell	\$175,400.60	Jun-11	Tim Russell Resource Concepts, Inc. 340 N. Minnesota Street Carson City, NV 89703 (775) 883-1600
Kingsbury Village Water Metering Project StateLine, NV	KGID	Ralph R. Wenziger	\$535,781.48	Jun-11	Michelle Runtzel Kingsbury G. I. D. 160 Pine Ridge Drive StateLine, WV 89449 (775) 588-3548
2010 Buckeye Rd (Heybourne Rd to Virginia Ditch) Water Transmission Main Minden, NV	Town of Minden	Tim Russell	\$463,645.00	May-11	Tim Russell Resource Concepts, Inc. 340 N. Minnesota Street Carson City, NV 89703 (775) 883-1600
2010 East Valley & Buckeye Water Line Minden, NV	Town of Minden	Tim Russell	\$772,729.20	Feb-11	Tim Russell Resource Concepts, Inc. 340 N. Minnesota Street Carson City, NV 89703 (775) 883-1600
Lower KGID Water Metering Project StateLine, NV	KGID	Ralph R. Wenziger	\$398,986.36	Dec-10	Michelle Runtzel Kingsbury G. I. D. 160 Pine Ridge Drive StateLine, NV 89449 (775) 588-3548
2010 Carson Street Drainage Phase 2 Genoa, NV	Town of Genoa	Tim Russell	\$86,720.00	Dec-10	Tim Russell Resource Concepts, Inc. 340 N. Minnesota Street Carson City, NV 89703 (775) 883-1600

WAHLUND CONSTRUCTION, INC.

A General Engineering Contractor
Lic. #678993 A, B., Asbestos, Hazmat

7/26/11

General Contractors

ATTN: Estimator

RE: Ferndale Sanitary Sewer Improvement Project

Dear Sir,

Wahlund Construction Inc. is pleased to submit for your consideration and review this proposal for work at the above referenced project. Our bid is based on unapproved onsite plans prepared by Manhard Consulting LTD, dated 7/11/2011. No Addendums noted

Our **LUMP SUM BASE BID PROPOSAL OF \$ 113,000.00**, includes the following specific items of work:

Sewer Manholes	3 ea @ \$ 27,500.00 = \$82,500.00
Sewer Clean outs	4 ea @ \$ 8,500.00 = \$34,000.00
Mobilization	1 ls @ \$ 15,300.00 = <u>\$15,000.00</u>
	Total \$131,500.00

Alternate "A" 1 ea @ \$26,000.00

Additional Information:

Wahlund Construction 830 Hilma Dr, Eureka CA 95503
Principal: Ken Wahlund, 707-268-0150

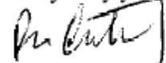
Projects: Ferndale WWTP
Crescent City WWTP
Fortuna WWTP

References: City of Ferndale
City of Crescent City
City of Fortuna

Duration: Three Weeks

We look forward to working with you on this project. If you have any questions, please call me at 707-268-0150 or 498-1812.

Very truly yours,



Bob Crittenden
Estimator
Wahlund Construction Inc.

Ken & Kelly Wahlund

830 Hilma Drive, Eureka, CA. 95503
Fax: 707-268-0137

Office: 707-268-0150

RESOLUTION 2011-32
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FERNDALE AWARDING THE
SEWER REHABILITATION CONTRACT TO DCI BUILDERS.

WHEREAS, The City Council of the City of Ferndale is a duly formed and organized general law city pursuant to California government Code Section 34102; and

WHEREAS, Pursuant to Public Contracts Code Section 20162, formal bids were taken for the sewer rehabilitation project; and

WHEREAS, DCI Builders was the lowest responsible bidder for the project, in the amount of a base bid of \$49,125.00 for sewer manholes and sewer clean outs and an alternative bid of \$3700 for the elimination of one clean out and adding one manhole, with a contingency of 15% or \$7923.75 for a total of \$60,748.75; and

WHEREAS, the construction will conform to plans and specifications issued by the City.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Ferndale enters into a contract on behalf of the City of Ferndale and DCI Builders as the lowest responsible bidder for the Sewer Rehabilitation Project in the amount of a base bid of \$49,125.00 for sewer manholes and sewer clean outs and an alternative bid of \$3700 for the elimination of one clean out and adding one manhole, with a contingency of 15% or \$7923.75 for a total of \$60,748.75 and authorizes the City Manager to execute any change orders to said contract or budgeted amount.

PASSED AND ADOPTED by the City Council of the City of Ferndale on August 4, 2011, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Jeffrey Farley, Mayor

Attest:

Nancy Kaytis-Slocum, City Clerk

Meeting Date:	August 4, 2011	Agenda Item Number	11c
Agenda Item Title:	Art Exhibit on the City Green		
Presented By:	Jay Parrish, City Manager		
Type of Item:	<input checked="" type="checkbox"/> Action	<input type="checkbox"/> Discussion	<input type="checkbox"/> Information
Action Required:	<input type="checkbox"/> No Action	<input checked="" type="checkbox"/> Voice Vote	<input type="checkbox"/> Roll Call Vote

RECOMMENDATION:

Authorize City Manager to negotiate an agreement to display sculpture at City Hall.

BACKGROUND:

Joe Koches will give a presentation and show pictures of the sculpture and give background information.

FISCAL IMPACT:

None

Meeting Date:	August 4, 2011	Agenda Item Number	11d
Agenda Item Title:	Wind Turbine Update		
Presented By:	Jay Parrish, City Manager		
Type of Item:	<input type="checkbox"/> Action	<input type="checkbox"/> Discussion	<input checked="" type="checkbox"/> Information
Action Required:	<input checked="" type="checkbox"/> No Action	<input type="checkbox"/> Voice Vote	<input type="checkbox"/> Roll Call Vote

RECOMMENDATION:

Receive and file.

BACKGROUND:

In the early part of 2010, the City received a Notice of Preparation of an Environmental Impact Report / Environmental Impact Statement for the Bear River Ridge Wind Power Project. That led to a meeting between the City Manager and, at their request, the Mayor and Shell. At that meeting they informed us that there were challenges to a variety of different routes that could get them to the site and they were trying to narrow it down to either Monument Road or up the Wildcat. In a recent meeting and update with Shell regarding the project, it seems that the same challenges exist and continue to be analyzed. There was also discussion of the present transmission lines needing upgrading. Although this seems to be early in the process, the City once again expressed the same concerns that we expressed during our first meeting. We have included the letter dated February 18, 2010 as an attachment that enumerates these concerns.

FISCAL IMPACT:

Unknown

February 18, 2010

John Miller, Planner
Community Development Services Dept.
Humboldt County
3015 H Street
Eureka, CA 95501

Subject: City of Ferndale NOP/NOI Comments on the Bear River Wind Power EIR/EIS

Dear Mr. Miller,

The City of Ferndale received the NOP/NOI Humboldt County circulated on January 19, 2010, for the proposed Bear River Wind Power Project. The NOP/NOI solicits comments from responsible agencies, trustee agencies, and interested groups and individuals as to the required scope and content of the EIR/EIS to be prepared for the project.

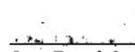
The project would include elements that, although outside of the City boundary, may result in environmental effects within the City. Therefore, the City is submitting the following comments in response to the NOP/NOI. To consider the environmental effects of the Bear River Wind Power Project, the City request that the EIR/EIS:

- (1) Quantitatively evaluate traffic and noise impacts of construction traffic that would utilize roads through the City of Ferndale. This includes approximately 60 daily road trips by vehicles transporting construction personnel, more than 850 truck trips delivering the turbine components and related equipment to the project site, and more than 2,500 trips by dump trucks, water trucks, cranes, and other construction and trade vehicles.
- (2) Quantitatively analyze construction and operations-related air quality impacts of both project construction and operation, including a quantitative analysis of greenhouse gas emissions (GHGs) as required by AB 32.
- (3) Describe and evaluate the environmental effects (e.g., traffic, construction and operational noise, visual impacts, potential electromagnetic-related adverse health effects, etc.) of constructing and operating the proposed transmission line from the wind turbines to the PG&E substation and of any new or improved power transmission lines from the substation required to distribute the additional 50 megawatts of electricity to be generated by the project.

The NOP indicates that road improvements may be required to allow for the transport of wind turbine components. If any improvements are required to streets and/or rights of way within the City of Ferndale, the applicant must obtain approvals from these improvements from the City, and the environmental effects of any such improvements should be fully evaluated. Impacts should be assumed to occur if the truck traffic would exceed applicable or recommended weight limitations for the types of roads and City streets to be used.

Thank you for the opportunity to respond to the NOP for the Bear River Wind Power Project. Please call me at (707) 786-4224 if you have any questions concerning our comments.

Sincerely,



Jay Parrish
City Manager, City of Ferndale

Meeting Date:	August 4, 2011	Agenda Item Number	11e
Agenda Item Title:	Update on Navy Housing and set date for special meeting relating to conveyance issues		
Presented By:	Jay Parrish, City Manager		
Type of Item:	<input checked="" type="checkbox"/> Action	<input type="checkbox"/> Discussion	<input type="checkbox"/> Information
Action Required:	<input type="checkbox"/> No Action	<input checked="" type="checkbox"/> Voice Vote	<input type="checkbox"/> Roll Call Vote

RECOMMENDATION:

Receive and file update and set date for Special meeting

BACKGROUND:

Schedule a special City Council meeting to discuss proposals from parties interested in owning the Navy Housing property and authorize staff to negotiate exclusively with which ever party the City Council deems appropriate.

FISCAL IMPACT:

Unknown

Meeting Date:	August 4, 2011	Agenda Item Number	11f
Agenda Item Title:	Angelina Wellness Center		
Presented By:	Jay Parrish, City Manager		
Type of Item:	<input type="checkbox"/> Action	<input type="checkbox"/> Discussion	<input checked="" type="checkbox"/> Information
Action Required:	<input checked="" type="checkbox"/> No Action	<input type="checkbox"/> Voice Vote	<input type="checkbox"/> Roll Call Vote

RECOMMENDATION:

Receive and file.

BACKGROUND:

Steve Lasar, Humboldt County Planner, explained to staff that this project is still in the early stages and that there would be public hearings at the County level. What they are looking for now is site-specific anecdotal information; how the project may affect the City of Ferndale; localized knowledge for review. Lasar indicated that Mr. William Thorington, Chairman of the Board of Directors, President / CEO would be willing to attend a Council meeting, if requested, to provide additional information.

FISCAL IMPACT:

Unknown.

ANGELINA WELLNESS CENTER

APN: 200-042-04 (FERNBRIDGE)

Case Nos.: CUP-11-09 / CDP-11-14

AGENDA ITEM TRANSMITTAL

TO: HUMBOLDT COUNTY PLANNING COMMISSION
 FROM: Kirk A. Girard, Director of Community Development Services

HEARING DATE:	SUBJECT:CONDITIONAL USE PERMIT	CONTACT: Steve Lazar
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Before you is the following:

PROJECT: A Coastal Development Permit and Conditional Use Permit to allow occupancy of a portion of an existing 7,636 square foot commercial building (formerly the Angelina Inn Restaurant / Bar) by a nursery and distribution facility run by a Medical Cannabis Collective engaged in the distribution of Medical Marijuana (Cannabis) to qualified patients, as authorized under Proposition 215, also known as 'The Compassionate Use Act of 1996'. Cultivation and processing of medical Cannabis to be distributed at this facility will be performed both on and off-site by collective members. While no 'full-term' medical cannabis will be produced 'on-site', the collective proposes to operate a small nursery within an existing detached garage. The nursery will produce immature clones and starts which will be made available for purchase by collective members. Off-site cultivation will occur at various locations managed by members of the collective and will be subject to third-party certification to insure compliance with all applicable State and Local Guidelines and Regulations including: Article 2.5 of the Health and Safety Code (Assembly Bill 420), the August 2008 Attorney General Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use, Humboldt County Ordinance No. 2328 (Medical Marijuana Guidelines), and the Humboldt County District Attorney's Health & Safety Code §§11357-11360 Prosecution Guidelines. The Collective also wishes to eventually provide orally ingestible medical cannabis forms to their members once compliance with state and local regulations can be demonstrated. The facility will be operated on a non-profit basis by members of the collective. Each member will be required to provide evidence that they are: 1) A California resident; 2) have a California ID or Drivers License; and 3) have a recent Physician's recommendation for the medical use of Cannabis. No smoking or other forms of consumption will be allowed to occur within the facility or in the vicinity. All buying and selling of medicine will be restricted to established members of the collective. Proposed hours of operation are: 10AM – 4PM, Monday thru Friday (Closed Saturdays and Sundays). A detailed Plan of Operations has been prepared for the proposed use addressing issues of neighborhood compatibility, transparency of operations and public safety. In addition to the proposed collective distribution facility, the approximately 1½-acre parcel and existing 7,600 ft.² building are proposed to host two other independent commercial uses including: a 1,495 ft.² restaurant & bar, and a Medical Cannabis testing facility (to be operated by Steep Hill Labs, an Oakland-based business which specializes in testing of medical cannabis). Samples of all medical cannabis acquired and distributed by the Collective will be sent to the on-site independent laboratory for testing of: potency, microbiological contaminants, and harmful pesticides. Changes to the building floor plan have been implemented in an effort to insure the security and independence of each new proposed use. The applicant also proposes to utilize an approximately 7,500 ft.² undeveloped area near the southwest corner for a new commercial gardening supply business featuring products such as: bagged soils, small equipment, live plants (non-cannabis), and tools consistent with outdoor planting and vegetable gardening. The garden supply area is proposed to be covered with small crushed rock and secured with an approximately 6-foot tall perimeter cyclone fence. A seasonal 12 x 16 tent is also proposed to be erected in the parking lot area. Water is provided for a private well and an existing on-site septic system is in the process of being repaired as authorized under a previous permit. In 2003, a previous proposal ('HPRC' Special Permit SP-03-146) to establish a Willow Creek clinic engaged in the on-site indoor cultivation and distribution of medical marijuana was approved pursuant to §311-4, HCC (where provisions of the zoning regulations are unclear). The Planning Commission and Board of Supervisors have determined that facilities engaged in the cultivation and distribution of medical marijuana must secure a Conditional Use Permit.

