

# City Council Meeting Agenda

October 5, 2021
7:00 PM – Regular Meeting
Council Chambers
400 N. Douty St.

Council Members will meet in-person in the Council Chambers. The meeting will also be lived streamed on the City's website: http://livestream.hanford.city/

#### 5:00 PM CALL TO ORDER STUDY AND CLOSED SESSION:

#### **ROLL CALL BY THE CITY CLERK:**

#### **PUBIC COMMENT:**

Comments from the public are limited to items on the agenda (GC 54954.3a). A maximum of three minutes is allowed for each speaker. Please begin your comments by stating your name and providing your city of residence.

#### STUDY SESSION:

- A. Kings County Redistricting Information Presentation
- B. Discussion and Review of the 2020 Urban Water Management Plan Update and the 2020 Water Shortage Contingency Plan Update

#### CLOSED SESSION FOR DISCUSSION OF THE FOLLOWING:

CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION (GC 54956.9(d)(1)):

Cesar Pimentel v. Officer Carrillo, Officer Rivera Eastern District Case No.: 1:19-cv-1088

Montreal Hemphill v. Officer Farr, Officer Medeiros

Eastern District Case No.: 1:19-cv-1119

Bradley Glen-Smith v. City of Hanford Kings County Superior Court Case No 21C0037

Stephen and Alma McLemore v. City of Hanford, et al. Kings County Superior Court Case No 21C0023

Nathan Rodriguez v. City of Hanford Kings County Superior Court Case NO. 21C0172

Helena v. City of Hanford Kings County Superior Court Case No 17C0102

#### CALL TO ORDER REGULAR SESSION:

**ROLL CALL:** 

**INVOCATION:** 

Pastor Marleny Senn

**FLAG SALUTE:** 

## **CLOSED SESSION ACTION REPORT:**

## **RECOGNITIONS/PROCLAMATIONS:**

- A. Emergency Nurses Week Proclamation
- B. Introduction of New Police Officers

#### **STAFF COMMUNICATIONS:**

#### **COUNCIL REPORTS/COMMENTS:**

## **PUBLIC COMMENT:**

This is the time for citizens to comment on subject matters not on the agenda and that are within the jurisdiction of the Hanford City Council. This is also the public's opportunity to request an item from the Consent Calendar be pulled for discussion purposes or to comment on any item on the agenda. Comments related to Public Hearing items will be heard at the time the item is discussed. A maximum of three minutes is allowed for each speaker. Please begin your comments by stating your name and providing your city of residence.

## **CONSENT CALENDAR:**

Consent Calendar items are considered routine and will be enacted in one motion. There will be no separate discussion of these matters unless a request is made and then the item will be removed from the Consent Calendar to be discussed and voted upon by a separate motion.

A. PROCEDURAL WAIVER: Waive reading in full of resolutions and ordinances and approval and adoption of same by reading title the only.

- B. Administration: Approval of various changes to the City of Hanford Travel Policy to make the policy consistent with current practices and approved Cal Card Policies
- C. Administration: Approval of the Exclusive Negotiating Agreement between Jerry Irons/Greg Enloe and the City of Hanford for the property more commonly referred to as the Bastille.
- D. Community Development: Historic Resources Permit 2021-04: a request to alter the façade of an existing storefront in the Wealth Center Building. The property is designated as a contributing building within the Historic Overlay Zone. The project is located at 312 N. Irwin St. (APN 012-022-007).
- E. Public Works: Approval of the Final Map and Subdivision Agreement for Tract No. 928, Unit No. 2, with San Joaquin Valley Homes, and acceptance of all easements and dedications offered for public use and adoption of Resolution 21-43-R restructuring properties within Assessment District No. 20-01 (District Restructure No. 20-01-A) (SEC Fargo Avenue and Centennial Drive)
- F. Public Works: Authorization to purchase street right-of-way, located on the north east corner of Emma Lee Lane and Grangeville Boulevard, in the amount of \$20,800 plus escrow fees; Approve acceptance of the Grant Deed and Authorization for the City Manager to execute and the City Clerk to attest and file said deeds with the Kings County Recorder's Office, and accept the attached Purchase and Sale Agreement and authorize City staff to execute said agreement. (008-450-011 & 008-450-012).
- G. Public Works: Authorization to purchase of street right-of-way located on the south west corner of Emma Lee Lane and Conquistador Street, in the amount of \$750.00 plus escrow fees; Approve acceptance of the Grant Deed and Authorization for the City Manager to execute and the City Clerk to attest and file said deeds with the Kings County Recorder's Office, and accept the attached Purchase and Sale Agreement and authorize City staff to execute said agreement. (APN 008-460-001).
- H. Public Works: Authorization to purchase street right-of-way, located on the south west corner of Davis Street and Grant Street, in the amount of \$1,500.00 plus escrow fees, Approve acceptance of the Grant Deed and Authorization for the City Manager to execute and the City Clerk to attest and file said deeds with the Kings County Recorder's Office, and accept the attached Purchase and Sale Agreement and authorize City staff to execute said agreement. (APN 012-321-001).
- I. Public Works: Authorization to Advertise for Bids for the Fitness Court Hidden Valley Park and approve an additional appropriation of \$24,075 from the Park Impact Fee Reserve to fully fund the estimated construction portion of this project.

# **PUBLIC HEARINGS:**

- A. Public Works: Public Hearing to Review, Discuss and receive Public Comment on the 2020 Water Shortage Contingency Plan Update.
- B. Public Works: Public Hearing to Review, Discuss and receive Public Input on the 2020 Urban Water Management Plan Update.

#### **GENERAL BUSINESS:**

- A. Public Works: Authorization to purchase the property located on the north east corner of 8 3/4 Ave. and SJVRR Tracks 600' north of Lacey Boulevard from Harvey Green, in the amount of \$377,000.00 plus escrow fees, Approval of an additional appropriation of \$286,000 from the Storm Drainage Operations Reserves, Approve acceptance of the Grant Deed and Authorization for the City Manager to execute and the City Clerk to attest and file said deeds with the Kings County Recorder's Office, and Approve acceptance of the Right of Way Agreement and Authorization for City staff to execute said agreement. (APN 014-230-017).
- B. Police: Introduction of Ordinance 21-06, Amending Chapter 5.56 (Commercial Cannabis Activity) of the Municipal Code, thereby Amending the operational structure of permits and other various amendments to be consistent with desired operational procedures.

#### **COUNCIL FUTURE AGENDA ITEMS:**

Council Future Agenda Items

## *Upcoming Events and Important Dates:*

October 10: Hanford Fire Department Open House Civic Park 10:00 am – 2:00 pm

October 15: Witches Night Out Festival Downtown Hanford 6:00 pm – 11:00 pm

October 16: Taco Truck Throwdown Downtown Hanford 7th Street 1:00 pm – 9:00 pm

October 19: Regular City Council Meeting

#### **ADJOURNMENT:**

Materials related to an item on this Agenda submitted to the City Council after distribution of the agenda packet are available to public inspection in the City Clerk's Office located at 319 N. Douty Street, Hanford, California 93230, during normal business hours. Such agendas are also available at the city's website, <a href="www.cityofhanfordca.com">www.cityofhanfordca.com</a> subject to staff's ability to post the agenda before the meeting.

If you need a disability-related modification or accommodation, including auxiliary aids or services, to participate in this meeting, please contact the City Clerk's office, 559-585-2515, 319 N. Douty Street, Hanford, California 93230, at least 2 days prior to the meeting {28 CFR 35.102.35.104 ADA Title II}



# AGENDA STAFF REPORT

MEETING DATE: 10/5/2021 AGENDA SECTION: B

#### **SUBJECT:**

Administration: Approval of various changes to the City of Hanford Travel Policy to make the policy consistent with current practices and approved Cal Card Policies

## **RECOMMENDATION:**

That the City Council, by motion, approve changes to A.R. 1.05 Travel Expense Allowance and authorize the City Manager to implement the revised Policy.

## **BACKGROUND:**

As the State has started to open back up after the shutdown from the COVID 19 pandemic, City Council and Staff are beginning to travel once again for training opportunities. Most recently, several employees have had great trainings available that were out of state and, under the current policy, employees must get Council approval for out of state travel. Decades ago, Councils implemented a requirement that out of state travel be approved by the governing body. The primary reason was that air travel was so expensive in those days. That is no longer the case. Often times, air travel to trainings or conferences is less expensive than the cost of paying the required mileage reimbursement for traveling in their personal vehicle.

As staff went through the Travel Event Expense policy, it was determined that many of the City's Finance processes were now different and the policy needed to be amended to reflect those policies. This updated policy provided more detailed guidance on when meals and lodging are eligible, relative to travel times, and clarifies the eligibility of per diem funding for the City Traveler.

#### **FISCAL IMPACT:**

No fiscal impact will occur as a result of these proposed changes

## **ATTACHMENTS:**

AR 1.05 Travel Event Expense Allowance - Final

AR 1.05 Travel Event Expense Allowance - Redline

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# SUBJECT: TRAVEL AND MEETING EXPENSE REIMBURSEMENT POLICY

## (1) PURPOSE

The purpose of this Administrative Regulation is to establish uniform policies and procedures concerning expenses incurred by City officials and employees while traveling or attending events on City business. Federal Per Diem limits apply to ALL travel events.

# (2) TRAVEL ADVANCE PAYMENT

Advance payments may be requested from the Finance department for planned travel to cover meals under the Per Diem provisions of this policy. Requests for advance payments shall be submitted to the accounting division at least two weeks prior to the event and must have the approval of the Department Head and the Finance Director, or upon the request of the City Manager. Funds will be released no more than five work days prior to the event or trip departure date.

## (3) EXPENSES APPROVED FOR REIMBURSEMENT

The following expense classifications are for the information and guidance of City officials and employees in determining expenses which are appropriate in traveling or attending events in the performance of their official duties or employment. The list is intended as a guide and is not necessarily all-inclusive. Discretion is allowed the City Manager in approving travel and event expenses in order to provide for unusual circumstances.

## (a) TRANSPORTATION

The most economical mode of transportation shall be used to establish reimbursement of travel expenses. Receipts for major transportation expenditures excluding taxi, limousine and local public transportation must be obtained and submitted with the expense claim.