PROJECT LOCATION: The project site is located in Humboldt County, in the Fernbridge area, on the north side of Fernbridge Drive, approximately 1/3 of a mile west of the intersection of Fernbridge Drive with State Route 56, on the property known as 281 Fernbridge Drive.

PRESENT PLAN DESIGNATIONS: General Commercial (CG) Eel River Area Plan (ERAP). **Density:** N/A **Slope:** Relatively Stable (0) / Moderate Instability (2)

PRESENT ZONING: Commercial General (CG)

ASSESSOR PARCEL NUMBER: 200-042-04

APPLICANT
 ANGELINA GROUP LLC
 1201 Main St.
 Fortuna, CA 95540
 Phone: (707)496-4703

OWNER(S)
 MICHAEL & MARILYN RENNER
 1150 Vista Drive
 McKinleyville, CA 95519-7819
 Phone: (707)443-5060

AGENT
 A.M. Baird Engineering & Surveying
 P.O. Box 396
 Fortuna, CA 95540
 Phone: (707)725-5182 | Fax: (707)725-5581

ENVIRONMENTAL REVIEW:
 Project is exempt from environmental review per Section 15301 & 15303(c) of the CEQA Guidelines.

MAJOR ISSUES
 Compatibility w/ Neighboring Land Uses

STATE APPEAL STATUS:
 Appealable to the California Coastal Commission.

**County of Humboldt
Humboldt Community Development Services**

Narrative for an application for a Conditional Use Permit by:

**Angelina Wellness Center
Medical Marijuana Dispensary**

**Prepared For:
Humboldt County Planning Department**

Steve Lazar, Planner I
3015 H Street, Eureka, CA 95501
slazar@co.humboldt.ca.us

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I Introduction

This submittal is offered by Angelina Wellness Center (AWC), a wholly owned division of 215 Humboldt, a California Non-Profit Mutual Benefit Corporation. 215 Humboldt was incorporated April 6, 2010 with CA Corporate number **3286714** and whose standing with the Secretary of State of the State of CA is Active. 215 Humboldt duly filed a Fictitious Business Name Statement with the Humboldt County Clerk on August 30, 2010 as doing business as Angelina Wellness Center. The Fictitious Business Name Statement was published 4 times in accordance with the Business Code with proof of publication in our files.

215 Humboldt has also registered its self with the Internal Revenue Service (IRS) and has received the EIN designation: **27-3857591**.

The legal purpose of 215 Humboldt is: To facilitate herbal and natural remedies for chronically ill patron members who are California residents with HIV, AIDS, chronic pain, chronic spasticity, glaucoma, arthritis, cancer migraine, wasting syndrome, and/or such other conditions for which licensed medical physicians may recommend such herbal or natural remedies pursuant to California Law.

II Description of Application and Conditional Use Permit sought

This is a simply overview of the business operation, as the more detailed description will follow in the balance of this document.

The Applicant, Angelina Wellness Center, hereinafter referred to as AWC, does herewith submit these materials to demonstrate its qualifications and with the expectation of being granted a Conditional Use Permit (CUP) by the County of Humboldt to operate a Medical Marijuana Dispensary (MMD) in the unincorporated area of the county know as Fernbridge. The facility was formally the Angelina Inn, a well known Italian restaurant and bar. The address is 281 Fernbridge Rd. Fernbridge, CA 95540, APN 200-042-004. The property is presently in a purchase escrow with Humboldt Land Title # 00137763-001 between the Angelina Group LLC (buyers) and Dave W. Morris & Mike L. & Marilyn L. Renner (sellers). The Angelina Group LLC and the Sellers are aware of this application. The Sellers have already executed the CUP application and the Angelina Group LLC will, when appropriate, indicate its approval of the intended use as a Medical Marijuana Dispensary (MMD). While the Angelina Group LLC will be the ultimate owners of the building, it will enter into a long-term commercial lease with 215 Humboldt, DBA Angelina Wellness Center for that portion of the building to be operated as the MMD.

In general, the AWC proposes to operate a MMD on the subject site. It is not applying for nor will it grow any of its medicines on site. It proposes to dispense only tested medicine that it has been acquired from its member farmers. 100% of the medicine acquired for dispensing will be certified as "Safe Cannabis" by SteepHill Laboratories and will be grown using only environmentally safe methods. Member farmers will be approved by AWC and will agree to abide by its growing standards and will be subject to testing and inspections. Third-part inspection or certification, as is being proposed by the County will be acceptable, and will be incorporated into our operation when the specifics have been determined.

Other related elements of this application

Angelina Group LLC, the proposed owner of the parcel is proposing to develop a small testing facility in separate room on the parcel. This room with private entrance is proposed to be lease to California's largest and most respected medical cannabis testing laboratory. A letter of intent has been executed and lease terms are being currently being negotiated. Amplification of this element is discussed in section XVI(a).

Angelina Group LLC, the proposed owner of the parcel is proposing to upgrade and rehabilitate the Bar facility of the property. The Bar facility will be operated as a Beer/Wine Bar and Grill, with all necessary County Health and Business licenses and a State liquor license. While the business will be owned by the Angelina Group LLC, the daily operation of the Bar and Grill will be contracted to a long-time Humboldt County Italian restaurant company. This is not considered to be a change in use, as the Angelina Inn has been historically operated as a Bar and restaurant since its construction in 1933. The Bar and Grill will not be connected physically or in operation with the Angelina Wellness Center. The Bar and Grill will have separate public and employee entrances and separate emergency exits, separate kitchen and storage areas and separate male and female ADA compliant restrooms. Amplification of this element is discussed in section XVI(b).

Angelina Group LLC, the proposed owner of the parcel is proposing to construct a 110 ft. "good-neighbor" fence along the east property line. The fence will begin at the front of the parcel near the State Highway and proceed along the east line in a northerly direction until it meets an existing fence that was previously constructed that ran from the rear of the property to about half way to the front. The proposed fence is part of an application before the Co Building department and is currently in plan checks. It will be a wooden fence will be a continuation of an existing fence and using similar design and construction. The fence will use pressure treated 4x6 posts set in concrete on 8 ft centers, with a 2x10 pressure treated base plate and using full dimension 1"x 6"x 6' dog-eared cedar planks. While the ground topography is irregular the fence will be built at an approximate height of 6'. There will be no gates in the fence. Although there is a dense 30 ft hedge along the east property line, the adjoining property owner to the east is in full agreement with the construction of this "privacy fence". This fence has been shown on the plot/site plans that have been submitted herewith.

III 215 Humboldt: Board of Directors, Officers and Advisory Board

Board of Directors:

William F. Thorington	Chairman
Larry Emry	Vice-chairman
Bryan Sturgill	Member
Susan Campbell	Member
Rocio Emry	Member
Jesse Stockham	Member

Officers:

William F. Thorington	President / CEO
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Larry Emry	Vice President
MaryAnn Stockham	Secretary
Susan Campbell	Treasurer

Advisory Board: (Associate Members)

Dr. Kenneth Miller, MD	Medical Quality Assurance
Dr. Rodney Grover, MD	Medical Documentation
George Ojala	Veteran Services
Dr. Rosalind Skyhawk, D.D.	Patient Spiritual Services
Dr. Andrew Fogg, DC	Patient Wellness Services
David Cobb, Esq.	Business & Political Advisor

IV Board of Director Résumé's

William Thorington:

Born: Merced, CA 1948; Moved to Humboldt County 1977

Status: U. S. Citizen

Criminal Record: None

Age: 62

Married with 2 Step Children

Education:

Merced Unified High School: Grad 1966

University of California Santa Barbara (UCSB) 1970 - Fisheries Biology

CA State University Sacramento (CSUS) 1971 - Biochemistry

Post Graduate: (CSUS) – 1972 Biochemistry

McGeorge School of Law 1976

University of Oklahoma (UO) – 1986 Graduate Business School – Banking/Finance

Employment:

Bank of Loleta: VP and Loan Administrator 1977-1987

Six Rivers National Bank: Founder/EVP/Board Member 1988-1998

Thorington Consulting Group 1998 – Present: Owner / Principal Consultant:

Superior Court appointed Receiver, Trustee, Financial consulting, mediation and negotiations.

Green Living Center 2008 – Present: Owner: Retail business in Fortuna selling

Green & Earth-Friendly products and apparel.

Hobbies / Activities:

President, Humboldt Watershed Council

Vice President/CFO Harold Robinson Foundation

Private Pilot, SCUBA Diving, Kayaking

◇ ◇ ◇

Larry Emry:

Born: Nebraska, 1955: Moved to Humboldt County 1979

Status: U. S. Citizen

Criminal Record: None

Age: 55

Married with 2 adult children

Education:

Newbury Park High: Grad 1973

College of the Redwoods: Grad 2003

Employment:

West End Props: Owner 1976-1979 Supplied Props to motion picture industry.

Logger, Equipment Operator & Salmon Troller: Humboldt County 1979-2000

Instructors Aid: College of the Redwoods 2003+

Obtained Real Estate License

Country Real Estate: Owner 2006 to Present

Hobbies/Activities:

Fishing, boating & hiking

< < <

Bryan Sturgill

Born: Johnson City, TN 1971 Moved to Humboldt County 1998

Status: U. S. Citizen

Criminal Record: None

Age: 39

Married with 1 child (8)

Education:

HS: Farragut High School

Employment:

AMPT Apparel; Founder & Operator: 1993 -1996 Manufactured hemp clothing, backpacks and accessories. Also private label manufacturing for several companies

AMPT Skateboards; Owner & Operator: 1994 - 1999 A retail skateboard and lifestyle store and wholesale distribution of AMPT Skateboards.

Satori Movement; Founded and Operated 1999 – 2003 A Humboldt Co. skateboard wheel and hemp clothing company. Satori offers recyclable skateboard wheels as well as a full line of men and women's clothing and accessories made from hemp, organic cotton and bamboo. Sold Company 2003

Grass Roots; Confounded 2007 a Medical Marijuana Dispensary in Denver, CO.

GR is a dispensary plus an indoor and outdoor medical marijuana growing facility. Sold ownership in 2010 and still consults for Grass Roots.

Hobbies/Activities:

Asst. Chief Bridgeville Fire Rescue

Member Eel Valley Technical Rescue Team

< < <

Jesse Stockham:

Born: San Francisco, CA 1952. Moved to Humboldt County 1981

Status: U. S. Citizen Yes

Criminal Record: None

Age: 58

Married, 5 Adult Children

Education

HS: Mt. Tam High School, Marin, CA

Employment: Union Rep, San Francisco CA 21 Yrs

Hobbies/Activities: Fishing

◇ ◇ ◇

Susan Campbell

Born: Edwards AFB, CA - Moved to Humboldt County 1997

Status: U. S. Citizen

Criminal Record: None

Age: 54

Married: 2 Children in College

Education:

Palos Verdes High School: Graduate 1974

University of the Pacific: Liberal Arts

Employment:

Security Pacific National Bank, 1978 Bank Teller, Data Input

Westwood Bank of Commerce, 1980 Safe Deposit Teller

City National Bank, Safe Deposit, 1984 Bookkeeping and Research

Embassy Suites Hotel, 1988-1997 Night Manager – Auditor

Hobbies/Activities:

Nature Photography, Kayaking, Jewelry Making

Mother of 2 boys, both HS graduates and in college

◇ ◇ ◇

Rocio Emry

Born: Guadalajara, Jalisco, MEXICO – Immigrated to USA 1984, Humboldt County 1993

Status: U. S. Citizen 1998

Criminal Record: None

Age 47

Married: 2 Children; 1 in College, 1 in Armed Services

Education:

HS Graduate (Guadalajara)

College Graduate (Guadalajara) Diploma in Secretarial Services

Employment:

Personal Aid: Dr. of Cardiology, San Diego, CA 1984 – 1989

Self Employed: Housekeeping Business San Diego, CA 1990 to 1992

Teachers Aid: Ferndale Elementary School

Country Real Estate: Co-owner, Office Manager, Notary Public. 2006 - Present

Self Employed: Notary Public, Legal Translation Services, and Interpreter on Immigration cases. 2006 - Present

Hobbies / Activities:

Helping People, Fishing, Cooking and Walking



V The Narrative Business Plan - Overview

Angelina Wellness Center (AWC) proposes to own and operate a legal, fully transparent medical cannabis distribution center at the Fernbridge site, which it will lease from the proposed property owners (in escrow) Angelina Group LLC. AWC is a wholly owned division and DBA of 215 Humboldt, incorporated April 6, 2010 and in good standing with the State of California as a California Non-Profit Mutual Benefit Corporation, strictly organized in accordance with the Compassionate Use Act of 1996, California Health and Safety Code Section 11362.5 et seq., SB 420 and AB 2650. AWC will make every effort to remain 100% in compliance with any and all current or future State laws or County and Local ordinances pertinent to the cultivation, transportation and distribution of medical cannabis for the compassionate treatment of patients under a licensed physicians care.

AWC does not propose to operate a growing operation on the subject site for its medical cannabis inventory, but will acquire its inventory from its member-growers. The Angelina Group LLC is planning to lease space on the same parcel for the establishment of a comprehensive medical marijuana testing facility. While this business is completely separate, owned and operated by the laboratory testing company, it will provide an on-site testing facility that will be used by AWC.

AWC does plan to offer clone starts to its member that wish to cultivate medical cannabis for their personal use. These starts will be immature, very small plants, provided in 2" pots and will range from 3"-9" in height. AWC wishes to reserve the right to operate a cloning operation in one of its detached garage structures. This operation will only be conducted using cuts from a "mother" plant of a known strain. The cuts, which are less than 1" in size, are cultivated for a few days under controlled conditions until they are ready for distribution. Since these plants are never allowed to grow even close to maturity or produce flowers, the vegetative mass is negligible; there is no odor to deal with, no harmful chemicals and no irrigation effluent. Any water drained through the plant beds is captured and added to make compost tea. Lights banks are small and will consume about 160 Watts per installation. Approximately 4 trays of clones are illuminated by 1 light installation. This operation is estimated to use 6-8 light installations, or about 1,280 Watts. While there are some forms of plant food used, the volumes, due to the extremely small size of the plant container, is again very small, Typically on site there would be no containers larger than gallons, and maybe as many as 4-5 gallons total of all organic solutions. 1-2 each of compost tea, starter fertilizer and nutrients. The total volume of soils and plant foods will be equal to or less than most personal backyard vegetable garden supplies. Security will be state of the art, employing digital cameras in all sensitive areas, key card controlled doors into all sensitive areas that only allow designated personnel to access and said access is programmable over a 24/7 basis. AWC will employ live security guards with radios to greet all that approach the facility, an indoor security guard, simply for presence and an overnight external security guard. AWC will also have a live-in grounds man/caretaker living on site in the adjacent apartment.

All AWC members will be issued photo ID cards with embedded personal information that will be used to verify their identity and membership. It will be used to access their information in our database, where the date, time, and purchases will be recorded.

AWC will use its member-growers to produce its medical cannabis inventory. All member-growers will be required to abide by AWC's environmental standards and safe cannabis growing methods. No diesel fuels will be used in the growing operation, no harmful chemical

herbicides, pesticides, fertilizers or growth enhancing formulas can be used in the gardens. The medical cannabis will be grown using “organic” standards and will be certified as “safe cannabis” by Steep Hill Labs. All medical cannabis inventories will be tested by Steep Hill Labs to quantify its potency in THC and CBDs as well as being free of harmful chemicals, pesticides, herbicides and free of detectable mold and mildew. All tested inventory will be bagged by Steep Hill Labs into tamper resistant light proof bags and filled with 100% “food-grade” nitrogen. All medical cannabis inventories will be bar coded as to record every detail from the seed to the shelf and all amounts dispensed. Not only will this provide the highest level of inventory control but it will allow both the patient and their doctor to know what strains and in what potency were dispensed.

AWC will offer a wide range of support and services to its members that include but are not limited to the following. Veterans’ services that include transportation or delivery, assistance in the following areas: financial, housing, medical or holistic services, counseling and spiritual needs. AWC is planning a veteran’s garden area to be planted cared for and harvested by and for the veterans.

AWC has already contracted with many practitioners to provide discounted services, and if the member can demonstrate financial need, the services will be provided on a sliding scale. These services include at this point massage therapy, chiropractic, wellness and spiritual support to name a few.

AWC envisions itself as a comprehensive facility for the compassionate treatment of medical cannabis patients. AWC will strictly enforce all medical cannabis regulations and ordinances, and will terminate a membership if a member is found to be violating any of the terms and conditions of AWC that prohibit consumption or ingestion of the medicine in the facility, prohibits loitering on the grounds of the facility, prohibits the diversion of medical cannabis, and if their medical recommendation expires.

a. Member Screening and Access Procedure

AWC will be a member based organization. Visitors to the facility will be met by a security guard, who will ask if they are already members or if they are visitors and to produce their valid CA ID and their doctor’s recommendation. If already a member and after inspecting their AWC photo ID and CA ID he will radio the staff person inside the receiving room to expect a member, they can then proceed. If they are not members, he will inspect their CA ID and recommendation and if both match and are date valid, he will radio the staff person inside the receiving room to expect a visitor, they can then proceed.

Member/patients will have already been issued an AWC laminated photo ID card having a barcode that contains all pertinent information. Upon entering the receiving room the reception person will inspect their AWC photo ID card and their CA ID, if both match then they will swipe the AWC photo ID card which will display their personal data. The receptionist will check to see that their Doctors recommendation is still valid. If it is within 60 days of expiring, they will advise the member/patient to be sure to get their recommendation updated, or their membership will cease to be valid at the expiration of their recommendation. The swiping of their card also records the date and time of their visit to AWC. If all is valid, the member/patient is allowed through a security controlled door into the dispensing area.

Visitors will be greeted as they approach the reception area. They will be told that they must become members before they are allowed into the dispensary. They will be escorted and

introduced to a member specialist. The member specialist will explain operation of AWC and will verbally go over the AWC Member Terms and Conditions, See Exhibit 16. If they wish to abide by the terms and conditions, they are given an AWC Member Registration form, See Exhibit 13 and a copy of the Terms and Conditions and asked to read, fill out and sign both. In the meanwhile a copy of their CA ID and their doctor's recommendation are taken. If possible the doctor's recommendation will be verified by logging into any number of the online verification sites, although the CA MMP (<http://www.calmmp.ca.gov>) will be the preferred and recommended method. If the doctor does not subscribe to a 24/7 verification plan, then a phone call will be made to the doctor's office. If absolute verification can be made on line (hard copy printed) or verbally, and if the visitor has completed and signed all member application documents, then they will be asked to be photographed. All personal information, doctor's name, expiration date of recommendation will be encrypted into a unique bar code for this member. Their photo will be taken and printed onto the card. At the completion of the registration, the visitor is now a member, with a photo ID and verified medical recommendation. The member specialist will now begin the orientation to the AWC starting with a more detailed description of the ancillary services that include Veterans Services and delivery, nutritional support, chiropractic, massage therapy, wellness and spiritual support, Reiki and Yoga. The member specialist will then escort the new member on a tour of the facility showing them all areas and explaining procedures so that they can comfortably access services.

b. Member-Patient Purchases of Medical Cannabis

Member/patients may sit in the comfortable lobby area and review the list of medicines available or visit one of the hosted display cases (one patient at a time will be strictly enforced). The member/patient may inspect and smell small samples of the medicines offered that day. Once they have made a decision, the host will ask for their AWC photo ID card, swipe it and bring up an order form. He will punch in the member's selection(s) and quantity and will ask them to have a seat in the lobby for a few minutes. There the member/patient can visit with other member/patients, watch HD TV, read magazines or newspapers. The member/patient's order is automatically transmitted to the dispensing technician. The dispensing technician works in a secure room under "clean/laboratory" conditions where the order is weighted, filled and placed in a medicine dispensing container. The member/patient order is on a computer screen having being transmitted there from the host at the display case. The technician, using a hand held scanner, will scan the barcode of the medicine just filled which is then populated into the member's records. The technician records the quantity and an adhesive label is printed and affixed to the medicine container. It is then sealed with tape, so that the top can't be removed without first removing the protective tape. The member/patient is called over to the cashier's window where they pay for the medicine using cash, check or credit/debit card. No medicine can be consumed, ingested or inhaled in anyway within the dispensary or in the parking lot. The member/patient will then exit the lobby using an exit only door. Member/patients will not be allowed to purchase more than 2 ounces of any variety or more than 4 ounces cumulatively per visit. Member/patients will not be allowed to purchase more than 1 time per day and will not be allowed to purchase (cumulatively) more than 8 ounces within any 30 day period.

c. Member-grower supply of Medical Cannabis:

Through its contracts and written agreements, AWC has established a network of over 30 growers (producers) at the present time. There are more that have expressed interest in joining AWC, however producers will be added as they are certified (to be discussed later) and can be matched with demand.

AWC will admit producers to its collective who have agreed to abide by AWC's guidelines for environmentally safe growing practices producing healthy and contamination free medical cannabis and who have been inspected and certified by a AWC representative.

AWC will strictly adhere to Humboldt County Code § Title V, Chapter 581.1-5 and guidelines issued by the county district attorney Feb 14, 2003 or any new County regulation or ordinances that may be introduced.

AWC will use its network of member-growers to produce medical cannabis for specific patients, caregivers from its own collective organization. Each member-grower will receive documentation that depicts the verified Patient ID number for which they are growing. Only 1 original set of documentation per patient or caregiver will be provided to a member-grower and will contain the embossed corporate seal to signify it is the one and only original. Each member-grower will be allowed to grow for up to 4 member/patients (subject to county planning approval, as to not trigger an additional CUP for that farm). Member-growers will grow by strict adherence to county guidelines as documented in the **HC DA's Guidelines: OUTDOOR CULTIVATION: Patients or their caregivers cultivating marijuana in an area within one hundred (100) square feet cumulatively measured by the vegetative canopy of the plants and who have ninety-nine (99) plants or less, including starts, shall be deemed within the District Attorney's prosecution guidelines and will not be prosecuted. This limit applies to marijuana grown in a greenhouse, provided it is without the benefit of artificial light sources of any kind.** Whenever possible AWC will adhere to stricter limits as to not invite inadvertent violations.

AWC has a zero-tolerance for any member-grower that is not in full compliance with all State and Humboldt County guidelines, regulations and ordinances. AWC, in its member-grower policy reserves the right to withdraw authority to grow and may rescind the current authority to grow if a member-grower is found to be in violation of any State or Humboldt County guidelines, regulations and ordinances. This policy will be adhered to even if all other aspects of the cultivation operation are legal and within guidelines.

All products contracted for shall be handled in accordance with AWC's quality control guidelines, will be packaged and bar-coded with the member-growers root Bar-Code Identification (BCI) and will be subject to lab testing for purity, cannabinoid complexity and potency, and will be tested for the absence of mold, mildews, harmful chemicals, pesticides and herbicides. All testing data results will be added to the BCI for that production as will all sales of that product.

At the present time, all drying, manicuring, processing and initial packaging will take place on the member-growers facility. AWC will take possession of finished goods at its Fernbridge facility, where it will be inspected, tested and bagged in 1 lb tamper resistant bags

and filled with “food-grade” nitrogen. At the point AWC will bar-code and record all pertinent data related to each 1 lb bag. While some of the tests can occur nearly instantly at its Fernbridge facility, at this point the mold, mildew, pest and herbicide testing can only take place in the Oakland facility of SteepHill Laboratories. The results will be electronically transmitted in 5-7 days. Unique labels for each lot tested will be delivered by SteepHill that show the results. These labels will be affixed to the corresponding bag by AWC. At this point the bags are complete, tested, labeled and packaged in “food-grade” nitrogen, thus preserving the inventory for up to 1 year from degradation, oxidation, or contamination by any external source. The bags also have an O₂ indicator that will indicate the presence of any oxygen than may leak in if the bag is punctured or tampered with. All inventory computer records will not only the test results, but the grower’s name and farm location, how grown, and the genetic and strain data.

VI AWC Professional Liability and Casualty Loss Insurance and Indemnification

AWC’s Insurance Agent is Andrea Eldridge of Harbers Insurance Agency, 210 12th Street Fortuna, CA 95540 Phone: 707-725-3316. Our agent has researched and interviewed companies willing to insure a medical cannabis dispensing company. AWC has submitted both applications and has been offered coverage for both physical/personal property including inventory and Professional Pharmaceutical Liability coverage. AWC has the casualty loss insurance in force, since it now has an insurable risk and is holding the Professional Pharmaceutical Liability coverage off until the CUP is approved and we begin Pharmaceutical dispensing practices. At that time AWC will be prepared to offer the County any reasonable indemnification and hold harmless endorsement that the county may require. The insurance company will be **Markel Insurance Company** or any of its family of insurance companies, including but not limited to Deerfield Ins.; Essex Ins.; Evanston Ins.; Markel American Ins.; and Markel Ins. Markel Insurance Company is rated by:

- A.M. Best Company Financial Strength **"A Excellent"** in Category XIII
- Fitch Insurer Financial Strength Rating **"A (Strong)"**
- Is a [Fortune 1000](#) Company

Markel Insurance Company is a wholly owned subsidiary of Markel Corporation, a Virginia-based international specialty lines insurance company. Markel Insurance Company is admitted and licensed to underwrite property & casualty, accident & health, and equine insurance throughout the U.S.A. See **Exhibit 1**, Insurance Application.

VII Description of Facility and Location

AWC proposes its primary site to be located in the area known as Fernbridge; specifically 281 Fernbridge Dr. Fernbridge CA 95540; APN 200-042-004-000. The site was formally known as the Angelina Inn, as famous restaurant and bar operating since 1933 and closed in 2005. The present owners purchased it to covert the building into professional offices and to construct a card-lock refueling station on the adjacent land. These plans did not materialize and

the building sat vacant for the last 5 years. Unfortunately the deferred maintenance and lack of security attracted the homeless, transients and drug users. The applicants submitted an offer to lease and purchase the land and building in February and closed the agreement on March 15, 2011. While the applicants have full control of the property subject to a lease, a purchase escrow has been opened with Humboldt Land Title, escrow # 00137763-001-SW.

The location is approximately 3 miles north of Fortuna on Fernbridge Drive (old US 101) and is accessed by two off ramps. The south access is about 1.5 mile from the facility and the north access is about ¼ mile from the facility. The settlement of Fernbridge at the intersection of Hwy 211 to Ferndale is about ½ mile south of the facility. There are just a few commercial businesses in the area, primarily a Renner Card-lock refueling station, Humboldt Creamery, Barnes Tractor, an antique store and the Fernbridge Market and Café (presently closed). There are 4 residences within a 500 ft radius. There are no schools or places where children frequent within 1,000 ft of the facility. Across Fernbridge Dr. to the south and north are agricultural fields.

About 60% of the property is improved with asphalt surface and ~ 7,000 [sq ft] of improvements. The main building containing the former restaurant, kitchen, bar and dance hall is about 5,000 [sq ft]. There is a separate 1 bedroom dwelling and 6 attached garages that are about 2,000 [sq ft]. The remaining acreage is a level field containing the former and proposed site of the septic leech field. This is also the area (excluding the leech field) where the proposed Fernbridge Garden Supply will be established on a gravel base. The apartment will be renovated and will be occupied by an on-site groundsman/caretaker. The garages do not have a use at the moment except for storage and the possible use of one garage to support the cloning operation.

The main building has been gutted of its former kitchen, using PG & E to safely cap terminate and cap off all gas pipes. The stoves, ranges and ovens had already been removed, so the unusable grease traps, grease laden hoods and fans were removed and openings closed in. The walk-in freezers and refrigerators have been determined to be in good working order, so they remain in situ.

The dining area will be used as the dispensary area and will be slightly modified per the plans already submitted to the building department to provide a specific entrance, routing visitors into a reception area where they can be verified as members or where they can be interviewed and signed up as members, before they are allowed into the dispensary. Once in the dispensary area they will receive their medication from a dispensing technician in a secure room and will pay the cashier and exit by a specific exit door. This configuration allows for an efficient flow of foot traffic and the non-mixing of visitors and member-patients. There will be no public access into the former bar/dance room area. The only connecting door will be a locked door controlled by key cards issued only to management personnel.

The main dispensing area will be modified to include two ADA compliant restrooms per plans already submitted to the building department.