- i. The standard for airline travel will be economy/coach class.
- ii. Use of personal vehicles may be approved when the convenience of the official or employee and/or the City is served. When personal automobiles are approved as a mode of travel, a flat rate per mile, as established by the Internal Revenue Service, will be allowed. However, the total allowance for transportation shall in no case exceed the cost of economy class air passage, when such service is available. City Council Members will be ineligible for mileage reimbursement for City business conducted inside of the City limits. It is the responsibility of City officials and all City employees to ensure that they carry adequate insurance coverage as required by State law.
- iii. Rental cars should only be used when public transportation or taxi service is unavailable and requires prior approval of the City Manager.

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iv. Travel in City vehicles may be approved by the Department Head when circumstances warrant. Only City employees or officials may drive City vehicles. Passengers other than City employees or officials are allowed only with prior approval of the City Manager. When such travel is contemplated, a City issued CalCard may be obtained (with a minimum 2 week advance notice) from the Finance Director's office for the purchase of gasoline, oil, and other required automobile supplies.

## (b) LODGING AND CONFERENCE REGISTRATION

Expenses will be allowed for adequate lodging when traveling on City business. The City will pay for conference and meeting related out-of-town lodging. City Travelers are expected to stay at the conference center hotel, any hotels affiliated with the conference, or at a hotel with rates not in excess of the conference hotel. (If space is available at the conference hotel, and an employee wishes to stay at an off-site location, the City will not reimburse for expenses between the employee's hotel and the conference). Employees are expected to stay in clean, safe, and comfortable lodging while out of town on City business. These accommodations can be determined to be in the three (3) and four (4) star range rating as determined by the American Automobile Association rating guide for hotels/motels. Whenever appropriate, employees are encouraged to share rooms in order to save on travel expenses. Employees are also encouraged to make reservations for travel and lodging as far in advance as possible so that the lowest possible prices may be secured.

Hotel accommodations must coincide with the length and purpose of the trip. City Travelers are eligible for lodging on the evening before a conference organized educational activity, which is scheduled to begin before noon the following day and on the evening of a conference which ends after 5:00 p.m. if the event is more than 150 miles from the City of Hanford. Hotel and conference registration expenses may be paid with a City issued credit card. If hotel and conference registration is not paid with a City issued credit card, all receipts will be required to secure reimbursement for costs incurred.

## (d) TELEPHONE SERVICES

Telephone expenses will be allowed only for official City business. This is for only direct expenses associated with such travel.

## (e) PERSONAL EXPENSES

Reimbursement for personal services such as laundering, entertainment or personal phone calls will not be allowed.

## (f) MEALS

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- i. Allowance for meals shall be the maximum Federal Per Diem limits as established by the General Services Administration (GSA).
- ii. Actual expenses for meals at a breakfast, luncheon or dinner will be reimbursed provided by the City official or employee is attending such meals in their official capacity, should they choose not to use the Per Diem method. Under this method, all receipts will be required to obtain reimbursement. Such functions may be related to training, conferences, professional associations or business meetings such as Chamber of Commerce or Economic Development luncheons. A Per Diem cash advance may be obtained for meals and incidentals, in accordance with IRS published guidelines for the specific city hosting the event. Under this method, receipts are not required as no reimbursement for costs incurred in excess of the Federal Per Diem limit will be provided.
- iii. For City Council members, actual expenses for meals at a breakfast, luncheon or dinner with a constituent, local or out of town business person or governmental official, while accompanied by a member of the Hanford City staff, will be reimbursable when the City Council member is attending in their official capacity. Should a member of the City staff be unable to attend because of a scheduling conflict, reimbursement will still be allowed. Receipts for reimbursement for meal expenses shall include the purpose of the meeting, the name of the City staff member attending or who was requested to attend.
- iv. The City maximum full day meal and incidental expenses rate shall be equal to the maximum federal per diem meal and incidental expenses (M&IE) rate established by the IRS and published by the General Services Administration. Said maximums include taxes and gratuities. The Per Diem rate shall be determined by the employees' primary destination.
- v. Non-Overnight Travel: For travel which does not require an overnight stay, meal expense amounts for partial days of travel will be based on the maximum federal per diem meal rate for the appropriate meal(s) as established by the IRS and the General Services Administration. Receipts are not required to substantiate meal expenses. Meals will be provided based upon the time of departure and return as described in subsection (vi). Incidental expenses are not paid for one-day travel unless an employee would be entitled to all three meals.
- vi. A City traveler may not claim a per diem allowance or reimbursement for any meal which is provided as part of the registration or conference expense. Per Diem amounts will be reduced by the appropriate per meal rate.
  - a. Times specified below for meals apply to travel that occurs during the hours of 7:00a.m. to 6:00p.m. The Department Head or his designee should discuss any other exceptions to these standard time frames with the Director of Finance, in advance when possible.

# CITY OF HANFORD Administrative Regulation

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- b. Breakfast may be claimed when travel commences at or prior to 7:00a.m. on the first day of travel.
- c. Lunch may be claimed on the first day if the trip begins at or before 11:00a.m. and may be claimed on the last fractional day if the travel terminated at or after 2:00p.m.
- d. Dinner may be claimed on the first day of travel that begins at or before 4:00p.m. Dinner may be claimed on the last day of travel if the trip ends at or after 6:00p.m.
- vii. For all travel in which luncheons and/or dinners are provided, the employee is not entitled to a meal allowance. Exceptions to this may be approved by the Department Head but should be infrequent, and must be supported in writing by the Department Head justifying the reason the provided meal was not utilized. Departments who frequently use this exception may be required to obtain prior City Manager approval. Complimentary continental breakfasts provided at particular hotels or motels as a part of the cost of attendance are not considered a meal, and an employee may receive reimbursement for the cost of a breakfast meal notwithstanding the availability of the complimentary breakfast.

# (4) MEETING REPORTING REQUIREMENTS

City Council shall be subject to provide brief reports on meetings attended at the expense of the local agency at the next regular meeting of the legislative body.

## (5) CREDIT CARDS

A City traveler shall utilize their City-issued CalCardfor the purpose of paying conference registration fees and securing room reservations for departmental employees' travel. Credit cards issued to Council Members may be held in City Hall and may be checked out for travel purposes, as described above, for travel outside of the City limits. In the event a credit card charge is made, the employee or Council Member must submit a record of the charge within 10 days. The credit card may not be used at any time for personal expenses, even if the charge is subsequently reimbursed to the City.

## (6) CLAIM PROCEDURE

- a) Claims for all expenses incurred while meeting or traveling on official City business shall be filed on the authorized City claim form and submitted to the Finance Department within thirty days after completion of the event and/ or authorized travel.
- b) The claim shall include the purpose of the trip and the inclusive dates of travel.
- c) All expenditures shall be itemized and the claim shall include receipts for all reimbursable expenses except bus fares, taxi fares and miscellaneous out of pocket expenses.

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- d) All documents related to reimbursable agency expenditures are public records subject to disclosure under the California Public Records Act.
- e) If a trip is cancelled, the per diem check will be returned to the Finance Department within three days of such cancellation.
- f) Claims for expenses incurred while traveling on official City business shall be submitted to the Finance Department within thirty days after completion of authorized travel. Any claims submitted after 30 days will not be processed.

# (7) PENALTIES FOR MISUSE OF PUBLIC RESOURCES OR FALSIFYING EXPENSE REPORTS

Penalties for misuse of public resources or falsifying expense reports in violation of expense reporting policies may include, but are not limited to, the following:

- a) The loss of reimbursement privileges.
- b) Restitution to the local agency.
- c) Civil penalties for misuse of public resources pursuant to California Government Code Section 8314.
- d) Prosecution for misuse of public resources, pursuant to Section 424 of the Penal Code.
- e) Disciplinary action, up to and including termination.

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## SUBJECT: TRAVEL AND MEETING EXPENSE REIMBURSEMENT POLICY

# (1) PURPOSE

The purpose of this Administrative Regulation is to establish uniform policies and procedures concerning expenses incurred by City officials and employees while traveling or attending events on City business—as set forth in council Resolution No. 13-31–R. Federal Per Diem limits apply to ALL travel events.

## (2) TRAVEL ADVANCE PAYMENT

Advance payments may be requested from the Finance department for planned travel to cover meals under the Per Diem provisions of this policy. Requests for advance payments shallould be submitted to the accounting division at least two weeks prior to the event and must have the approval of the Department Head and the Finance Director, or upon the request of the Elected Official City Manager. Funds will be released no more than five work days prior to the event or trip departure date.

## (3) EXPENSES APPROVED FOR REIMBURSEMENT

The following expense classifications are for the information and guidance of City officials and employees in determining expenses which are appropriate in traveling or attending events in the performance of their official duties or employment. The list is intended as a guide and is not necessarily all-inclusive. Discretion is allowed the City Manager in approving travel and event expenses in order to provide for unusual circumstances.

## (a) TRANSPORTATION

The most economical mode of transportation shall be used to establish reimbursement of travel expenses. Receipts for major transportation expenditures excluding taxi, limousine and local public transportation must be obtained and submitted with the expense claim.

- i. The standard for airline travel will be economy/coach class.
- ii. Use of personal vehicles may be approved when the convenience of the official or employee and/or the City is served. When personal automobiles are approved as a mode of travel, a flat rate per mile, as established by the Internal Revenue Service, will be allowed. However, the total allowance for transportation shall in no case exceed the cost of economy class air passage, when such service is available. City Council Members will be ineligible for mileage reimbursement for City business conducted inside of the City limits. It is the responsibility of City officials and all City employees to ensure that they carry adequate insurance coverage as required by State law.
- iii. Rental cars should only be used when public transportation or taxi service is unavailable and requires prior approval of the City Manager.

iv. Travel in City vehicles may be approved by the Department Head when circumstances warrant. Only City employees or officials may drive City vehicles. Passengers other than City employees or officials are allowed only with prior approval of the City Manager. When such travel is contemplated, <a href="mailto:credit cardsa\_city issued CalCard">credit cardsa\_city issued CalCard</a> may be obtained <a href="mailto:(with a minimum 2 week advance notice)">week advance notice)</a> from the Finance Director's office for the purchase of gasoline, oil, and other required automobile supplies.