The application and engineered plans for the reconstruction of the sewage disposal system has already been submitted to the Department of environmental health and the Permit has been issued. The plans are out for bid and construction of the leach field should begin within 30 days. Potable water is furnished to the apartment, and all buildings and restrooms via a well located at the northeast corner of the parcel, several hundred feet from the proposed leach field. Water filtration is provided by three 5 ft cylinders (a Green Sand System). The well was tested at its source and again from a drinking water faucets in the main building. The water was tested in

April 2011 by North Coast Laboratories and was passed as potable, documentation available upon request.

The Bar area is planned to be cleaned and used as is, except for any modification as may be required by the county when an application is submitted. The two restrooms that service the bar area will be modified to be ADA compliant, per plans already submitted to the building department.

The apartment was inhabited upon our possession of the property. The tenant was planning to move and vacated the property about April 15th. The Angelina Group, LLC will take this opportunity to renovate the apartment with carpets, drapes, and fresh paint. No modifications are planned for the apartment.

The current property owners have signed off with their approval of the planned modification.

VIII Description of estimated size of operation:

AWC is not currently in business, although all of the legal business structures are in place. AWC does have an active bank account and is operating in a “start-up” capacity at this time. It has formed and elected its Board of Directors, Officers and Advisory Board. The Advisory Board will continue to evolve. The initial 6 employees of the company will be its officers and directors plus approximately 4 additional staff members that will be added as needed. As AWC is not proposing an “in-door” growing operation, its business will consist of dispensing of medical cannabis to its members and if approved, it will operate the adjacent garden supply center and the member-only bar and grill. The membership of the collective at this time numbers about 50, however, AWC has just begun its outreach and marketing and will be accepting applications for membership. We anticipate accepting member-patient applications until we have reached 300, at which point we will perform a self audit. The self-audit will examine all aspects of the business, facility layout, member-patient care and service, receiving, testing and inventory control of medical cannabis, facility security, cash and inventory controls, personnel, dispensary operations, quality control, customer service, extended patient care and wellness outreach and the general flow of all aspects of the business. We will modify, adjust and refine any procedure or activity before accepting new members and continue to grow.

IX Description of Services:

AWC will be open to its members Monday – Friday from 10:00 am to 4:00 pm. These days and hours are believed to be sufficient to meet patient demand, however, AWC may elect to extend its hours or days should patient needs indicate longer hours are needed. The County will be advised of any change to the projected initial hours in the formal CUP application or at a later when the need arises. AWC staff will generally work Monday – Friday 9 am to 5 pm. Board members and Officers while working generally the same hours will also work as much or as often as the need arises.

AWC will offer member-patient access to acquire medicines during the hours shown above. Services will include dispensing medicine, counseling, explanation and arrangements for ancillary services that include but are not limited to: Veterans services, Wellness services, Spiritual services, Massage and Chiropractic services, and transportation services. AWC will

also provide a door to door delivery service for pre-qualified home-bound and non-ambulatory members. These services will be provided either free or on a sliding scale depending on the members need.

A potential member's (visitors) first visit

After being greeted by a security officer outside the facility, who has verified their CA ID and seen a physician's recommendation or a 215 Card, the new approval is met by a staff specialist and escorted into the reception room. Upon receipt of the signed application for membership and signed Terms and Conditions, staff will verify the MMP 215 card or physicians recommendation, verify that the attending physician holds a valid CA medical license, enter all pertinent information into the AWC database and assign the member a unique AWC member number. AWC will be using a credit card style Membership Cards with all salient information encoded on the magnetic-stripe or bar code. This card will enhance security as it will not be subject to counterfeiting, it will streamline the patient registration and wait time, it will automate the record keeping of all visits, purchases, recording the type and amounts dispenses, both per visit and the a cumulative total. A simple swipe of the card at reception will start the patient visit.

An existing member-patient or caregiver

Patients/caregiver members will enter the reception area after being greeted by a security officer outside who has verified their CA identity AWC photo ID card. They will be greeted by a receptionist who will again verify their CA ID and will swipe their AWC photo ID card. The receptionist will check the person's identification against our database of members and if they are a member in good standing with valid documents they will be electronically (buzzed) through to the dispensing room. Only the member patient/caregiver and any dependent child in their care can enter the dispensing room. Other family members or friends of the member/caregiver will be asked to wait outside or in the reception room. The connecting door between the reception and dispensing room shall remain electronically locked at all times. Passage can only occur by an authorized employee swiping their ID card or the receptionist pressing the button to electronically open the door. Once in the dispensing room the patient/caregiver will give their members pass to a dispensing technician. Members will be allowed to examine the various strains or types of medication and the analysis of their potency and content. They will choose their medication type and quantity. The technician will swipe their AWC photo ID into the computer and pull up their file. The technician will then enter the type and quantity into the data base. The computer records the strain and amount to be dispensed and adds it to the cumulative totals. The order is transmitted to the dispensing technician in a secure room. The appropriate quantity usually measured in grams or in 1/8th of ounces is accurately weighed on a certified gram scale and placed into a sterile medicine vile. The technician completes the transaction on the computer by indicating that the order has been filled and the printer expels a sticky label containing the members name, phone number, MMP ID #, Date, the stain, the potency and the weight. The label also shows all pertinent information concerning AWC. The member signs an electronic signature scanner indication receipt of the medicine, type, quantity and potency. The member/caregiver moves to the cashier who completes the purchase transaction. The cashier asks the member/caregiver if they are in need of any other serves offered by AWC and offers

them a brochure describing the many ancillary services offered to members. If interested the cashier, using the intercom, calls one of the member services specialist who will explain, council and make arrangements if necessary to further assist the member/caregiver. When complete the member leaves by an exit door to the outside. This door remains locked to the outside at all times, but can be opened from the inside by turning the door knob or from the outside with an authorized employees ID swipe card.

X Description of Staff:

Using the initial self-audit number of 300 members, it is assumed that the average patient will visit AWC one-time per week. This would indicate that AWC would see approximately 75 patients a week or about 15 per day, which is about 3 per hour, given a 5 hr work day. The average say for a patient visit is about 30 minutes.

A typical shift on any weekday would consist of:

1. Security Guard outside the building to greet all guests and members.
1. Receptionist: To greet the patient, verify documentation and valid membership.
1. Dispensing Technician: To determine the patients need, show them their choices and dispense the proper medicine.
1. Cashier: To complete the transaction, complete the data input to the database, collect the proper payment and offer ancillary services.
1. Relief Specialist who is trained as a Receptionist, Dispensing Technician and Cashier.
1. Security Person: Equipped with a radio that will meander in the public/dispensing areas.
1. Bookkeeper, Secretary, Office manager: This will be one of the Senior Staff or managing members, and will generally be responsible for the affairs of the business office.
1. Executive Director or his second. At all time the Executive Director or his appointed assistant will be on site at all times the facility is open and operating. This is the senior person and has full responsibility.

XI Description of Security Systems:

AWC will install a complete security system as designed by a licensed and bonded security company, such as Advanced Security Systems. We have had exhaustive interviews with them and feel confident that a Sielox Access Control System, complete with external lighting, Bosch video surveillance backed up by a Bosch 16 channel DRV system, recording on four 4 TB hard drives, supported by high intensity lights, audio siren and silent alarms, (keyless) magnetic-strip programmable photo ID card door access, programmable to the specific employee including hours of permitted access, exterior video surveillance of primary entry points (such as the shipping door). The entire system is monitored full time and would be backed up with a TelGuard, *iPhone* communication system to back up failed or tampered phone lines. All security designated interior and exterior doors would be keyless and controlled by card access. Employees will be issued a programmable photo ID card that is controlled by the internal security system that will be programmed to only allow an employee access for specific areas, through certain doors at certain times. This will allow controlled access into secure areas to only authorized personnel. All windows, roof access and other crawl spaces will be protected as well. All rooms within the complex will be protected by multi-angle digital-video backed up by

DVR's recording 24/7. This not only provides security when the facility is closed, but all day and in all rooms, including the reception area, the members dispensary, the weighing and cashiers area, all back rooms including the vault. The vault area, where the majority of the inventory is stored and where all inventory is stored at night will be programmed as a dual control room. It will require two authorized personnel to swipe their cards to gain access. Closed circuit cameras will be in operation in the vault 24/7. The entire system will be remotely monitored 24/7 with instructions to call the appropriate municipal responder first, then to call the key personnel of AWC. Systems similar, if not the same, are currently being used by several banks and Credit Unions in Eureka, as well as the County of Humboldt and PG & E's production facility at King Salmon to name a few.

XII Description of Chemicals used and stored on site

Since AWC is not applying for a CUP that would allow an indoor growing operation, thus none of the typical growth inducing chemicals, fertilizers, pest and herbicides using organic chemicals like Nitrogen, Phosphorus/Phosphates or Potassium, et. al., will be used or stored on site. AWC will have a modest supply of normal janitorial cleaning and disinfection supplies, generally available from common janitorial supply companies.

AWC will be using a "no-chemical", "no-trap" pest protection system, utilizing ultra-sonic sound frequencies to keep work and storage area free of pests, mice, rats, bats or any other possible rodent infestation.

AWC will use the services of pest-control Company to keep its interior and perimeter treated to prevent infestation of insects, bugs, cockroaches, crickets, etc.

AWC is planning on testing medical cannabis on site, as such, and upon the issuance of the appropriate permit, it will be using and storing one bottle of "Food-Grade" Nitrogen supplied by Eureka Oxygen. This gas is used in the final packaging medical cannabis after it has been tested and bagged. Packaging medical cannabis in pure nitrogen is believed to preserve the quality, potency, color, aroma, texture and taste of the product for up to one year, and retarding any degradation or oxidation. While storage in a normal oxygen rich air, will allow the product to discolor, become dry and brittle and will lose potency, aroma and taste. Oxygen rich air also fosters the growth of microscopic amounts mold and mildew that may be present in the product, while Nitrogen retards such growth. As such AWC will have a cylindrical tank of Nitrogen, strapped to the wall on site.

XIII Description of effluent discharge and Odor control

AWC does not propose to discharge any reportable effluent other than normal sewage and waste water. All green waste, recyclable plastics and other recyclables material will be transported to the transfer station in Fortuna for normal disposal.

AWC is not planning or applying for an indoor growing operation, as such, it does not believe there is a need for an odor control system. The storage of medical cannabis on site will be in sealed, tamper resistant air tight bags, filled with 100% "Food-Grade" Nitrogen. There will be no odor in the vault area.

The leased site for the testing facility will utilize a self contained laminar-flow ventilation hood that recycles its air after passing through a HEPA filter. No external ventilation is planned. An example of the ventilation hood is included in the Exhibit 8.

XIV Operations Manual, including:

a. Staff Screening and Background checks

AWC is committed to maintaining the highest standards in the composition of its management team and hired staff. **All** members of the Board, Officers and hired staff complete a Personnel Questionnaire **See Exhibit 10** will be submitted to an accredited background investigative company, such as IntelliCorp, <http://www.intellicorp.net>. An investigation of this company indicates that it is a professional employer screening and investigative firm. IntelliCorp accredited by the NAPBS. The NAPBS Background Screeners Credentialing Council (BSCC) has affirmed that IntelliCorp successfully proved compliance with the Background Screening Agency Accreditation Program (BSAAP) and is formally recognized as BSCC Accredited.

The standard screening and background check will:

1. Access all public Criminal records in all 50 states;
2. All Civil records in all 50 states;
3. It will validate the essential information for the applicants SSN;
4. It can if directed, perform direct verification of past employment;
5. It will confirm education levels and performance; and
6. It will obtain full motor vehicle reports.

Sample Report: **See Exhibit 11**

b. Description of Inventory Control System (ICS) and Tracking

AWC will utilize an Inventory Control System (ICS) of its own design that uses the latest technology such as barcode generators, barcode scanners, integrated database access for each barcode and signature capture devices. AWC has contracted with Barcode, Inc. a leading provider of digital, wireless, laser based barcode equipment. The actual barcode procedures are described in detail below in section XV (a)(1-5). AWC will use a barcode generator to produce stick-on barcode labels. Each member-producer will be assigned a range (approximately 5000 unique root numbers) of barcodes. All products anticipated to be acquired by AWC will be given a barcode tag. Immediately a scanner will be used to pull up the database associated with that number. Other essential information will be loaded into the database over the life of that product, such as date it was delivered to AWC, its condition, the exact weight and the strain or variety. From that supply, test quantities will be removed, labeled with the same barcode and set to our labs for testing. 3-5 days later the test results will be added to the database, and the shipment will be either accepted or rejected. In the secure area, about 3 ounces of the shipment will be placed into clear, air-tight specimen jar and a barcode label will be affixed to the jar identifying its source, variety, test results (potency), date it entered AWC's inventory. A patient-member having already registered will choose the variety they want to purchase. The specimen jar is scanned entering that variety into that patient's history. The Pharmacy Technician weighs out the appropriate variety and places in a sterile medicine vile while the label printer prints out a

stick-on label that identifies the date, member’s name, phone #, the quantity and variety of the product, its potency and all of AWC’s germane information. The information contained on the vile will aid the member to know what they have acquired and its potency. This information will also aid law enforcement to determine if the amount in the vile is approximately correct, when and where it came from and the ability to contact AWC to validate the medicine dispensed. In the background, the AWC ICS will automatically subtract the amount dispensed from the total inventory of that strain. At the same time it adds the amount dispensed to the member records for that day and to the cumulative dispensed to that customer. At any given moment, AWC, using a wireless scanner can scan the bar code of a stain, whether it be on the specimen jar, a test-sample bag, or the bulk inventory supply in the vault room, and the ICS will report where every gram is. For example, most inventories will be controlled in units of 1 lb or less and all locations for that variety will have the same barcode. The following is an example of what an up to date history would look like for a particular variety.