#### (b) OUT OF STATE TRAVEL

Out of State travel is permitted only with the prior approval of the City Council.

# (be) LODGING AND CONFERENCE REGISTRATION

Expenses will be allowed for adequate lodging when traveling on City business. The City will pay for conference and meeting related out-of-town lodging. City Travelers are expected to stay at the conference center hotel, any hotels affiliated with the conference, or at a hotel with rates not in excess of the conference hotel. (If space is available at the conference hotel, and an employee wishes to stay at an off-site location, the City will not reimburse for expenses between the employee's hotel and the conference). Employees are expected to stay in clean, safe, and comfortable lodging while out of town on City business. These accommodations can be determined to be in the three (3) and four (4) star range rating as determined by the American Automobile Association rating guide for hotels/motels. Whenever appropriate, employees are encouraged to share rooms in order to save on travel expenses. Employees are also encouraged to make reservations for travel and lodging as far in advance as possible so that the lowest possible prices may be secured. If the lodging is in connection with a conference or organized educational activity conducted in compliance with subdivision (c) of Section 54952.2 of the California Government Code, including, but not limited to, ethics training required by Article 2.4 (commencing with California Government Code Section 53234), lodging costs shall not exceed the maximum group rate published by the conference or activity sponsor, provided that lodging at the group rate is available to the member of a legislative body at the time of the booking. If the group rate is not available, the member of a legislative body shall use comparable lodging that is consistent with the requirements.

Hotel accommodations must coincide with the length and purpose of the trip. <u>City Travelers are eligible for lodging on the evening before a conference organized educational activity, which is scheduled to begin before noon the following day and on the evening of a conference which ends after 5:00 p.m. if the event is more than 150 miles from the <u>City of Hanford</u>. Hotel and conference registration expenses <u>should may</u> be paid with a City issued credit card. If hotel and conference registration is not paid with a City issued credit card, all receipts will be required to secure reimbursement for costs incurred.</u>

### (d) TELEPHONE SERVICES

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Telephone expenses will be allowed only for official City business. This is for only direct expenses associated with such travel.

## (e) PERSONAL EXPENSES

Reimbursement for personal services such as laundering, entertainment or personal phone calls will not be allowed.

## (f) MEALS

- i. Allowance for meals shall be the maximum Federal Per Diem limits as established by the General Services Administration (GSA).
- ii. Actual expenses for meals at a breakfast, luncheon or dinner will be reimbursed provided by the City official or employee is attending such meals in their official capacity, should they choose not to use the Per Diem method. Under this method, all receipts will be required to obtain reimbursement. Such functions may be related to training, conferences, professional associations or business meetings such as Chamber of Commerce or Economic Development luncheons. A Per Diem cash advance may be obtained for meals and incidentals, in accordance with IRS published guidelines for the specific city hosting the event. Under this method, receipts are not required as no reimbursement for costs incurred in excess of the Federal Per Diem limit will be provided.
- iii. -For City Council members, actual expenses for meals at a breakfast, luncheon or dinner with a constituent, local or out of town business person or governmental official, while accompanied by a member of the Hanford City staff, will be reimbursable when the City Council member is attending in their official capacity. Should a member of the City staff be unable to attend because of a scheduling conflict, reimbursement will still be allowed. Receipts for reimbursement for meal expenses shall include the purpose of the meeting, the name of the City staff member attending or who was requested to attend.
- iv. The City maximum full day meal and incidental expenses rate shall be equal to the maximum federal per diem meal and incidental expenses (M&IE) rate established by the IRS and published by the General Services Administration. Said maximums include taxes and gratuities. The Per Diem rate shall be determined by the employees' primary destination.
- v. Non-Overnight Travel: For travel which does not require an overnight stay, meal expense amounts for partial days of travel will be based on the maximum federal per diem meal rate for the appropriate meal(s) as established by the IRS and the General Services Administration. Receipts are not required to substantiate meal expenses. Meals will be provided based upon the time of departure and return as described in subsection (vi). Incidental expenses are not paid for one-day travel unless an employee would be entitled to all three meals.

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- vi. A City traveler may not claim a per diem allowance or reimbursement for any meal which is provided as part of the registration or conference expense. Per Diem amounts will be reduced by the appropriate per meal rate.
  - a. Times specified below for meals apply to travel that occurs during the hours of 7:00a.m. to 6:00p.m. The Department Head or his designee should discuss any other exceptions to these standard time frames with the Director of Finance, in advance when possible.
  - b. Breakfast may be claimed when travel commences at or prior to 7:00a.m. on the first day of travel.
  - c. Lunch may be claimed on the first day if the trip begins at or before 11:00a.m. and may be claimed on the last fractional day if the travel terminated at or after 2:00p.m.
  - d. Dinner may be claimed on the first day of travel that begins at or before 4:00p.m. Dinner may be claimed on the last day of travel if the trip ends at or after 6:00p.m.
- vii. For all travel in which luncheons and/or dinners are provided, the employee is not entitled to a meal allowance. Exceptions to this may be approved by the Department Head but should be infrequent, and must be supported in writing by the Department Head justifying the reason the provided meal was not utilized. Departments who frequently use this exception may be required to obtain prior City Manager approval. Complimentary continental breakfasts provided at particular hotels or motels as a part of the cost of attendance are not considered a meal, and an employee may receive reimbursement for the cost of a breakfast meal notwithstanding the availability of the complimentary breakfast.

## (4) MEETING REPORTING REQUIREMENTS

Members of a legislative body <u>City Council</u> shall <u>be subject to provide</u> brief reports on meetings attended at the expense of the local agency at the next regular meeting of the legislative body.

## (5) CREDIT CARDS

A City traveler shall utilize their City-issued CalCardCredit cards shall be issued to the City Manager, each Department Head, each Council Member, the City Clerk and the Human Resources Manager, for the purpose of paying conference registration fees and securing room reservations for departmental employees' travel. Charges to credit cards shall be made when a purchase order or warrant is not accepted by the vendor. Credit cards issued to Council Members will may be held in City Hall and may be checked out for travel purposes, as described above, for travel outside of the City limits. In the event a credit card charge is made, the employee or Council Member must submit a record of the charge within 10 days. The credit card may not be used at any time for personal expenses, even if the charge is subsequently reimbursed to the City.

## (6) CLAIM PROCEDURE

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- a) Claims for all expenses incurred while meeting or traveling on official City business shall be filed on the authorized City claim form and submitted to the Finance Director Department within thirty days after completion of the event and/ or authorized travel.
- b) The claim shall include the purpose of the trip and the inclusive dates of travel.
- c) All expenditures shall be itemized and the claim shall include receipts for all reimbursable expenses except bus fares, taxi fares and miscellaneous out of pocket expenses.
- d) All documents related to reimbursable agency expenditures are public records subject to disclosure under the California Public Records Act.
- e) If a trip is cancelled, the per diem check will be returned to the Finance Department within three days of such cancellation.
- f) Claims for expenses incurred while traveling on official City business shall be submitted to the Finance Department within one hundred twentythirty days after completion of authorized travel. Any claims submitted after 120-30 days will not be processed. without prior approval by the City Manager.
- (7) PENALTIES FOR MISUSE OF PUBLIC RESOURCES OR FALSIFYING EXPENSE REPORTS

Penalties for misuse of public resources or falsifying expense reports in violation of expense reporting policies may include, but are not limited to, the following:

- a) The loss of reimbursement privileges.
- b) Restitution to the local agency.
- c) Civil penalties for misuse of public resources pursuant to California Government Code Section 8314.
- d) Prosecution for misuse of public resources, pursuant to Section 424 of the Penal Code.
- e) Disciplinary action, up to and including termination.

# CITY OF HANFORD POLICY ACKNOWLEDGEMENT

I agree to use the City's credit card consistent with the provisions identified in Administrative Regulation 1.05, Travel and Event Expense Allowances. I understand that I am expected to exercise good judgment and follow all requirements in this policy while using the City's Credit Card.

Upon termination and/or separation of employment or other association with the City, if authorized as a cardholder, I shall surrender my credit card to the City Manager's office.

I understand that violations of these Administrative Regulations may result in disciplinary action up to and including termination of employment, in accordance with the existing disciplinary process for misconduct and misuse of City resources.

I acknowledge receiving, reading and understanding the Policy and accept all terms and conditions stipulated in Administrative Regulation 1.05.

Print Employee Name	_
1 7	
Employee Signature	_
<del>Date</del>	



## AGENDA STAFF REPORT

MEETING DATE: 10/5/2021 AGENDA SECTION: C

#### **SUBJECT:**

Administration: Approval of the Exclusive Negotiating Agreement between Jerry Irons/Greg Enloe and the City of Hanford for the property more commonly referred to as the Bastille.

**RECOMMENDATION**: It is recommended that the City Council, by motion, approve the Exclusive Negotiating Agreement with the Irons/Enloe partnership and authorize the City Manager to sign the Agreement.

## **BACKGROUND:**

A local developer, Jerry Irons, and a local investor, Greg Enloe, have formed a partnership and have expressed an interest in purchasing the Bastille, which is located at 113 Court St. (APN 010-265-001). The partnership submitted the attached Proposal, dated May 6, 2021, to the City. The City Council has previously considered the proposal in closed session on May 18, 2021 and has since directed staff to enter into an agreement with the partnership in hopes that it results in the sale and development of the property.

The Exclusive Negotiating Agreement (ENA) was prepared to outline the sixty (60) day negotiation and investigation period, also approved by the Council. The sixty (60) day term will begin on October 6, 2021, the date on which the City Manager signs the document. The ENA also includes provisions that are standard to the City's real estate sales documents (e.g., indemnification and insurance terms).

A sales agreement will be prepared if the Partners find the property to be acceptable and the parties are able to negotiate terms during the sixty (60) day negotiation period. Such agreement will be presented to the Council for consideration at a future meeting.

## **FISCAL IMPACT:**

# **ATTACHMENTS:**

Draft Irons-Enloe Exclusive Negotiating Agreement Irons Enloe 5.6.21 Proposal

# EXCLUSIVE NEGOTIATING RIGHTS AGREEMENT FOR EVALUATION OF REAL PROPERTY

\* \* \* \* \*

This Exclusive Negotiating Rights Agreement for Evaluation of Real Property ("Agreement") is effective this 6th day of October, 2021 ("Effective Date") by and between the City of Hanford, a municipal corporation ("City") and Jerry Irons & Greg Enloe, a Partnership. City and Irons/Enloe shall be collectively referred to herein as "the Parties" and individually as "a Party."

## Recitals

WHEREAS, City owns that real property commonly known as the Bastille, which is located at 113 Court Street and comprises a portion of APN 010-265-001; and

WHEREAS, Irons/Enloe desires to purchase the Bastille from City and City desires to sell the Bastille to Irons/Enloe; and

WHEREAS, Irons/Enloe wishes to enter the Bastille property for purposes of inspection and evaluation; and

WHEREAS, the Parties wish to negotiate the terms of Irons/Enloe's purchase of the Bastille from City.

## WHEREFORE, the Parties agree as follows:

- 1. City grants to Irons/Enloe an exclusive agreement to analyze the development potential of the Bastille for a period of sixty (60) calendar days from the Effective Date ("**Term**"). Irons/Enloe will, at its sole cost and expense, analyze the development potential of the Bastille.
- 2. City grants Irons/Enloe the right to enter the Bastille property to inspect, appraise, and survey the property and to make borings, soil bearing tests, and other tests to determine the suitability of the property for Irons/Enloe's intended use; provided however, Irons/Enloe's due diligence efforts shall be conducted in a manner that does not damage the property or any structure thereon. If Irons/Enloe's due diligence efforts alter the Bastille property in any manner, Irons/Enloe shall promptly restore the property. As a condition of its right to enter the property, Irons/Enloe and its contractors shall satisfy the insurance requirements set forth in the attached Exhibit "A," which is incorporated herein by reference.
- 3. Irons/Enloe shall indemnify, defend and hold City and it officials, officers, employees, representatives, and agents (collectively "City Parties") harmless from and against any and all loss, cost, damage, expense, claim or liability, including personal injury, loss of life and/or property damage, suffered by Irons/Enloe or its shareholders, directors,

- officers, employees, agents, or contractors (collectively "Irons/Enloe Parties") caused by the condition of the Bastille property or which may be caused by the acts or omissions of Irons/Enloe Parties occurring hereunder.
- 4. Irons/Enloe shall promptly pay all costs, fees and expenses incurred as a result of or associated with inspection and evaluation work done or caused to be done at the property. Irons/Enloe shall keep the Bastille property free from mechanics and similar liens and charges resulting from its inspection and evaluation work.
- 5. City will not negotiate with other parties, nor will it entertain any offers to purchase the Bastille during the term of this Agreement.
- 6. During the Term, the Parties will engage in negotiations regarding Irons/Enloe's purchase of the Bastille. If such negotiations are successful, the Parties shall jointly prepare a Purchase & Sale Agreement for Irons/Enloe's acquisition of the Bastille. If negotiations are unsuccessful, City will have no obligation to sell the Bastille property to Irons/Enloe and will not be responsible for reimbursing Irons/Enloe for any costs or expenses incurred for its inspection and evaluation of the property.
- 7. No change, amendment or modification of this Agreement shall be valid unless the same be in writing and signed by the Parties.
- 8. If any Party to this Agreement initiates a lawsuit to enforce or interpret the terms and conditions of this Agreement, the prevailing Party shall be entitled to recover reasonable attorneys' fees and costs, in addition to any other relief, as determined by the court, to which it may be entitled.

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IN WITNESS WHEREOF, the Parties have executed this Agreement on the dates reflected below.

	<u>CITY</u>
	City of Hanford, a municipal corporation
Dated: October, 2021	By: MARIO A. CIFUENTEZ II City Manager
	Jerry Irons & Greg Enloe, a California partnership
Dated: October, 2021	By: JERRY IRONS
	D

**GREG ENLOE** 

## EXHIBIT "A"

#### **Insurance Provisions**

1. If Irons/Enloe or a contractor of Irons/Enloe enters the Bastille property during the Term of this Agreement, Irons/Enloe and each of its contractors shall maintain, at their own expense, the following insurance coverage:

Commercial General Liability (CGL): Insurance Services Office (ISO) Form CG 0001 1207 covering CGL on an "occurrence" basis, including products-completed operations, personal and advertising injury, with limits no less than TWO MILLION DOLLARS (\$2,000,000) per occurrence and FOUR MILLION DOLLARS (\$4,000,000) aggregate.

<u>Automobile Liability</u>: If Irons/Enloe or its contractor(s) will utilize an automobile in exercising the rights under this Agreement, Irons/Enloe and its contractors shall maintain automobile liability insurance written on ISO Form Number CA 00 01 covering any auto (Code 1), or if Irons/Enloe or its contractors has no owned autos, hired (Code 8), and non-owned autos (Code 9), with a limit no less than ONE MILLION DOLLARS (\$1,000,000) per accident for bodily injury and property damage.

Workers' Compensation and Employer's Liability: as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with a limit of no less than ONE MILLION DOLLARS (\$1,000,000) per accident for bodily injury or disease.

- 2. All insurance required hereunder shall be carried with competent and reliable insurance companies with a current A.M. Best's rating of no less than A:VII.
- 3. CGL and Automobile Liability policies shall be endorsed to name City Parties as additional insureds.
- 4. Irons/Enloe and its contractors shall cause their insurers to issue endorsements waiving all rights of subrogation against City Parties.
- 5. Insurance policies maintained by Irons/Enloe and its contractors will be endorsed so that they are primary and non-contributory with respect to coverage maintained by City Parties.
- 6. Upon execution of this Agreement, Irons/Enloe and its contractors shall furnish to City a certificate or certificates of insurance and endorsements from their insurers confirming the requirements set forth above have been satisfied and stating that said insurance is in full force and effect, that the premiums have been paid thereon, and that City will be notified in writing at least fifteen (15) calendar days prior to termination, cancellation or modification of any insurance policy required hereunder.

# JERRY M. IRONS

**BROKERAGE & DEVELOPMENT** 

Ph 559-904.4856 Email jerryirons@msn.com

General Building License #362509

Real Estate Broker License #00351345

135 E AMBER WAY

HANFORD, CA 93230

Mr. Mayor and Council Members:

Sadly, the Bastille has sat vacant for over 25 years as a ghostly reminder to us senior locals of a lively downtown square once bustling daily with locals, visitors, vendors, musicians, families and children of all ages. With over doubling our population since the Bastille was open, we can only imagine the crowds today would bring. The end goal of our response to your RFP is to re-energize the downtown by resurrecting "Court House Square" from its haunted past to a glorious future.

The Bastille, the Courthouse, Civic Auditorium and Veterans buildings are truly one-of-a-kind in all the San Joaquin Valley and perhaps California. We have a "diamond in the rough" sitting in plain sight, but one sorely needing polishing and bringing up to code! We envision a state of the art dining and drinking experience within the rustic facade.

We propose a renovation resulting in an establishment which will reap every bit of return from an advertising budget. A location which will pull crowds to the central square, and entice the youtubers and social media influencers of today's new culture. The Bastille is an unrivaled building which can offer: coffee shop front patio in the morning, indoor and outdoor quick lunches in the afternoon, family dining in the evening, all wrapped in an incomparable atmosphere. We believe we can facilitate the evolution of Bastille from its current state into an intentional destination that draws crowds from all over.

We believe allowing our group to purchase and rehabilitate the Bastille will ultimately aid our downtown merchants, the city of Hanford, multiply the positive energy of downtown, and provide another safe and exciting point of interest for the people in Hanford and surrounding communities. The proof of interest is in the crowds drawn week after week by the terrific efforts and accomplishments of the Thursday Night Market administration and the local Chamber of Commerce. There is an overwhelming interest for many parties in bringing the Bastille back to its splendor and its potential ability to multiply the crowds drawn daily.

We would like to be the group granted with the distinct honor and responsibility of restoring the Bastille as the main jewel upon the crown our downtown is.

Attached is our initial offer to purchase the Bastille building which summarizes the major points contained in the submission:

## Political Structure: A California LLC to be formed "3481EI, LLC"

Jerry Irons <u>jerryirons@msn.com</u> 559 904 4856 135 East Amber Way, Hanford, CA 93230 COO Chief Operating Officer, Jerry Irons (General Contractor and Broker/Developer), and corporate officer

Greg Enloe <a href="mailto:gregenloe@gmail.com">gregenloe@gmail.com</a> 559-816-2213 13298 Elder Ave, Hanford, CA 93230 CFO-Chief Financial Officer and corporate officer.

Anthony Ping <u>anthony@pings.com</u> 559-392-6712 6121 N Thesta, Fresno, CA 93710 Development team;, Anthony Ping, Architect and specialist in Historical buildings, construction management and interior design (design for kitchen, multiple bars, tables, chairs, booths and lighting. Design for interior is in development stage.

#### Recognizable Historical Projects

(N/E corner of Douty and 7<sup>th</sup> Street. Complete structural rebuild and design, Antlers hotel Lemoore, DMV office adjacent and full office for ARVAL company, Lemoore. Complete structural and rebuild from slab up of fallen DMV and ARVAL headquarters

HopForged was a project which I acted as a broker and consultant. In addition, I was instrumental in guiding the new owner, Frank Alves, thru the financing via a local bank. Plus, with my experience in construction and past experience I was able to help get the project thru to final inspection to occupancy. Our building department (Tom Webb) was a tremendous help in that codes for buildings such as HopForged were sorely lacking, and we worked with him to make the building safe and useable.

### Narrative of Reuse and EDC

Both City's building departments were involved in the rebuild and historical aspects of the projects mentioned above. Namely, "what do we do now." Research was done to revisit with old photos and memories of older craftsmen to help us get thru each of the projects. Our positive relationship with the agencies involved was a joint effort and challenging which made our task simpler and rewarding to all.