Results for Barcode: 123456789101101

MP-#25698 (refers to the member producer that cultivated and delivered this inventory to AWC)

Date ICS began 12/6/2010

				Inventory On Hand (Grams)		
				<u>VAULT</u>	<u>DISPENSARY</u>	<u>CUME</u>
Initial Quantity:	1 lb. 3 ounces	Grms	456 grms	456	-0-	456
12/6/2010	Removed	5 grams /	Testing Lab	451	-0-	451
12/11/10	Removed	3 ounces /	84 grms	367	84	451
12/12/10: 11:05	Removed	7 grms	ID # 0023	367	77	444
12/13/10: 13:22	Removed	14 grms	ID # 0045	367	63	430

This report, available to a staff member by accessing the computer and entering the barcode number or by scanning any barcode, will immediately show the full list of inventory transactions for that supply. A spot check of inventory on hand can be quickly audited for accuracy and location. While a similar scan of the members ID will show all transaction pertinent to them, this report will show all member IDs to which some inventory has been dispensed.

Initially AWC will probably not have an inventory of consumable or edibles, although it plans to contract with producers and will eventually like to offer a full line of edibles, primary hard candy that has been tested and determined safe with known potency. This will lead to the ability to meter or begin to dose. Our Medical Advisors are working on this expansion now. AWC will only offer edibles when we can certify their production under a Health Department approved commercial kitchen and with verifiable and proven doses. Our testing lab, Steep Hill, is fully capable of testing the content and concentration of edibles now. To date, the potency of edibles has been a big variable. This will change with our process. Edibles will be made, tested and then labeled for potency and an approximate dose. Our model will approach the issue from the production side; that is to test the potency of the primary ingredient. Once known, the primary ingredient can be metered into each batch in varying amounts, thereby controlling the dosing, so the product can be displayed with the dose; for example, 100mg/ml; or 150mg/ml; or 200mg/ml and so on. Different edibles (hard candy) can be made in different colors for easy recognition. When this has been developed, our business plan will be updated.

c. Description of screening, registration and validation of qualified patients.

AWC registration personnel will be versed in all aspects of new member registration, Patient Member Terms and Conditions, Registration Forms, and documents necessary to complete the registration. AWC registration personnel will follow the New Member Registration Checklist, **See Exhibit 12**

Patient Criteria

- The patient should have a verifiable written recommendation for medical cannabis use from a California physician who is currently licensed to practice medicine in the state of CA. Oral or unverifiable recommendations are suspect and offer limited protection to the patient and dispensary.
- The patient must be able to demonstrate that he or she is a resident of the state of California. Otherwise, he or she is not a legal patient under state law. AWC will require a valid California driver's license or DMV ID card. Other forms simply do not establish CA residency, even utility bills or other items that indicate a CA address. Passports do not establish California residency.
- The patient or caregiver should explicitly consent to affiliation (membership) in AWC by completing and executing either the AWC Membership Registration Form – Patient, or the AWC Membership Registration Form - Caregiver. **See Exhibits 13 - 14.** Caregivers should be present with the Patient Member, who shall complete and execute the Designation of Primary Caregiver. **See Exhibit 15**
- The patient should agree to obey the Member Terms & Conditions of the dispensary to maintain membership. These rules are written and will be handed to the applicant at registration. **See Exhibit 16**
- The patient should only be a member as long as he or she has an unexpired recommendation and maintains residency in California. Membership should renew annually or whenever the member's doctor letter renews.

Once all the above forms have been reviewed and properly executed the receptionist will photo the new member and issue the photo ID card. The final step is the new-member orientation session. The receptionist will call the Member Services Specialist who will explain the rules and procedure for visiting the facility and give them a limited tour. The Specialist will also explain AWC's Health Information Privacy Statement, **See Exhibit 17.** The Specialist will also provide the member with various brochures and explain the many support and ancillary services included but not limited to: Veterans services, Wellness services, Spiritual services, transportation, massage therapy and Chiropractic services, to name a few.

AWC will be issuing member Photo ID cards with a programmable magnetic-strip. This card when swiped will identify the member and display all pertinent information and will track the expiration date of membership, based on the expiration of the physician recommendation. Upon arrival to the AWC facility, the member will furnish their ID card to the receptionist, who after comparing the photo to the member will swipe the card. If the member is still in good

standing, the card will be returned; otherwise the card will be retained by the receptionist. The receptionist will then escort the member into the dispensing room.

d. Description of qualified patient acquisition records and retention procedures.

AWC is very sensitive to patient member confidentiality. All records are recorded by the member's number. Only the senior management will have access to the cross reference files to associate member numbers and name. AWC will employ a professional medical software system designed by **GreenLife Medical Systems LLC**. GreenLife is the leading provider of software solutions for the medical cannabis industry. Founded by practicing clinicians and software specialists, the company's revolutionary web based record solutions are in use by medical professionals across California, Nevada, Michigan, Colorado, Arizona, Washington, Oregon

GreenLife develops revolutionary web based electronic medical record storage systems that leverage the latest breakthroughs in information technology and "cloud computing", providing unparalleled advantages to medical professionals and clinicians. Our systems are designed to produce a standardized defensible medical record that significantly reduces the amount of paperwork and storage for your office and are certified to be 100% HIPAA compliant; As such all patient records are stored electronically and accessible from anywhere. There will be a few hard copy files such as copies of the member's Physician Recommendation, ID, MMP 215 card and the member's application package as described in XIV(c). These documents will be electronically scanned and added to the patient's electronic records. The original hardcopy will be filed in a fire-safe locked document file which will be kept in the vault room of the facility.

e. Description of tracking on-site cultivation (clones) and processing & off-site receipts of plants, and product.

On-site Cultivation:

At this time AWC is not proposing to conduct an onsite cultivation of medical Marijuana plants for the production of flowers (medicine). AWC will be operation a seasonal cloning operation for it member-patients that want to grow their own medicine in their homes, pursuant to home lever cultivation guidelines. AWC can provide healthy starts of known strains high in CBDs. AWC will have at its disposal a few "Mother Plants" from which to take cuts or starts for the cloning process. Starts are grown in trays of about 50 starts under 160 Watt light bank. The cycle from cutting to a sturdy young plant of about 6"-9" takes a couple of weeks. The trays, all being of the same strain/mother plant will be bar-coded as previously described. All the same information will be recorded as it is for a farm grown plant. Once the cycle is complete and the plants are offered for sale, the sale will be recorded much the same as if it were a small quantity of medicine. Due to the small size of this operation there will be negligible amounts of soils and fertilizers, less than 4-5 gallons. There will be no waste water to be disposed of. And since the clones never produce any amount of foliage and are not grown to state of flowering, there is no odor issue to mitigate.

Off-site Cultivation:

AWC will receive its entire inventory of flowers (medicine) from off-site sources. The procedure for receiving under secured dual control is described in XV(a)(1-5) of this application. AWC is using a barcode system for identification and tracking plants from the cultivation site to the warehouse and until completely dispensed. Receiving of inventory will only be done at a pre-arranged time, with a specific security guard on site and two AWC employees. Inventory will be labeled with a barcode that is unique to the member producer, and can immediately be scanned to bring up the database and AWC Product Receipt. This receipt will also be labeled with the same barcode so that the database, the hardcopy receipt and the physical inventory and all subsequent subdivisions of the initial supply will have the same barcode number, allowing tracking at any time and at all stages of the operation, until all of the supply has been dispensed. At all times, whether in the secure receiving room, the re-packaging area or in the vault, dual control procedures will be in effect, as described above in section XIV(b). At any time, from any place inside AWC's facility, using a handheld scanner, an authorized employee can access all information, all dates and quantities of arrival, shipping or dispensing, where stored, testing results and more by simply scanning the barcode on any source of inventory.

XV Description of AWC's Cannabis Safety Program:

a. Process for documenting "chain of custody"

AWC will receive its entire inventory from its Member Providers (MP). Each member-provider is a member of AWC and will have a database number and a sequence of unique Barcodes. **See Exhibit 18** Barcode-stick on labels will be printed in 4 parts and applied as follows and described in more detail later in this section. The first label will be applied to the original patient documentation, 2nd to the actual bag of product, the 3rd to be applied to the Product Receipt and the 4th on the 3 gram test sample bag. Patients who are not at liberty, or simply do not want to have a home grow will register with AWC as a member and will authorize AWC to grow MC for them, and dispense it to them as needed. At the onset, AWC will supply the MP with 1 set of original patient documents containing the embossed seal of AWC, thereby authorizing them to grow the maximum allowable garden as defined by Humboldt County, HC Sheriff's Department, HC District Attorney, or the state of CA. This authorization will be recorded on the books of AWC, so that at any point, AWC will be able to determine the number of authorized grows, for whom the cultivation is authorized, the dates the cultivation began, the estimated date of maturity, the approximate volume to expect, the strain being cultivated.

At maturity, the MP will notify AWC of its intention to deliver product. AWC will attempt to inspect the crop prior to harvesting and processing. When the crop has been harvested the MP shall keep the associated documentation with the crop as it is moved to the processing, trimming and curing stage. The MP will contact AWC advising that a shipment is ready for transport or pickup. If AWC elects to pick up the shipment, it will take two employees, bar-code labels unique for that MP and a portable scale. If the MP delivers the crop, two AWC employees and one security guard will be on site to receive, barcode and weight the product. All products should be delivered in sealable bags of 3 mil or heavier and packaged in similar sized units, not to exceed 1 pound. Any transport by either AWC employees or the MP must be sure to have all the associated patient documentation that authorized the quantity of product being transported.

(1) AWC employees take possession of the patient documentation and apply the first of the bar code sticker to the original patient documentation. **If the MP can't supply the original**

documentation containing the embossed AWC seal the shipment can't be received and will become the sole responsibility of the MP. AWC will ONLY receive product for which it authorized by issuance of original patient documentation. AWC employees will visually inspect the product for wholeness, color, scent and general appearance, noting any abnormalities and recording them on the **AWC Product Receipt**, such as product is crushed, or excessively dry or wet. Although testing will be done, if there are any visible signs or scents of mold or mildew, it should be recorded.

(2) Next the AWC employees will weigh the first bag, applying 2nd barcode stickers to it, and then will scan the sticker which will pull up a data entry form unique to that MP and that barcode. On the computer screen the AWC employee will record the weight and the comments mentioned above. If there are 2 or more bags of product per set of patient documentation, then a second series of barcode labels will be used, applying the 1st label as above to the original patient documentation, indication that at least 2 bags of product resulted from that particular cultivation. The 2nd label of the 2nd series will be applied to the 2nd bag as it is weighed

(3) The AWC employees will remove from each bag a testing sample approximately 3 grams but no more than 5 grams, using the gram scale to be as close as possible and will place the sample product in a test bag, sealing it immediately and applying the 3rd of the Barcodes. Steps 1-3 will be repeated for each bag belonging to a specific patient cultivation. When all products has been weighed and test samples removed then proceed to step 4.

(4) When the on-line Product Receipt has been completed for each bag and all data fields have been populated, the form will be printed, reviewed by the MP and both AWC employees. When all are in agreement that it is accurate, all three will sign and the 4th barcode sticker will be applied. The MP will be allowed to wash up and then depart the warehouse area.

(5) With both employees still present plus the security guard and after the MP has left and the receiving door has been secured, the product bags will be moved to the secure room. Each bag will be placed and sealed in a second, dual control bag. After closing the self adhesive top per bag instructs, both employees will sign the dual control boxes and remove the receipt. The receipt, containing like serial numbers to the bag, has an adhesive strip, remove it and apply the receipt strip to the back side of the Product Receipt. The product can be stacked on a shelf and the room can be locked. The Product Receipt now containing both the barcode sticker for the product and the dual control bag can be filed in a pending file, to await return of the test results.

b. Procedure and documentation to establish safety and quality of all medical cannabis and medical cannabis products

AWC commits to maintaining the highest standards of health and safety for it members. AWC has established safe cultivation guidelines which addresses both the environment side as well as the MC side. Organic gardens are strongly encouraged, using the best organic practices and water conservation. All member producers (MP) have agreed to follow these guidelines. The use of harmful chemicals, pesticides, herbicides and growth enhancing additives is not allowed.

Following the receiving procedure detailed in steps 1-5 above, the test samples taken from each cultivation will be labeled with a barcode to identify its source, and provided to Steep Hill Laboratories (SHL). SHL has agreed to establish a Humboldt County testing facility located on the Angelina Campus in Fernbridge, CA. More information about SHL can be reviewed on their website: <http://steephilllab.com> See Exhibit 19 for more information on Steep Hill

Laboratories. SHL is considered by many to be among the best of the MC testing facilities in CA. They have recently been certified as the official “third party inspector” for Mendocino County. SHL offers comprehensive medical cannabis safety screening and an independent certification system — consisting of the “SafeCannabis™” labels and stickers for participating dispensaries and growers — to self-regulate our processes in order to guarantee safe and clean medicines and advance the cause of cannabis therapeutics. AWC will have three tests performed that will provide the necessary information to allow AWC to accept or reject a delivery and to provide members with the information they need to make intelligent choices. Test samples are provided to SHL for testing. Initially, the biological tests will still be performed in their Oakland Lab. The test results are emailed and sent hard copy back to AWC within 3-5 days. Results are then recorded in the database for the particular barcode identified supply.

c. Procedure and documentation for determining product cannabinoid potency

As previously discussed, AWC will contract the laboratory and testing services of Steep Hill Lab in their Humboldt County facility. Samples as previously described will be provided to SHL and authorized for testing. The standard tests that will be conducted on samples are detailed below. AWC will sequester under dual control all medicine in its possession until the testing results are returned, usually in 2-5 days. AWC reserves the right to reject any supply in its possession and return it to the MP if the analysis indicates that use as a medicine would be harmful to a member. However if the test results are acceptable, the results are entered into the AWC database for the particular supply tested.

Potency Analysis

In commercial medicine, the potency of a drug is clearly stated on the label so one knows the correct dose. Unfortunately, this is not the case in medical cannabis. Cannabis Potency Testing enables patients to know the amount of active ingredients so they can be confident they are administering an appropriate dose. Taking the correct amount of medical cannabis can bring welcome relief to your symptoms; however taking too much can have very negative side effects such as feelings of anxiety and paranoia.

Steep Hill Lab’s Cannabis Potency Analysis measures the major active compounds present in medical cannabis:

- **Tetrahydrocannabinol (THC)** The main psychoactive component
- **Cannabidiol (CBD)** A non-psychoactive important for pain relief and other health related effects
- **Cannabinol (CBN)** A degradation product of THC also with health benefits

The salient information taken from the lab reports will be posted with each variety available to members. Upon request a printed copy of SLS’s analysis and percentage of THC, CBD, and CBN in each sample of cannabis will be available to members. This gives members the information they need to compare strains and varieties.