#### Experience of Lead Developer

As lead developer I bring my experience from date of my Contractors License (B and C-47) both issued in 1968 with initial construction experience in Old Fig Garden in north central Fresno. Tutelage was under an experienced "master craftsman" who himself grew up in the crafts trade.

At that time he was in his 60's and was extremely helpful in teaching me the business. During that period properties were bought, rebuilt, upgraded and resold. Today the term for this is "flipping".

Budget currently is estimated at or around \$1,200,000 to \$1,500,000. A budget for use of our funds would approximate 8 to 10 increments of \$150,000.00 each, more or less.

Land use is appropriate as currently zoned.

Architectural renderings and photos of progress and interior additions will be created as the work progresses. Our plan is to have a pictorial following of the actual construction for display.

Lead developer's experience over the 50 or so years with projects from land acquisition, zoning, planning, construction and financing of some of the local projects include 360 +- acres from Fargo to the south and Flint to the north all between 10<sup>th</sup> and 11<sup>th</sup> Avenues. The larger projects within that boundary were River Oaks (200) and Edgewater (400) units respectively. South from Fargo to Magnolia including Oak bridge which preserved the slough using runoff from the north which keeps water in it year-round. A natural habitat of native Oaks, native grasses, plants, fish and aquatic native critters.

The Bastille project is somewhat minor compared to dollar amounts for the above projects.

### <u>Timeline of Improvements</u>

We would expect to have the building "rent/use" ready within 1 year or slightly more from day the first permit is issued. Items to be done initially are those noted by Lane Engineering, which was hired by the City to make engineering and safety recommendations. Much of this heavy work can be safely done while other work progresses simultaneously.

## Development Team's Financial Plan and Financial Capacity

Currently there are two plans. First is \$1,200,000 has been committed by Irons, COO, CFO, Enloe, and second is private financing in the same amount generated by Enloe and clients.

There has been no adverse action against any of the participants within the past 5 years.

Confidentially is essential. Analysis of Buyers financial would be expected to be analyzed by the City Manager and shared with no others.

## References

Thomas Davis, Senior Commercial Lender Sierra Bank 559-381-1834

Bobby Lee, Retired Admiral USN 559-707-0669

Todd Cotta 559-696-9052

Victor and Gloria Mikel, Owner El Grullense and Farmer 559-707-1394

### C Proposed Project

### 1. Project Concept

Leaving the perimeter intact and enlarging the narrow opening to downstair dining area, installing a commercial kitchen in the existing storage room separating main downstairs dining area and storage area accessible through a cut and engineered opening allowing prepared food to be picked up and taken to appropriate ordering tables. Two new bars and cocktail stations on first floor to access outdoor seating and also to serve the concert area to the west through a custom fitted, matching 36' door to the outside replacing one of the two windows now in place. The area above the first-floor dining area with stairs to the existing booth area will be accessible by way of new configuration easily accessed by existing stairs. Top of the booth area has one larger room and two smaller rooms to the east will be used for operational areas with a new restroom serving the three rooms.

The outside dining will have tables along with multi-colored umbrella to serve as weather permits.

New colors and décor on the inside including lighting and multiple big screens plus recorded music will be provided by our architect-designer as the project progresses.

- (1) Our architect along with our team will be cognizant of historical preservation and use, in part, historical photographs as decoration.
- (2) Historically, the only food and beverage (alcohol) has been "Lush" and "Superior Dairy". No facilities have been available for large in park activities and large events, i.e., ceramic shows, car shows, bicycle racing, big hat days, antique vehicles, musical events, to name a few.

With Bastille opening with full service food plus a place for friends and neighbors to just "hang out" will in itself draw crowds plus with the support of Main Street and Chamber of Commerce. There will be multiple additional events drawing crows which will back up and push guests into the downtown merchants.

A micro bar/food tenant has not been chosen but two successful type businesses have shown and interest but until we have the property under contract, we can only discuss the venue.

Cash flow from operation will be generated by triple net amounts from lessee based upon investors/owners must meet a minimum of 6 percent yield to owners.

Progressive renderings and colors will be offered on an ongoing basis during remodeling and decorating periods as well as safe walk-thru tours to City Council members

2. Property Acquisition, Timeline and Financial Feasibility

-Survey of property being purchased

- -Timeline after acquisition estimated opening within 12 to 14 months with electrical and plumbing. Major steps to follow engineered safety including, structural recommendations by Lane Engineering
- -Proposed terms of lease with qualified operation/lessee resulting in Triple Net terms.
- -Developers/owners have cash in amount of \$1,250,000 plus investors with same amount available
- -Budget and timeline provided after under contract
- -We use the current, high level of interest via Main Streets success in bringing large crowds during Thursday Night Market. In addition, full musical (bands) brings large music loving crowds. Vacant weekends during good weather which we expect Mainstreet and Chamber of Commerce to bring at least 35 or 40 additional crowd drawing family events to City Square. With food for families and their minor children we expect the Bastille to be a major draw and financial success.
- -In inclement weather we have discussed the possibility of doing tented facilities over our outdoor dining area with propane or natural gas heating.

The information we have prepared and proposed is not the total of the items needing to be addressed but will come up during the period during which our agreement is approved by Council.

Jerry M Irons

May 6, 2021

Gregory T Enloe

May 6, 2021



# AGENDA STAFF REPORT

MEETING DATE: 10/5/2021 AGENDA SECTION: D

#### **SUBJECT:**

Community Development: Historic Resources Permit 2021-04: a request to alter the façade of an existing storefront in the Wealth Center Building. The property is designated as a contributing building within the Historic Overlay Zone. The project is located at 312 N. Irwin St. (APN 012-022-007).

See staff report attached.

# **FISCAL IMPACT:**

# **ATTACHMENTS:**

Staff Report - 312 N Irwin Resolution No. 21-40-R

Attachment 1: Historic Overlay Zone and Properties

Attachment 2: Design and Colors Notice of Exemption No. 2021-85

# CITY OF HANFORD CITY COUNCIL STAFF REPORT Tuesday, October 5, 2021

PROJECT: Historic Resources Permit 2021-04: a request to alter the façade

of an existing storefront in the Wealth Center Building. The property is designated as a contributing building within the Historic Overlay

Zone.

**LOCATION:** The project is located at 312 N. Irwin St. (APN 012-022-007)

## STAFF RECOMMENDATION

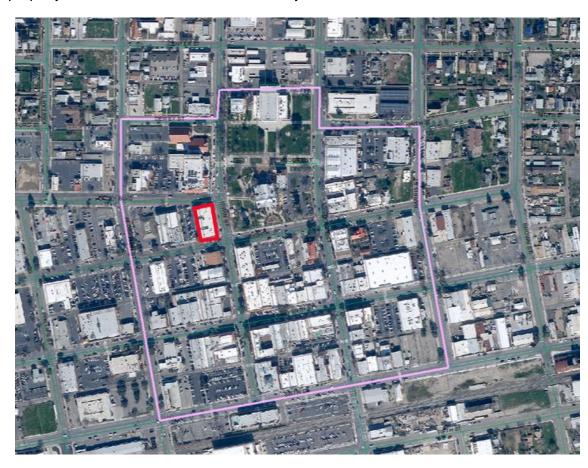
1. Staff recommends that the City Council, by motion, adopt Resolution 21-40-R approving Historic Resources Permit 2021-04.

## **RECOMMENDED MOTION**

1. I move to adopt Resolution 21-40-R approving Historic Resources Permit 2021-04.

## PROJECT DESCRIPTION

The property is located within the Historic Overlay Zone, shown below – outlined in red.



The property is designated a contributing building in the Historic Overlay Zone, as shown on the Historic Overlay Zone Map – **Attachment 1**.

"Contributing building" means a structure within a historic district which structure retains scale, mass and other architectural characteristics to the degree that it contributes to the sense of time and place of the immediate area and the district. The building may have individual architectural significance or may be one of a grouping of background buildings that jointly contribute to the character of the immediate area and the district. Contributing buildings may reflect interim modifications if those modifications do not irreparably detract from the character of the building or if the modifications reflect an architectural style or particular era important to the development of the City. Contributing buildings shall also include structures that have a strong historical tie to activities, events, or individuals important in the development of the City.

In accordance with the Municipal Code Section 17.48, improvements to a site identified as a historic site within the Historic Overlay Zone are required to be approved through a Historic Resources Permit, which must be approved by the City Council.

#### Section 17.48.040

No improvement or exterior architectural feature of any improvement shall be constructed or altered or enlarged which is located in the Historic Overlay District or identified as a historic site outside the District, unless a permit is issued pursuant to the terms of this chapter. The section shall not apply to any interior alteration which has no effect on the condition or appearance of any exterior architectural feature of an improvement. No structure listed on a State or National Register shall be moved or demolished, unless a permit is issued pursuant to the terms of this chapter.

## Section 17.48.070

- A. A historic resource permit shall be required for any alteration of the exterior features of a building within a designated historic district, or a designated historic building or site, or to construct a new building or improvements upon property within a designated historic district except as otherwise provided in this Chapter 17.48, the City Council shall determine whether a historic resources permit shall be issued. A permit shall not be required for ordinary maintenance and repairs as defined in this section.
- B. Permit Procedures. An application for a historic resource permit shall be made on a form prescribed by the Community Development Department and shall be accompanied by the fees established by resolution of the City Council. The application shall include the information required by Section 17.60.020 for site plan review, complete elevation drawings of the proposed alterations, samples of proposed colors and materials, color photographs of all sides of any existing improvement, building or structure on the site, and such other information as may be required by the Community Development Department. If applicable, the application shall include the information required by Chapter 17.58 (permit for conditional uses) and Chapter 17.62 (planned unit development).

Applications for permits requiring City Council approval shall be placed on the next regular meeting of the City Council. The City Council may approve, approve with conditions, or deny the permit.

## **Building Description**

Commonly known as the Wealth Center Building, the two-story structure constructed in 1923 encompassing the block along Irwin St. between Lacey Blvd. and Eighth St. was originally built of brick, concrete, and stucco, and was artistically finished in pink and turquoise blue. While the overall form of the building is still intact, major renovations over the years include removing the original awnings and installing the current marquee above the first floor windows, as well as changing the color of the exterior in 1998 from yellow to: pink-beige (HC-59) for the major walls of the exterior of the building, green-turquoise (HC-138) for all window trim above the marquee, pink-brown (HC-62) for the bottom band of the first floor, and off white for the window frames and shields. The current colors follow the original color scheme more closely than yellow.



The building is designated as contributing to the Historic District due to its architectural features which allow it to fit in with other notable buildings in the Historic District.

The applicant proposes to change the following features of the storefront at 312 N. Irwin Street, as shown in **Attachment 2**:

- Replace the existing windows and window frames with matching windows and window frames.
- Replace the existing door with a new wood-framed door.
- Replace the existing stone below the windows with red brick.
- Paint the door and window frames HC-180 Cliffside Gray.

The remainder of the building will remain untouched.

Staff could not determine the original features of the storefront. Section 17.48.150(B)(6) states that "the repair or replacement of missing architectural features should be based on accurate duplications of features, substantiated by historic, physical or pictorial evidence, rather than on conjectural designs or the availability of different architectural elements from other buildings or structures." However, according to Section 17.48.150(C)(1)(c), "where the original design cannot be determined or where financial considerations preclude full-scale rehabilitation of a store front which has already been altered, a design which is not a pure rehabilitation but which is in keeping with the design of the rest of the building may be appropriate. The general proportions, materials, colors, rhythm of solids to voids, repetition of design elements, and directional expression (the effect of verticality or horizontally common to the street should be followed in designing new store fronts. The use of materials not in existence when a store front was built should be discouraged in its rehabilitation."

The new windows and window frames will match the existing windows and window frames being replaced. All window and door frames will be painted HC-180 Cliffside Gray, which is consistent with the Historic District's color palette. Section 17.48.150(E)(1)(b) states that "where wood or metal surfaces of windows, doors, porches and details, other than cornices, are to be painted, the following colors shall be used: During the early twentieth century, muted colors and earth colors were favored. They included gray, dark brown, dark green, blue gray, beige, brick red, and terra cotta. A slightly grayish-white paint, was frequently used for major surface areas and for details. This grayish-white is an appropriate choice for window sash and frames and for other details. In some instances, black or dark gray may be appropriate for the fixed window or door frame. If the original color of a cornice cannot be determined, grayish-white, buff or sandstone color are preferred choices."

The wood frame around the door will resemble the design of a majority of the other doors on the exterior of the building. While staff was unable to determine all original locations of brick on the building, utilizing red brick along the bottom band of the storefront will more closely resemble the existing exterior of the rear of the building as well as the bottom band for a majority of the first-story storefronts.





The overall proposed design does not detract from the contributing nature of the building to the Historic District, since the proposed design will still allow the building to fit in with other notable buildings in the Historic District. Section 17.48.150(B)(2) states that "the distinguishing original qualities or character of a building, structure or site and its environment shall not be destroyed. The removal or alteration of any historic material or distinctive architectural feature should be avoided when possible." Distinctive features on the exterior of the building, including the flat roof with an asphalt single mansard façade, the wood casement windows along the second story and above the marquee, the ornamental entablature banding the building along the sill line of the second story windows, and the metal and stucco marquee, will remain as is.

## **FINDINGS FOR APPROVAL**

In accordance with Section 17.48 of the Hanford Municipal Code, staff recommends approval of Historic Resources Permit 2021-04 and that the approval of the historic resources permit will preserve to the extent possible historic elements of the site, and make the following findings:

- 1. That the proposed structure is consistent with the intent of development standards for contributing sites in the Historic Overlay Zone.
- 2. That the proposed project will provide a complementary setting and environment in the Historic District.
- 3. That the structure will help promote the general welfare of the public through the protection, enhancement, preservation, and use of structures which represent past eras, events, and persons important in history, or which provide significant examples of architectural styles of the past or are landmarks in the history of architecture, or which are unique and irreplaceable assets to the City and its neighborhoods, or which provide for this and future generations examples of the physical surroundings in which past generations lived.
- 4. That the structure will preserve and encourage a city of varied architectural styles reflecting the cultural, social, economic, political, and architectural phases of its history.
- 5. That the request will not adversely affect the public health, safety, and general welfare of the citizens of Hanford.

## **RECOMMENDATION – CONDITIONS OF APPROVAL**

The City Council may approve, approve with conditions, or deny the permit.

Staff recommends that the City Council adopt Resolution 21-40-R, approving Historic Resources Permit No. 2021-04, subject to the following conditions:

- 1. That approval of this project does not exempt compliance with all applicable sections of the Zoning Ordinance, Public Works Improvement Standards, fees, or other City Ordinances.
- 2. That the alterations to the site be completed in accordance with the proposed changes. Future changes may be approved by the Community Development Director or forwarded to the City Council for review.

## Applicant:

Kevin Nickell 22841 Grangeville Blvd. Lemoore, CA 93245

### **Property Owner:**

Denver Johnstone Living Trust 932 Ross Way Hanford, CA 93230

#### **RESOLUTION 21-40-R**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HANFORD APPROVING HISTORIC RESOURCES PERMIT NO. 2021-04 TO ALTER THE FAÇADE OF AN EXISTING STOREFRONT IN THE WEALTH CENTER BUILDING. THE PROPERTY IS DESIGNATED AS A CONTRIBUTING BUILDING WITHIN THE HISTORIC OVERLAY ZONE. THE PROJECT IS LOCATED AT 312 N. IRWIN STREET (APN 012-022-007).

At a regular meetin	g of the City Council of the City of Hanford duly	called and held on
October 5, 2021, at 7:00 p.1	m. in the Council Chambers of the Civic Auditoriun	n, it was moved by
Council Member	, and seconded by Council Member	, and duly
carried, that the following r	resolution be adopted:	

**WHEREAS,** an application, filed by Kevin Nickell for Historic Resources Permit No. 2021-04, as shown in **Exhibit A**, was presented to the City Council; and

WHEREAS, the proposed project is located at 312 N. Irwin St. (APN 012-022-007); and

**WHEREAS**, the City Council of the City of Hanford, at a regular meeting on October 5, 2021, reviewed the request for Historic Resources Permit No. 2021-04; and

**WHEREAS**, Section 15301 of the California Environmental Quality Act Guidelines categorically exempts "Existing Facilities" from Environmental Review; and

**WHEREAS,** the City Council of the City of Hanford reviewed the application for the Historic Resources Permit No. 2021-04 and found that the application is consistent with Section 17.48 of the Hanford Municipal Code and that the approval of the historic resources permit will preserve to the extent possible historic elements of the site, and make the following findings:

- 1. That the proposed structure is consistent with the intent of development standards for contributing sites in the Historic Overlay Zone.
- 2. That the proposed project will provide a complementary setting and environment in the Historic District.
- 3. That the structure will help promote the general welfare of the public through the protection, enhancement, preservation, and use of structures which represent past eras, events, and persons important in history, or which provide significant examples of architectural styles of the past or are landmarks in the history of architecture, or which are unique and irreplaceable assets to the City and its neighborhoods, or which provide for this and future generations examples of the physical surroundings in which past generations lived.
- 4. That the structure will preserve and encourage a city of varied architectural styles reflecting the cultural, social, economic, political, and architectural phases of its history.

5. That the request will not adversely affect the public health, safety, and general welfare of the citizens of Hanford.

**THEREFORE, BE IT RESOLVED** that the City Council of the City of Hanford hereby approves Historic Resources Permit No. 2021-04, subject to the following conditions:

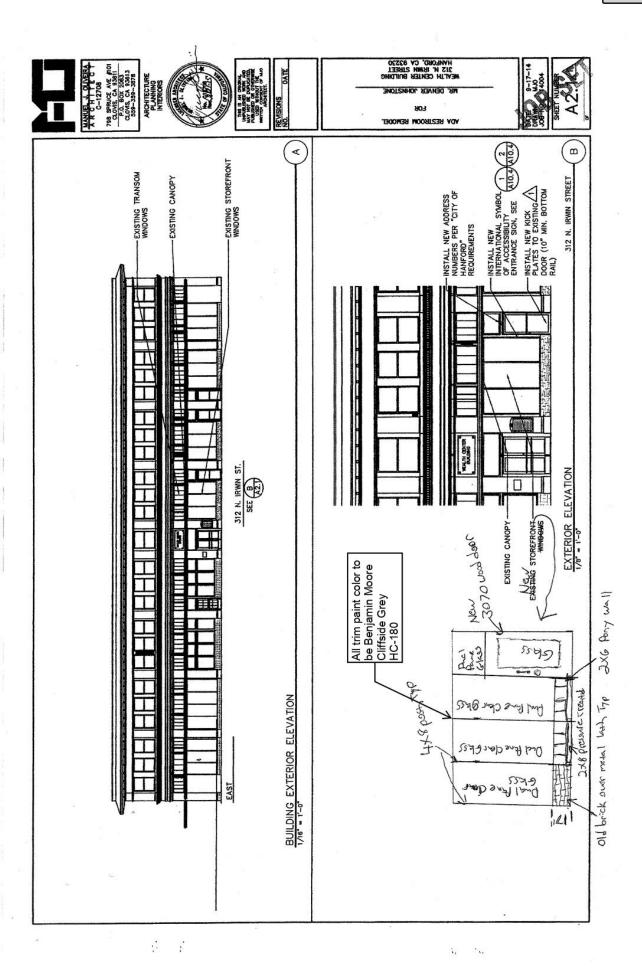
- 1. That approval of this project does not exempt compliance with all applicable sections of the Zoning Ordinance, Public Works Improvement Standards, fees, or other City Ordinances.
- 2. That the alterations to the site be completed in accordance with the proposed changes. Future changes may be approved by the Community Development Director or forwarded to the City Council for review.

**NOW, THEREFORE, BE IT FURTHER RESOLVED**, that the City Council of the City of Hanford hereby approves Historic Resources Permit No. 2021-04. Passed and adopted at a regular meeting of the City Council of the City of Hanford duly called and held on October 5, 2021, by the following vote:

AVEC.