Microbiological Contaminants

Exposure to high levels of microorganisms such as molds and bacteria are known to cause health problems and can be particularly dangerous to patients that have existing medical problems. The Steep Hill Microbiological Screening Program ensures the safety of medical

cannabis by identifying the type and level of microorganisms present in the medicine. Molds are ubiquitous and small amounts are found in almost every sample. However patients with existing health problems should not be exposed to medicines that contain large amounts. Medicines that contain bacteria should be destroyed. Examples of molds and bacteria that can found in medical cannabis: Aspergillus, Pennicillium, Cladosporium, Alternaria, yeasts, and Escherichia Coli.

Analysis will detect and show levels of the major contaminants. The salient information taken from the lab reports will be posted with each variety available to members. Upon request a printed copy of SLS's analysis and percentages of microbiological contaminants in each sample of cannabis, will be available to members. This gives members the information they need to compare strains and varieties.

Harmful Pesticides:

Steep Hill Lab has developed residual pesticide tests so that medical cannabis patients are not exposed to harmful pesticide contaminates via their medicines. They *have detected the presence of pesticide residue in medical cannabis samples that would be above USDA safe level in most agricultural products*. However, currently there are no USDA guidelines for residual pesticides in medical cannabis. The residual pesticide screen used at Steep Hill Lab detects the presence of pesticides that are most commonly used in cannabis cultivation; Organophosphates, Carbamates, Pyrethroids, and Avermectins.

XVI Other Elements of the CUP/CDP application

a. Medical Marijuana Testing Facility

Angelina Group LLC, the proposed owner of the parcel is proposing to develop a small testing facility in separate room on the parcel. This room with private entrance is proposed to be lease to Steep Hill Lab (SHL), one of California's largest and most respected medical cannabis testing laboratories. A letter of intent has been executed and is contained in this application see Exhibit 9. A formal lease between the Angelina Group LLC and Steep Hill Lab is currently in process. SHL will be the sole owner and operator of this facility. The Facility measures ~250 ['] with two entrances. The lab will initially be an in-take facility where subject inventory is examined for purity and a homogeneous nature. Random samples are then extracted, bagged and labeled with a unique lot number. The remaining inventory is bagged in exactly 1 lb units using a light proof tamper resistant Mylar bag. The Bag is evacuated of O₂ and filled with Food-grade Nitrogen and sealed. The air-tight sealed bag is then labeled with the same unique lot number and stored while waiting for test results. The lab is planning to test for potency of THC, CBDs and CBN instantly on site, while sending the biological test samples for Mold, Mildew, Pesticide and Herbicides back to its Oakland facility. The turn-around time for the balance of the testing is 3-5 days. As soon as possible, SHL will consider the full build-out of the Humboldt Co facility to include biological testing. The only specialized equipment that will be needed is a laminar-flow biological test hood. See Exhibit 8. This is a self-contained air circulation system using a HEPA filter and requires no external ventilation.

b. Beer/Wine Bar and Grill

Angelina Group LLC, the proposed owner of the parcel is proposing to upgrade and rehabilitate the Bar facility of the property. The Bar facility will be operated as a Beer/Wine Bar and Grill, with all necessary County Health and Business licenses and a State liquor license. While the business will be owned by the Angelina Group LLC, the daily operation of the Bar and Grill will be contracted to a long-time Humboldt County Italian restaurant, Mazzotti's. This is not considered to be a change in use, as the Angelina Inn has been historically operated as a Bar and restaurant since its construction in 1933. The Bar and Grill will not be connected physically or in operation with the Angelina Wellness Center. The Bar and Grill will have separate public and employee entrances and separate emergency exits, separate kitchen and storage areas and separate male and female ADA compliant restrooms. The construction of the ADA compliant male and female bathrooms has already been submitted to the Building Department and is in plan check at the time of this submission. An additional submission will be made to the building department within 30 days for the build-out of the kitchen area, and any minor modifications to the bar facility itself, if necessary.

c. Construction of a "Good Neighbor" fence.

Angelina Group LLC, the proposed owner of the parcel is proposing to construct a 110 ft. "good-neighbor" fence along the east property line. The fence will begin at the front of the parcel near the State Highway and proceed along the east line in a northerly direction until it meets an existing fence that was previously constructed that ran from the rear of the property to about half way to the front. The proposed fence is part of an application already submitted to the Co Building department and is currently in plan check. It will be a wooden fence that is a continuation of an existing fence and using similar design and construction. The fence will use pressure treated 4x6 posts set in concrete on 8 ft centers, with a 2x10 pressure treated base plate and using full dimension 1"x 6"x 6' dog-eared cedar planks. While the ground topography is irregular the fence will be built at an approximate height of 6'. There will be no gates in the fence. Although there is a dense 30 ft tall hedge along the east property line, the adjoining property owner to the east is in full agreement with the construction of this "privacy fence". This fence has been shown on the plot/site plans that have been submitted herewith.

d. Proposed Garden Supply

The Angelina Group, LLC is proposing to operate an outdoor Garden supply and limited nursery on approximately 7,500 [/] of raw land immediately north of the main building, (between the leach field and the property line along Fernbridge Dr.) This site is indicated on the attached "Plot Plan". The area will be secured with a perimeter cyclone fence approximately 6' high and the interior will be covered with small crushed rock. All parking is proposed to be on the existing paved parking lot, with customer walking the 20 feet into the garden supply area. A seasonal tent measuring about 12 X 16 is planned to be erected on the paved parking lot in the same location that the seasonal fruit and vegetable stand is currently operating. It is possible that the Angelina Group may try to purchase the existing fruit stand storage facility and seasonal tent from the operators of that business. At this moment, the seasonal lease to the Fruit & Vegetable stand will not be renewed in 2012, as the space will be used by the Angelina Group for the Garden Supply business. The garden supply will offer products, bagged soils, small equipment,

live plants and tools that are consistent with out-door planting and vegetable gardening. This proposed use can be seen on the attached "Plot Plan"

Section d. was added to the current proposal as an addendum as page 24a.

XVII Summary of Submittal

AWC, by this submission is hoping to launch the next generation of Medical Cannabis Dispensing Collectives. While it will operate a retail operation and provide an extensive array of member support services, it hopes to launch and perfect its wholesale model. It is common knowledge that most, if not all Medical Cannabis Dispensaries can't supply 100 % of the Medical Cannabis needs from their own internal grow operation or from their members. This condition forces them to curtail or reduce member operations or find alternate sources of Medical Cannabis. Many of these alternate sources do not provide legal protection under California's Medical Cannabis laws. AWC's model will take the first step to eliminating this situation, by supplying the shortfall amounts of Medical Cannabis on a wholesale basis to its member Medical Cannabis Dispensaries. Since 100% of AWC's Medical Cannabis inventory is derived from Humboldt County boutique Medical Cannabis farms and is outdoor sun grown, our carbon footprint and overhead is substantially less than indoor grown crops, as such AWC should be able to supply a superior product, that is environmentally friendly and for less than the cost the member Medical Cannabis Dispensaries are experiencing on their own indoor grows.

XVIII Statement of Commitment to transparency and ethical business

215 Humboldt, Inc, Angelina Wellness Center, its Board of Directors and Officers have personally committed to create, practice and operate a 100% transparent and fully legitimate business that will practice the highest of business ethics. AWC will not involve itself in any illicit activities and will insist and monitor its partners, vendors, member affiliates to practice the same high standard and resist any association with illicit operations. All of AWC's policies and procedures are designed to not only allow AWC to operate in a transparent and auditable environment but will assist all of its member-partners to embrace transparent and ethical business practices. AWC is currently researching the mechanism and procedures to obtain DNA testing of its entire Medical Cannabis inventory. When this step is perfected, and with our proprietary barcode system, our Humboldt County sun grown boutique products can be accurately traced from the farm to any location. We believe the next generation of Medical Cannabis Dispensing will have cooperative working relationships with the authorities. Providing DNA identification coupled with our electronic controlled chain of custody data we will be able to track with a very high degree of accuracy every ounce of Medical Cannabis from the field to the final destination.

We look forward to the future, and take the responsibility of designing our own future very seriously. We are very pleased that the County of Humboldt is also taking bold steps to forward the legitimate and transparent business enterprises. We know the whole state is watching this process and will do our best to be a transparent and ethical business make up of only the highest members of the business community.

Respectfully submitted:

William Thorington

Larry Emry

Bryan Sturgill

Jesse Stockham

Susan Campbell

Rocio Emry

Exhibits:

- 1. Insurance Declaration and offer to issue Pharmaceutical Liability Ins**
- 2. Vicinity Map of area north of Fortuna**
- 3. Vicinity Map of the Fernbridge area**
- 4. Photo map of Site**
- 5. Assessor's Parcel Map – See Prelim**
- 6. Preliminary Title Report (2)**
- 7. Land Owners Statement – See Signed Application**
- 8. Ventilation Hood Specifications**
- 9. AWC – SHL Letter of Intent**
- 10. AWC Personnel Questionnaire**
- 11. Sample Background Report**
- 12. AWC New Member Registration Check List**
- 13. AWC Member Registration Form – Patient**
- 14. AWC Member Registration Form – Caregiver**
- 15. AWC Designation of Primary Caregiver**
- 16. AWC Member Terms & Conditions**
- 17. AWC Health Information Privacy Statement**
- 18. Sample Barcode Configuration**
- 19. Steep Hill Lab – Data Sheet**

Section 12

CORRESPONDENCE

Correspondence Files are available for review at City Hall during regular business hours, Monday through Thursday, 9am to 4pm.

July 11, 2011
TO: STATE, COUNTY AND
CITY OFFICIALS

**NOTIFICATION OF PACIFIC GAS AND ELECTRIC COMPANY'S APPLICATION
FILING FOR APPROVAL OF 2009 ENERGY EFFICIENCY INCENTIVES**

On June 27, 2011, Pacific Gas and Electric Company (PG&E) filed its Application for Approval of 2009 Energy Efficiency Incentives with the California Public Utilities Commission (CPUC). In the application, PG&E is asking for Commission approval of incentives for energy savings realized through its 2009 energy efficiency programs.

The total revenue requirement request in this application, or the total amount PG&E is requesting to collect in rates from all customers, is \$32.4 million. PG&E requests that all rates to recover this amount become effective on January 1, 2012.

What is the Application for Approval of 2009 Energy Efficiency Incentives?

PG&E's energy efficiency programs are designed to reduce electric and gas consumption and, thus, avoid fossil-fuel generation and reduce Greenhouse Gases (GHG). The CPUC sets energy savings goals for PG&E's energy efficiency programs. If those energy savings goals are achieved, the CPUC determines an appropriate incentive for successful administration of the programs. The CPUC ordered PG&E to file this Application to seek CPUC approval of the 2009 energy efficiency incentive.

Will rates increase as a result of this application?

Yes. Approval of PG&E's Application for Approval of 2009 Energy Efficiency Incentives will result in a slight increase to electric and gas rates by less than one percent for all customers who receive transmission and distribution service from PG&E, including bundled, Community Choice Aggregation and Direct Access and core and noncore gas customers. The annual revenue requirement increase (as compared to 2011 revenue requirements) is approximately \$32.4 million. If awarded, this revenue requirement request will increase PG&E's bundled electric rates less than 0.25 percent and core gas rates less than 0.20 percent, relative to current rates.

FOR FURTHER INFORMATION

To request a copy of the application and exhibits or for more details, call PG&E at 1-800-743-5000.

For TDD/TTY (speech-hearing impaired), call	1-800-652-4712.
Para más detalles llame al	1-800-660-6789
詳情請致電	1-800-893-9555

You may request a copy of the application and exhibits by writing to:
Pacific Gas and Electric Company
2009 Energy Efficiency Shareholder Award Claim
P.O. Box 7442, San Francisco, CA 94120.

THE CPUC PROCESS

The CPUC's Division of Ratepayer Advocates (DRA) will review this application.

The DRA is an independent arm of the CPUC, created by the Legislature to represent the interests of all utility customers throughout the state and obtain the lowest possible rate for service consistent with reliable and safe service levels. The DRA has a multi-disciplinary staff with expertise in economics, finance, accounting and engineering. The DRA's views do not necessarily reflect those of the CPUC. Other parties of record will also participate.

The CPUC may hold evidentiary hearings where parties of record present their proposals in testimony and are subject to cross-examination before an Administrative Law Judge (ALJ). These hearings are open to the public, but only those who are parties of record may present evidence or cross-examine witnesses during evidentiary hearings. Members of the public may attend, but not participate in, these hearings.

After considering all proposals and evidence presented during the hearing process, the ALJ will issue a draft decision. When the CPUC acts on this application, it may adopt all or part of PG&E's request, amend or modify it, or deny the application. The CPUC's final decision may be different from PG&E's application.

If you would like to learn how you can participate in this proceeding or if you have comments or questions, you may contact the CPUC's Public Advisor as follows:

Public Advisor's Office
505 Van Ness Avenue
Room 2103
San Francisco, CA 94102
1-415-703-2074 or 1-866-849-8390 (toll free)
TTY 1-415-703-5282 or TTY 1-866-836-7825 (toll free)
E-mail to public.advisor@cpuc.ca.gov

If you are writing a letter to the Public Advisor's Office, please include the name of the application to which you are referring. All comments will be circulated to the Commissioners, the assigned Administrative Law Judge and the Energy Division staff.

A copy of PG&E's 2009 Energy Efficiency Shareholder Award Claim application and exhibits are also available for review at the California Public Utilities Commission, 505 Van Ness Avenue, San Francisco, CA 94102, Monday-Friday, 9 a.m.-noon, and on the CPUC's website at <http://www.cpuc.ca.gov/puc/>.

RECEIVED JUL 15 2011

CE packet
PGE

Section 13

REPORTS

Section 13a: City Manager Staff Report

CITY MANAGER:

Meetings and Projects:

- Kiwanis meeting 1st and 3rd Tuesday of the month at 4:30 pm
- City Council- July 7th 5:30-9:00 pm
- City Manager meeting- July 21st 3:00-5:00 pm
- RCEA July 18th - 3:00- 5:00 pm
- Meeting with ERD numerous meeting and discussions regarding universal pickup and greenwaste
- Weekly meeting on WWTF progress with Manhard project manager.
- Daily meetings with chief regarding police activities.
- Daily interaction with Staff regarding daily workload.
- Met with construction manager, Wahlund construction representative and USDA representative, to go over monthly pay request. Also went over construction progress, and change orders. We continue to look for ways to reduce costs and save time. They have made good progress in the last several months and have made up much of the time lost during the dewatering process in December and January. Still anticipate being on time and under budget. This update is the same as last month, but still remains true. We have a special meeting on 27th to go over the dewatering change order.
- Continuing discussions with Fresnel lens committee members to go over a project to move Lens from fair to museum. We received the contractor's estimate of costs for the renovation to museum to house the lens. The museum board has given conditional approval and we are writing proposal to Lytel foundation for funding approval. If successful we will send to Coast Guard to negotiate an agreement. Museum will ultimately have last say in approval. On the 25th the Fair Board gave approval to store museum items at fair grounds while construction is occurring at museum. We received a letter from CG saying they may withdraw their offer of a MOU regarding an agreement to let us continue the loan of the Fresnel lens. We are discussing a response to their letter.
- Numerous conversations regarding Salt River Project with Watershed Council members, NRC representatives, council members and citizens. I have been working with NRC to help with some property owners who already have a relationship with the City. NRC is trying to complete the process of permitting and acquiring signatures from all the property owners along the project. I have met with Elias and Rick Sousa a number of times and went over some of their concerns and explained the project as well as the future relationship with Elias regarding our irrigation needs.
- Numerous meetings with individual councilmen and the mayor regarding City issues.
- The EECBG grant is moving forward and it looks like the construction should be complete before school starts.
- Daily meetings with Public Works in morning to go over daily activities. Budgetary issues, fence between Firemen's Park and Hadley property, Eugene Street connection to Russ Park and its parking

issues. Creek maintenance and City Hall improvements have been topics as well as street improvements and the finalization of the street priority list.

- Numerous discussions with Joe Koches to discuss a major piece of art from a world famous sculptor that might be available to the city if we wanted to put it in the city green. The chamber of commerce has voiced support for the idea. Koches will give a presentation as well as show pictures of the sculpture and discuss the possible placement of the sculpture and the duration of the temporary loan.
- Daily discussions and updates on City Council agenda items and city issues with Treasurer. Considerable time in developing procedures and documentation relating to building and planning issues, and design review situations and interaction with PC and DR committee. Remember that the council has put a hold on enforcement issues relating to compliance until the committee has addressed changes to the sign ordinance.
- Discussions with City Planner regarding design review and planning issues. Most of time spent on Housing Element, Historical and Cultural Resources Element, the general plan update and city budget. Asked them about signage ordinance for possible input. We have also discussed possible support of the staff for building and permitting.
- Navy Housing: Conversations with Karen Ringel of the Navy regarding their progress in completing the lead and asbestos study and the remediation of house 101. We continue to work on alternatives for possible transfer of ownership. Numerous discussions with Elizabeth Conner regarding the conveyance process and the documentation and restrictions that will be required to preserve the spirit of the appropriation funding. The Navy has confirmed that they have completed all of their due diligence and are folding the lead and asbestos report into their environmental condition of property. We will still have to go through this document before we make a recommendation to Council regarding the acquisition of the property. We have a closed session meeting on the 27th to update the Council on the possible conveyance alternatives.
- We have made a number of improvements around City Hall and the City Green and are continuing with more improvements on our priority list. Repair or replacement of the gutters, painting the building, replacement of some of the plants and shrubbery are some of the remaining tasks. Most of this work is being done at no cost to the City. I have also been in contact with Cal-fire to produce a new sign for City Hall. You might notice that after many years the light poles have new electrical covers on them that greatly enhance their appearance. We are lucky to have citizens and organizations that help us improve our parks and community.
- Number of meetings with members of the SRWC regarding the operation and maintenance of the Salt River watershed after the project's completion. This will be the area we focus on in the next few months. I have made some exploration into an organization that may be interested in helping with long-term funding to help with this task.
- Numerous meetings with Gerald Silva regarding access to Russ Park through his property. I have researched this with PW's and City files and our attorney and have had an opinion given from our traffic safety office, as well as had meetings and conversations with chairman of Russ Park committee. The chairman and I met with attorney and will meet with Gerald Silva before council meeting. My hope is that we can reach an agreement without any litigation.
- Numerous conversations with Jimmy Smith and Hank Seemann regarding the sedimentation in Francis Creek and assessment of the emergency project we did last year to alleviate the flooding in and around the Port Kenyon area. It would seem that we are still a year or so away from the actual dredging project and we had twice the sediment load last year, so it might be necessary to remove some of that sediment to reestablish flow from Francis to the confluence of Salt River.

CITY CLERK:***Projects***

- The City Clerk is very proud of City Staff for taking over the City Clerk duties while she was out on medical leave. Clerk was available for phone consultations.

Building and Encroachment Permits Issued

563	Ocean	Lateral inspection
305	Lincoln	Horse Barn

FINANCIAL MANAGER/DEPUTY CITY CLERK:***Meetings***

- Various meetings with City Manager on Budget 2011-2012
- Meet with Auditor on New Budget
- Meet with City Manager on various office issues
- City Council Meeting
- Planning Commission Meeting

Projects

- Payroll
- Accounts Payable
- Accounts Receivable
- Answer Phones/Greet Visitors
- Purchase Various Supplies
- Receive and Process Business Licenses
- Receive and Process Dog Licenses
- Work with City Manager on new fiscal year budget
- Update new fiscal year Budget
- Print out New Fiscal Year Budget for Agenda
- Research TOT
- Bank Reconciliations
- Request additional Transportation Development Act funds
- Request copy of Scout Hall Fire Insurance bill
- US Department of Labor Report
- LAWCV Report
- Caltrans Street Sweeping Letter
- Letter of Debt & Investment
- Little League Invoice
- Del Oro Letter
- Send HCAOG Transportation Development Act Budget for New Fiscal Year

CITY PLANNER:***Meetings & Planning***

- Coordinated with City Manager and City Clerk on planning and development projects.
- Consulted with City Manager regarding sign ordinance enforcement and update; historic district standards; and City document distribution and review procedures.
- Completed CA Department of Housing and Community Development Survey of Affordable Housing for lower income households; including excel spreadsheet and online survey.
- Provided Planning Commission July 20 meeting agenda packet preparation assistance.

Projects

- 230 Francis St. - Coordinated with City Manager for application review, site visit, and review procedures. Evaluated for potential impacts to distinguishing historic features.
- 132 Ocean Ave. - Began Lot Line Adjustment application review, drafted departmental referrals, and sent memo to City Engineer about compliance with zoning standards and application processing.
- General Plan Update - Historical & Cultural Resources Element - Completed preparation of Draft Element and coordinated posting on City's website and provided links for Chamber and Museum websites. Coordinated with City manager about City and public review of Draft Element.
- General Plan Update - Housing Element Update - Completed response to March 1 Housing & Community Development (HCD) department letter. Revised vacant land inventory figure and table. Completed small sites analysis based on HCD comments. Submitted informal response to HCD representative for review and comment.

CITY ENGINEER:***Sewer Projects***

- New Sewer Manholes Main Street, Cleanouts other locations
 - Project is out to bid. Please place Action Item on Agenda for City Council meeting to award the project. Bids will be opened July 28, 2011 and the Engineer's recommendation will be provided to the City on July 29, 2011.

Pedestrian Improvement Project

- Focus project on Herbert Street (fine tune design)
- Prepare Construction Documentation for bid ASAP
- Review and comment on compliance documents for Doug Culbert

Applications

- Correct Keyes LLA, revisions to Notice of LLA per Assessor's Office
- Review Drainage Report for Matt Pidgeon

General Engineering

- ARRA reporting for Pedestrian Improvement Project
- Review opportunities for new transportation projects funded by State or Federal sources
- General support for cemetery boundary line correction

- Review drainage report for Matt Pidgeon Subdivision
- Scope street repair project at 4th and Shaw (work with Tim Miranda)
- Maintain Road Mileage Update, including map corrections and Caltrans review
- Attend HCOAG TAC Meeting
- Prepare estimate and description of Traffic Enhancement project (ramp upgrades) and submit to HCOAG
- Review, edit and coordinate updates of City Maps
- Working on a street improvement priority list

Meetings and Committees

- No meetings during May

Reporting and Correspondence

- Prepared monthly staff report
- General correspondence and meetings with City Staff

PUBLIC WORKS:

Francis Creek

- Walked Francis Creek looking for obstructions.
- Ongoing – Follow up on creek and speaking with property owners.
- Sending out letters to property owners.

City Property

- Firemen's Park
 - Routine Maintenance, i.e. Mowing Park and Baseball Field.
 - Routine daily walk through to pick-up garbage.
 - Mowed the Bocce area and BB Field.
 - Replaced water line from meter to drinking fountain
 - Alder tree in the creek at the park from private property to the middle of the creek.
 - Worked on trash can lids. Need new springs.
 - Met with Willis Hadley regarding new fence lines, etc.
 - Repaired leak at the fountain.
 - Routinely cleaned Park Restrooms every day of the week including weekends.
- Russ Park
 - Routine maintenance: Pulling out trash from trash & recycle bins daily.
 - Picked-up loose garbage from Russ Park.
- Town Hall
 - Routine mowing and weedeating
 - Pull out trash daily
 - Removed old cement pads for new benches. Hauled away all debris.
 - Installed new benches.
 - Tightened up benches after they were all installed and glued end caps on.
 - Put on new light pole covers.
- Library

- Routine mowing and weed eating
- Cut back brush at Library.
- City Parking Lot
 - Picked up garbage – Routinely as least once a week unless otherwise warranted.
 - Cut back brush.
- Main Street Restrooms
 - Routine maintenance: Daily cleaning and stocking of Main Street Restrooms – 7 days a week.
- Community Center
 - Routine checking of CC when the facility is rented before and after.
 - Fixed the faucet. Cold water leak.
- Children’s Center
 - Repaired the gate, needed new hinge.
- Police Department
 - Routine mowing and weed eating
- Scout Hall - Routine mowing and weedeating
- Roadsides - Routine mowing and weed eating
- Ferndale / Navy Housing
 - Had keys made for Ferndale / Navy Housing.
 - Walked through Navy Housing checking for water leaks, damages etc.

Storm Drains

- Removed debris from all the drains around town. –
- Cleaned the storm drains in July.

Sewers

- Helped with project at the Elem. School.

Streets and Sidewalks

- Routine maintenance: Regular maintenance of roadside mowing.
- Routine picking up trash at the edge of town.
- Routine maintenance: Continuing to pick-up piles around town as resident call and request removal.
- Routine maintenance: Sweep Main St., Monday, Wednesday and Friday mornings.
- Marked out USA locates throughout town. – When needed.
- Removing piles.
- Property damage on McKinley, Dewey and Jacobsen Way. Stop signs and street signs knocked over. PW will have to jackhammer out the old cement and post and replace with metal 2” galvanized pipe.
- Prioritize roads for upcoming meeting.

Vehicle / Equipment Maintenance

- Routine monthly maintenance and weekly maintenance on frequently used equipment.

Miscellaneous

- Routine paperwork.
- Dealing with daily work orders as residents call.
- Viewed Safety videos.
- Went to Bay West to pick up supplies.

WASTEWATER OPERATIONS:

- Prepared monthly sample containers
- CPO assisted City Staff with computer tech issues.
- Miksis Services replaced 210 feet of clay main line pipe with HTPPE pipe behind the elementary school. In an effort to save money operator Coppini did the prep work digging the trenches for the pipe bursting machinery to be placed. Public works assisted with the project.
- CPO completed ARRA Reporting for the USDA loan and grant
- Filled out POs for monthly invoices
- Ongoing inspection and site visits to WWTP construction site; consults with contractors
 - Portland Engineering was on site for preliminary set up of the network that will control the facility.
 - Met with DCI to discuss placement of door locks
 - Brought in Hank Brenard from the City of Fortuna to discuss and plan with Wahlund seeding of new facility with sludge from their plant.
 - Office furniture delivered
- Monthly meeting with Debbie Coggins, USDA
- 2010 Dump Truck in to Harpers to get starter replaced. Warrantee item
- Brief meeting with City Manager and Elias Sousa to discuss contract for irrigating.
- Staff did field work documenting manhole depths for the GIS mapping system
- HSU completed the field work for the GIS mapping of our collection system. Now they input data provided by staff with vitals from each manhole and portions of the collection system
- RFP went out for the additions of four manholes on Main Street and Harrison.
- CPO attended two CWEA board meeting in Eureka and McKinleyville
- CPO assisted in office answering phones and helping customers while office staff gone.
- CPO downloaded video files from June City Council meeting. Edited files and burned to DVD for archiving.
- CPO reviewed and signed daily operation sheets for WWTF
- CPO performed the daily operation of WWTP during operator Coppini’s scheduled day off.
- Monthly Self Monitoring Report to the Regional Board was completed and mailed.
- Operator Coppini performed general maintenance around the facility
- Operator Coppini filed online SSO report.
- Operator Coppini performed the normal in-house weekly and monthly testing and scheduled lab work to be done.

June 2011 Flows	Average	Minimum	Maximum
Influent MGD	.289	NA	NA
Effluent MGD	.256	.133	.345

POLICE DEPARTMENT:

- Officers provided assistance and monitored the 4th of July parade.
- Chief Smith attended Kiwanis meetings/functions.
- Chief Smith attended the monthly LECAH meeting.

- Chief Smith was elected Humboldt County's Police Chief representative for the state-mandated Community Corrections Partnership Executive Committee.
- Officer Diaz attended the monthly LETMA meeting.
- Officers monitored and provided traffic control for the July 4th celebration and fireworks display at the fairgrounds.
- Officer Frank and Chief Smith facilitated an open house and presentation to children from the children's center.