ATES.	
NOES:	
	APPROVED:FRANCISCO RAMIREZ MAYOR of the City of Hanford
ATTEST: NATALIE CORRAL CITY CLERK	•
STATE OF CALIFORNIA ) COUNTY OF KINGS ) ss CITY OF HANFORD )	
	of the City of Hanford, do hereby certify the dopted at a regular meeting of the City Council of ectober, 2021.
Date:	
NATALIE CORRAL	_
CITY CLERK	

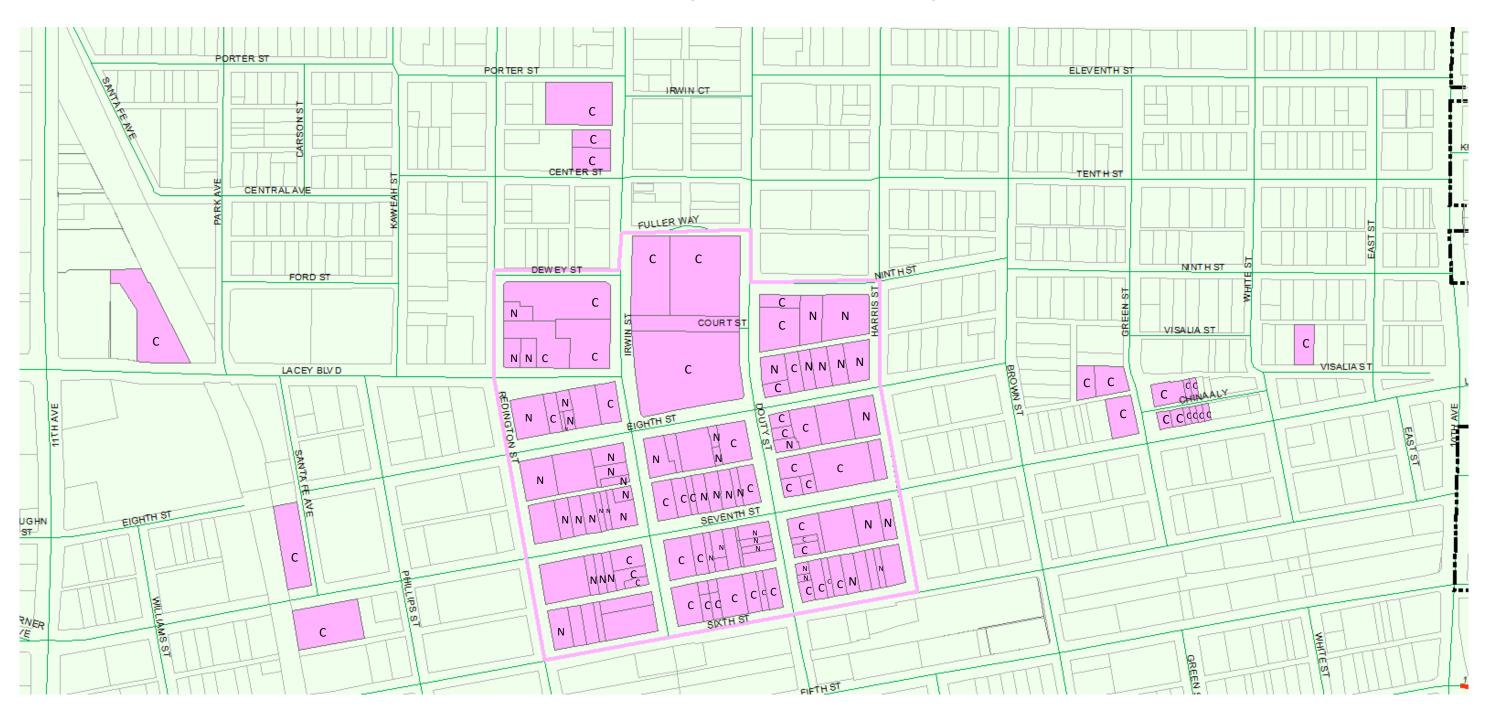
## **Exhibit A**Approved Design and Colors





Cliffside Gray HC-180

## Historic Overlay Zone and Properties



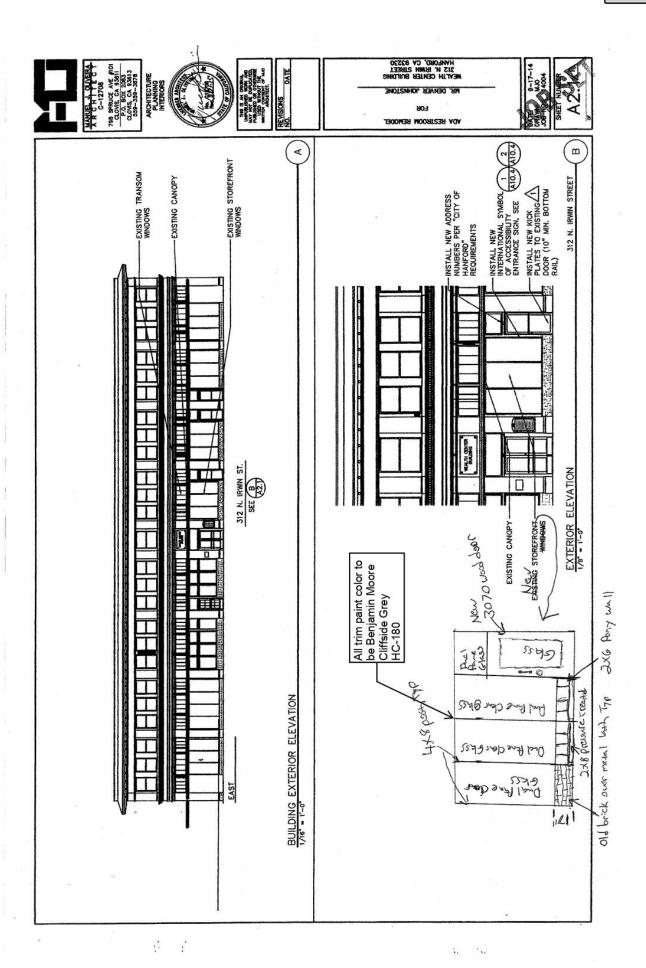
#### **Legend**

- Historic Overlay Zone

- Historic Properties

C - Contributing Buildings

N - Noncontributing Buildings





Cliffside Gray HC-180

Resources Permit 2021-04)
(CD: Historic
t: Notice of Exemption No. 2021-85 (
Attachment

Notice of Exemption 2021-85	15.0
To: Office of Planning and Research P.O. Box 3044, Room 212 Sacramento, CA 95812-3044	
<ul><li></li></ul>	
From: City of Hanford 317 North Douty Street Hanford, CA 93230	
Project Title: Historic Resources Permit No. 2021-04	
Project Location – 312 N. Irwin Street (APN 012-022-007)	
Project Location – City: Hanford Project Location – County	y: Kings County
<b>Description of Nature, Purpose and Beneficiaries of Project:</b> Historic Resorbaçade of an existing storefront in the Wealth Center Building. The propert within the Historic Overlay Zone.	•
Name of Public Agency Approving Project: City of Hanford, P	lanning Division
Name of Person or Agency Carrying Out Project:Kevin Nickell	
Exempt Status: (check one)	
<ul> <li>Ministerial (Sec. 21080(b)(1); 152698);</li> <li>Declared Emergency (Sec. 21080(b)(3); 15269 (a));</li> <li>Emergency Project (Sec. 21080(b)(4); 15269(b)(c));</li> <li>Categorical Exemption: State type and section number: 15</li> <li>Statutory Exemption. State code number:</li> </ul>	301 Existing Facilities
Reasons why project is exempt:  The City of Hanford determined the project to be exempt from environm	ental review pursuant to Section 15301 of the
California Environmental Quality Act (CEQA) Guidelines. Section 15301	•
operation, repair, maintenance, permitting, leasing, licensing, or minor alt facilities, mechanical equipment, or topographical features, involving negli	= -
This project involves the minor alteration of an existing private structure	-
existing or former use.	
Lead Agency Contact Person: Mark Manha Area Code/ Telephone: (559) 5	585-258 <u>3</u>
Signature: Date: October 5, 2021	Title: <u>Assistant Planner</u>
<ul><li>Signed by Lead Agency Date received for filing at OPR:</li><li>Signed by Applicant</li></ul>	



#### AGENDA STAFF REPORT

MEETING DATE: 10/5/2021 AGENDA SECTION: E

#### **SUBJECT:**

Public Works: Approval of the Final Map and Subdivision Agreement for Tract No. 928, Unit No. 2, with San Joaquin Valley Homes, and acceptance of all easements and dedications offered for public use and adoption of Resolution 21-43-R restructuring properties within Assessment District No. 20-01 (District Restructure No. 20-01-A) (SEC Fargo Avenue and Centennial Drive)

#### **2516 RECOMMENDATION:**

That the City Council, by motion:

1. Approve the Final Map and Subdivision Agreement for Tract No. 928, Unit No. 2, with San Joaquin Valley Homes and accept all easements and dedications offered for public use; and 2. Adopt the attached Resolution 21-43-R restructuring properties within Assessment District No. 21-01 (District Restructure No. 21-01-A)

#### **BACKGROUND:**

The final subdivision map for Tract No. 928, Unit No. 2, San Joaquin Valley Homes Subdivision, a 43-lot subdivision located as shown on the attached map, has been checked and approved by staff. The developer of Tract No. 928, Unit No. 2 Subdivision, is Presidio JJR Bella Vista II 150, LLC, Presidio JJR Bonterra II 160, LLC, and Farmers and Merchants Bank of Long Beach. All required fees have been paid, and proper improvement security for all required subdivision improvements has been posted in accordance with the attached Subdivision Agreement, which has been reviewed and approved by the Public Works Department and signed by the developer.

#### **FISCAL IMPACT:**

There will be no financial impact to the City of Hanford.