Police Statistics – June 2010

SERIOUS CRIMES	Number	Cleared
Homicide	0	
Rape	0	
Robbery	0	
Larceny	0	
Assault	0	
Burglary	0	
Vehicle Theft	0	
TOTAL	0	
SECONDARY CRIMES	2	
Calls for Service	51	
Reports Written	7	
Traffic Citations	14	
Other Citations	5	
Parking Citations	6	
Warnings	43	
ARRESTS	1	
AGENCY ASSISTS	15	
TRAFFIC COLLISIONS	1	

Section 13b: Commissions, Committees and Others

Design Review Meeting 7/7/11 – no quorum

Planning Commission Meeting 7/20/11 – no quorum

Humboldt Medical Group, Inc.

3306 Renner Dr.
Fortuna, CA 95540
(707) 725-6101

528 Washington St.
Ferndale, Ca 95536
(707) 786-4028

**FERNDALE HEALTH INSPECTOR
2nd QUARTER REPORT
2011**

Donald I. Baird M.D.
Rodney B. Grover D.O.
Tamara S. Dennis M.D.
Mark T. Roback D.O.
Robert G. Smith FNP
Elaine Bettiga FNP
Martin Kimble FNP
Maureen Frank FNP

July 14, 2011

RECEIVED JUL 25 5 11 2011

The 2nd Quarter of 2011 had many businesses subject to change and upgrade.

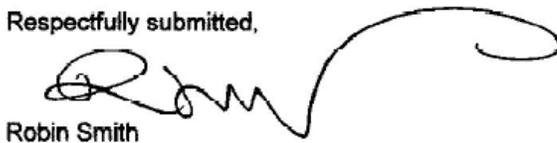
A free inspection was done at a business on Main Street where the construction guidelines of the State of California were gone over in great detail with the owner.

A second business on Main Street was seeking to upgrade its offerings as a food establishment and this was gone over also with replacements of various services included.

The third business was seeking upgrade with, again, services needing to be changed to impermeable. This business, like the first one mentioned is still pending.

The fourth business was inspected regarding its stove and the coding surrounding the use of the stove. It is inspected and approved.

Respectfully submitted,



Robin Smith
Ferndale Health Inspector

RS:lt

Section 13c: Council Reports and Comments

Item No. 5.b.(6)

HCAOG

Humboldt County Association of Governments

RECEIVED JUL 01 2011

Amended RESOLUTION 10-11(A)
CITY OF FERNDALE
2010-11 TRANSPORTATION CLAIM

WHEREAS, the City of Ferndale has submitted a Transportation Development Act (TDA) claim for FY 2010-11 dated June 16, 2011, pursuant to all applicable statutes and regulations for the following purposes:

- \$ 36,785:
- \$ 46,089: Article 8, Section 99400(a), City Street & Road Projects
- \$ 36,785:
- \$ 46,089: Total 2010-11 FY Appropriations to Date; and

WHEREAS, the Association in its capacity as the Regional Transportation Planning Agency does hereby find said claim in conformance and consistent with the adopted Regional Transportation Plan.

NOW, THEREFORE, BE IT RESOLVED that the Association authorizes the Executive Director to execute the City of Ferndale's claim in the total sum of forty six thousand, eighty nine dollars (\$46,089) and directs the Secretary to forward said claim to the Humboldt County Auditor-Controller for processing.

PASSED AND ADOPTED by the Humboldt County Association of Governments, in the City of Eureka, County of Humboldt, State of California, this 23th day of June 2011, by the following vote:

AYES: MEMBERS: Farley, Leonard, Stiehl, Bhardwaj,
Jäger, McCall-Wallace
 NOES: MEMBERS: none
 ABSENT: MEMBERS: Clendenen, Ornelas
 ABSTAIN: MEMBERS: none

Debbi Jagers
Attest: HCAOG Administrative Assistant

Jeff Farley
Mayor Jeff Farley, HCAOG Chair

Corres 11

Received
6/24/11

TPA-1
HCAOG
(rev 6/01)

ANNUAL TRANSPORTATION CLAIM

Please check one:

STATE TRANSIT ASSISTANCE

TRANSPORTATION DEVELOPMENT ACT

RECEIVED
APR 22 2010
HUMBOLDT COUNTY ASSOCIATION OF GOVERNMENTS

TO: HUMBOLDT COUNTY ASSOCIATION OF GOVERNMENTS
427 F Street, Suite 220
Eureka, CA 95501

FROM: Claimant: City of Ferndale
Address: 834 Main Street, P.O. Box 1095
City: Ferndale Zip: 95536
Contact Person: Debbie Austrus Phone: 786-4224

The City of Ferndale hereby requests, in accordance with Chapter 1400, Statutes 1971 and applicable rules and regulations, that its annual transportation claim be approved in the amount of \$ 36,785 for fiscal year 2010/11, to be drawn from the local transportation fund of the County of Humboldt for the purposes and amounts shown on form TPA 2. 46,089

When approved, please transmit this claim to the County Auditor of the County of Humboldt for payment. Approval of the claim and payment by the County Auditor to this applicant is subject to such monies being on hand and available for distribution, and to the provisions that such monies will be used only in accordance with the terms of the approved annual financial plan.

APPROVED:
By [Signature]
Signature
Executive Officer, Humboldt County Association of Governments
Approval Date 9/1/10

By [Signature]
Claimant's Signature
Title Mayor
Submittal Date 3/31/2010

TPA-2(a)
HCAOG
(rev. 6/01)

ANNUAL PROJECT AND FINANCIAL PLAN

(Use additional forms as necessary)

BRIEFLY DESCRIBE ALL PROPOSED PROJECTS AND INDICATE PROPOSED EXPENDITURES OF YOUR JURISDICTION FOR THE ENSUING FISCAL YEAR FOR PUBLIC TRANSPORTATION OPERATING AND CAPITAL EXPENDITURES, RIGHT-OF-WAY ACQUISITION AND CONSTRUCTION OF LOCAL STREETS AND ROADS AND FACILITIES FOR THE EXCLUSIVE USE BY PEDESTRIANS AND BICYCLES. GIVE EACH PROJECT A TITLE AND NUMBER IN SEQUENCE.

PROJECT TITLE & BRIEF DESCRIPTION	ARTICLE, SECTION OF ACT	PROJECT COST	SOURCES OF FUNDING
NO. <u> </u> Balance of remaining funds will be used for ongoing local street and road maintenance	Article B 99400A	N/A	Transportation Tax
NO. <u> </u>			
NO. <u> </u>			
NO. <u> </u>			

Revised
6/29/11

TPA-3
HCAOG
(rev. 6/01)

ARTICLE 8 NON-TRANSIT CLAIMS

STATEMENT OF CONFORMANCE

The _____ City of Ferndale _____ hereby certified that the
(Claimant)
Annual Transportation Claim for fiscal year _____ 2010/11 _____ in the amount of
\$ ~~36,785~~ 46,087 conforms with the requirements of Article 8, Chapter
1400, Statutes 1971, Paragraph 99400(a), and applicable rules and regulations.

CERTIFIED:

By Debbie Austin

Title Deputy City Clerk/Treasurer

Date 3/31/2010

Salt River Watershed Council

Tuesday March 8, 2011

2 – 4 p.m.

Minutes

Board Members in Attendance: John Vevoda, Jim Becker, Denver Nelson, Jay Parrish

Board Members Excused: David Carr, Joe Russ

Board Members Absent: Don Hindley

Guests: Donna Chambers and Curtis Ihle - Resource Conservation District
Steve Burton, Bob Smith, and Charles Bartolotta - Department of Fish and Game
Lee Mora - Landowner

Call to Order

The Watershed Council meeting was called to order at 2:10 p.m. by John Vevoda, Council Chairman. No additions or changes were proposed or made to the agenda. Introductions were made and a sign-in sheet was circulated.

Public Comment Period

No public comment was provided.

Board Member Reports

Chairman Vevoda reported that he attended the RCD Board certification hearing for the Final EIR on the Salt River Ecosystem Restoration Project. He said that he provided comments as a representative of the local and state Farm Bureaus, the Salt River Watershed Council and as a private landowner. Vevoda reported that as a private landowner he commented on the proposed location of Francis Creek on his property.

Action Items

- Minutes of the January 25, 2011 meeting were adopted as follows:
Motion: Director Parrish; Second: Director Becker; Unanimous

Financial Report

Item tabled due to excused absence of Treasurer Carr.

Old Business

Chambers provided the Council a written report on the Salt River Project status and quickly reviewed the information with the Council.

Discussion

- Staff of the Land Management Division of the Department of Fish and Game (DFG) attended the meeting to meet with the Council and with landowners adjacent to Riverside Ranch.

- Questions to DFG related to how the ranch is going to be managed prior to project implementation, what activities might be allowed this year, who is responsible for long-term planning and maintenance, and how DFG will work with adjacent landowners to respond to emergencies - especially things like flood gate failures or dike failures.
- DFG discusses preference for side-hinge tide gates to reduce risk of plugging or failure and as requiring less maintenance. Bartolotta states that DFG is using side-hinge gates in other wildlife areas and they are performing well.
- DFG advises adjacent landowners that local contact for day to day land management issues on wildlife areas is Charles Bartolotta.
- Discussion was had about drafting an MOU with adjacent landowners to clarify roles and responsibilities. MOU should allow adjacent landowners access as needed for maintaining ditches, mowing, and emergency maintenance and repairs.
- DFG representatives discussed the standard DFG practice for leasing agricultural lands and a discussion about how to facilitate activity this year on Riverside Ranch was had.
- Becker asked about plans to remove forage from the ranch this year. He indicated interest in negotiating an agreement for this year similar to one last year with Western Rivers Conservancy. Could look at 1st cutting of hay in May/June with possible 2nd cutting Aug/Sept. Since DFG is not in control of the property at this time, Becker was advised to contact Western Rivers Conservancy (current owner of Riverside Ranch) directly. RCD reminds Becker that activities this year may be subject to project implementation with timeframes dependent upon when permits are granted.
- Discussion about access through Becker property to Riverside Ranch and potential to ask County to abandon the road at some point in the future – DFG may look into this in the future.
- DFG asks those present if they think the project is a good thing. Becker responds that this is the best solution, something has to happen. Mora notes that he feels heard, that agencies have been responsive but he still has concerns about maintenance and if and how maintenance will happen.
- Draft 75% level engineered design plans for Riverside Ranch were provided to DFG and adjacent landowners for review. RCD will follow up with landowners to discuss proposed design and talk about any concerns or changes. DFG to respond to RCD with any proposed changes.

Board Member Requests for Future Agenda Items

Becker asks RCD to invite representatives of Humboldt County Public Works, Art Reeves and Hank Seemann to attend a meeting in the future.

The next meeting is set for Tuesday, April 12, 2011

Adjournment - The meeting was adjourned at 3:22pm.

Motion: Director Nelson; Second: Director Parrish; Unanimous

Salt River Watershed Council

Tuesday April 12, 2011
2 – 4 p.m.

Minutes

Board Members in attendance: Jim Becker, David Carr, Joe Russ, John Vevoda

Board Members Excused: Jay Parrish, Denver Nelson

Board Members Absent: Don Hindley

Guests: Donna Chambers and Curtis Ihle, of the Resource Conservation District
Ted Anderson, private citizen

Call to Order

The Watershed Council meeting was called to order at 2:00 p.m. by John Vevoda, Council Chairman.

A quorum was not present at the start of the meeting and there was no formal agenda. Introductions were made.

Members noted that minutes that were sent out need to have typographical errors corrected. Minutes to be brought back for approval at next meeting.

Public Comment Period

No public comment was provided.

Board Member Reports

1. Council member Becker discussed his concerns about the undefined responsibility for interim management of Riverside Ranch during the time it's being transferred from Western Rivers Conservancy to Department of Fish and Game. His concerns related to maintaining outboard drainage ditches and keeping the land in production and weeds controlled until the restoration project is implemented.

Becker reports his concerns about the level of flooding occurring on the property he owns adjacent to Riverside Ranch. The drainage of his property depends on having the drainage ditches on Riverside Ranch open and functional. Becker states that with only haying and not livestock grazing the past few years the ditches have filled with reed canary grass and other vegetation. Becker is willing to perform the necessary maintenance, but would like assurance that it is OK to do according to regulatory agencies and Western Rivers Conservancy. RCD offered to help facilitate approval for maintenance.

2:10 pm – Councilman Carr arrived, constituting a quorum

2. Chairman Vevoda reports spending time with NRCS staff looking at flooding and sedimentation on his property and how the County's emergency project performed over the past winter. Reports that channel cut down approximately 6 feet and about

5 feet of silt collected at the end of the channel. Vevoda also discussed the proposed design of Salt River Restoration Project and effects on his property. RCD asks to get on property with the Vevodas, Winzler and Kelly, NRCS and others to look at how the emergency channel performed and the sediment deposition. Purpose of visit would be to field truth design elements currently proposed for the project. Vevoda agrees, RCD to follow up with arrangements.

3. Watershed Council members would like to get out on the ground and have a tour of the project footprint with project designers. Council decides to have next meeting be a field tour and meet at the Becker dairy on Riverside Road.
4. Becker talked about the flooding impacts on his property and feels project will fix the drainage problems, but is still concerned about maintenance. Vevoda says that he has observed that as the water levels have increased the vegetation on his property has been degraded – says that all the new seeding he put in is gone and now all he has is water grass.

Action Items

- Vevoda offers motion to have RCD facilitate interim maintenance of ditches, etc on Riverside Ranch to assure positive drainage of adjacent properties.
Motion: Vevoda; Second: Russ; Unanimous

New Business

1. Ted Anderson addressed the Council. Anderson would like to make sure local people get a shot at the jobs the Salt River Project will provide. He has developed a petition that he'd like to circulate and asks if Council would support it.

Council supports the idea, but is not directly involved in the contracting. RCD cannot support any one contractor over another, but is supportive of including language in bid documents that gives preference to hiring locals or sets a certain level of local labor. RCD invites Ted to direct interested local contractors to its website to fill out the Contractor's Information form to be included on the RCD's procurement list.

Financial Report

No Report

Old Business

Chambers provided the Council a written report on the Salt River Project status and quickly reviewed the information with the Council.

**The next meeting is set for Tuesday, May 10, 2011
MEET AT 1PM AT BECKER DAIRY ON RIVERSIDE ROAD**

Adjournment - The meeting was adjourned at 2:58pm.

Section 14

ADJOURNMENT