#### **ATTACHMENTS:**

0-TR 928-2 Subd Agreement-SIGNED

TR928U2 FM
TR 9228 Unit II - Restructure Resolution
LAD Legal Descriptions
Tract 928 LAD 21-01A Engineer Report
LOCATIONS MAP-Exhibit F

#### CITY OF HANFORD SUBDIVISION AGREEMENT

#### TRACT NO. 928 Unit II

THIS SUBDIVISION AGREEMENT ("Agreement") is made and entered into this

3 nd day of Seltembel , 2021, by and between PRESIDIO JJR BONTERRA II 160

LLC, A DELAWARE LIMITED LIABILITY COMPANY, ("SUBDIVIDER"), and the City of

Hanford, a Municipal Corporation ("CITY").

#### RECITALS

- A. The SUBDIVIDER has presented to the CITY a final map of the proposed Subdivision of certain real property located within the city limits of the City and more particularly described in Exhibit "A" which has been filed with the City Engineer and is made a part hereof by reference ("Final Map") and identified as Tract No. 928 Unit II ("SUBDIVISION"). The real property is to be developed in accordance with subdivision improvement plans, which have been filed with the City Engineer and are made a part hereof by reference and identified as Exhibit "B" ("Improvement Plans"). SUBDIVIDER has requested that the CITY accept and approve the Final Map and the dedications delineated and shown on the Final Map for the use and purposes specified thereon, and otherwise approve the Final Map in order that the same may be recorded as required by law.
- B. The CITY requires as a condition precedent to the acceptance and approval of the Final Map, the dedication of such streets and easements as are delineated and shown on the Final Map, and deems the same as necessary for the public use, and requires that any and all streets and easements delineated and shown thereon shall be improved by the construction thereon and the installation therein of the improvements specified herein.
- C. Certain public improvements are required to be made by SUBDIVIDER in accordance with the approved tentative map of the SUBDIVISION. Section 66462 of the California Government Code provides, as a condition precedent to the approval of the Final Map, that the City Council shall require the SUBDIVIDER to enter into an agreement to complete said public improvements.

D. Chapter 16.24.070 of the Hanford Municipal Code requires the SUBDIVIDER to enter into an agreement with the CITY to perform and complete the work and matters as hereinafter described in this Agreement, in conformance with Sections 16.24.010 through 16.24.120, inclusive of the Hanford Municipal Code, which Sections by reference are incorporated into this Agreement and made a part hereof.

NOW THEREFORE, it is hereby agreed as follows:

#### 1. <u>Improvements</u>.

SUBDIVIDER shall complete all required public improvements in the Subdivision as identified in Exhibit "B" of this Agreement (collectively "IMPROVEMENTS") and in accordance with all of the requirements and standards as set forth in the approval or conditional approval of the Tentative Map of the SUBDIVISION, the Hanford Municipal Code, all applicable laws, codes and regulations and the terms and conditions of this Agreement. In accordance with Section 16.24.110 of the Hanford Municipal Code, all of the Improvements shall be completed no later than two (2) years from the date of approval of this Agreement by the City of Hanford. A request to extend the time for completion of the Improvements must be in written form and received by the CITY not less than thirty (30) days prior to expiration of this Agreement and shall include facts in support of the request for such extension of time. Only the City shall have the authority to extend such time period. The extension period shall not exceed twelve (12) months.

Within thirty (30) days after the SUBDIVIDER notifies the City Engineer that the required work has been completed, the City Engineer shall inspect such work, and if such work has been performed in the required manner and in accordance with this Agreement, the Final Map, the Hanford Municipal Code and all other applicable laws, codes and regulations, the City Engineer shall advise the City Council that the public improvements are ready for acceptance by the CITY.

#### 2. <u>Inspection</u>.

The CITY shall inspect all work in accordance with Section 16.24.100 of the Hanford Municipal Code including the SUBDIVIDER'S conformance with CITY Standards and

Specifications and any and all conditions, standards or requirements identified at the preconstruction conference held prior to commencing construction.

CITY shall schedule a preliminary final inspection and a deficiency list shall be compiled and submitted to the SUBDIVIDER for correction. Upon completion of all corrections or additional work as outlined by the deficiency list, the SUBDIVIDER shall certify in writing that all corrections have been completed and request a final inspection. Upon finding that all items have been corrected and upon receipt of as-built improvement plans, the Improvements may be provisionally accepted by the CITY pending approval of the final map and subdivision agreement for Tract No. 928 Unit II, by the City Council.

The completion of corrections indicated by the deficiency list shall not relieve the SUBDIVIDER from the responsibility of correcting any deficiency not shown on the list that may be subsequently discovered. Should the CITY require payment of additional engineering and inspection fees and costs for improvements constructed after the stated date of completion, the SUBDIVIDER must pay said additional fees and costs prior to acceptance by the City Council of the IMPROVEMENTS.

#### 3. Costs and Fees.

The SUBDIVIDER shall be responsible for the work, including without limitation, the costs identified in the IMPROVEMENT COST ESTIMATE attached hereto and made a part hereof and identified as Exhibit "C" to this Agreement. SUBDIVIDER agrees to the amount thereof and agrees to pay, when due, all amounts identified therein, including without limitation, all CITY engineering and inspection fees.

#### 4. Security.

SUBDIVIDER agrees to furnish security, which complies with Section 66499 et. seq. of the California Government Code, in such amounts as are fixed by the CITY, to guarantee the faithful performance of this Agreement, including without limitation, the construction of the

IMPROVEMENTS and to guarantee payment to contractors, subcontractors, laborers, material men and other persons employed in the performance of the work under this Agreement. In the sole discretion of the CITY and with the written authorization of the CITY, the sureties provided by the SUBDIVIDER may be released in whole or in part in the following manner:

- (a) Faithful performance sureties, not in excess of ninety percent (90%) of the estimated costs of the individual items of public improvements, may be released or the required surety amounts may be reduced as work is satisfactorily completed and tentatively accepted by the CITY.
- (b) Forty-five (45) days after recordation of the Notice of Completion for the Subdivision, the sureties securing the payment to contractors and subcontractors and to persons furnishing labor, materials, or equipment may be released if claims, including without limitation, stop notices have not been filed.
- (c) Ten percent (10%) of the total faithful performance surety, retained as the public improvement warranty, may be released one year after the Notice of Completion has been recorded. In the alternative, SUBDIVIDER shall provide CITY with new warranty security of not less than ten percent (10%) of the Improvement Cost Estimate identified in Exhibit "C" hereto, which security shall have a term of one (1) year from the date of recordation of the Notice of Completion.

In accordance with Section 16.24.080 of the Hanford Municipal Code, the SUBDIVIDER shall furnish, in writing, proof of adequate security deposit to all utility companies for the installation of electricity, gas, telephone, cable television and any other utility which charges are not part of the Improvement Cost Estimate set forth in Exhibit "C."

No final map shall be signed by the City Engineer or recorded until all improvement securities required by Section 16.24.080 of the Hanford Municipal Code and under this Agreement have been received and approved. The form of securities shall be one or the combination of forms as approved by the CITY.

#### 5. Liability.

As a condition precedent and prior to commencement of the work to be performed pursuant to this Agreement, SUBDIVIDER shall furnish the CITY with a certificate of insurance with a separate endorsement evidencing the following insurance coverages:

- CG 0001, including products and completed operations, with limits of no less than FIVE MILLION AND NO/100 DOLLARS (\$5,000,000) per occurrence for bodily injury, personal injury, and property damage. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be TEN MILLION AND NO/100 DOLLARS (\$10,000,000), twice the required occurrence limit.
- (2) Automobile Liability: ISO Form Number CA 0001 covering any auto (Code 1), with a limit no less than FIVE MILLION AND NO/100 DOLLARS (\$5,000,000) per accident for bodily injury and property damage.
- (3) Workers' Compensation: as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with a limit of no less than ONE MILLION AND NO/100 DOLLARS (\$1,000,000) per accident for bodily injury or disease.

If SUBDIVIDER maintains higher limits than the minimums shown above, the City requires and shall be entitled to coverage for the higher limits maintained by SUBDIVIDER. SUBDIVIDER's insurance policies shall be "occurrence" policies and not "claims-made" coverage.

SUBDIVIDER may maintain an Umbrella policy in conjunction with the insurance policies referenced above. In such case, SUBDIVIDER shall be deemed to have satisfied the insurance requirements of this contract as long as: (i) the coverage limits of the Umbrella policy and of the underlying liability policy(ies), when combined, satisfy each of the per occurrence and aggregate requirements identified in this subsection a.; and (ii) coverage under the Umbrella policy is as broad as and includes all incidents and events covered by the underlying insurance that it supplements.

- a. Any deductibles or self-insured retentions must be declared to and approved by the City. The City may require SUBDIVIDER to purchase coverage with a lower deductible or retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. Alternatively, the City may require SUBDIVIDER to provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration, and defense expenses within the retention.
  - b. The policies are to contain, or be endorsed to contain, the following provisions:
- (1) The City and its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL and automobile liability policies with respect to liability arising out of work or operations performed by or on behalf of SUBDIVIDER including materials, parts, or equipment furnished in connection with such work or operations; products used by SUBDIVIDER; or automobiles owned, leased, hired or borrowed by SUBDIVIDER. General

liability coverage can be provided in the form of an endorsement to SUBDIVIDER's insurance at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10 and CG 20 37 if a later edition is used. The coverage shall contain no special limitations on the scope of protection afforded to the City, its officers, officials, employees or volunteers.

- (2) For any claims related to this contract, SUBDIVIDER's insurance coverage shall be primary insurance as respects the City and its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City and/or its officers, officials, employees, or volunteers shall be in excess of SUBDIVIDER's insurance and shall be non-contributory.
- (3) Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the City.
- c. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII.
- d. SUBDIVIDER shall furnish the City with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the City before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the SUBDIVIDER's obligation to provide them. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.
- e. SUBDIVIDER hereby grants to City and its officers, officials, employees, and volunteers a waiver of any right to subrogation which any insurer of SUBDIVIDER may acquire against the City and/or its officers, officials, employees, and volunteers by virtue of the payment of

any loss under such insurance. SUBDIVIDER agrees to obtain endorsements necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer.

f. The City reserves the right to modify the insurance requirements contained in this contract, including, without limitation, coverage limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

#### 6. Indemnification.

SUBDIVIDER hereby agrees to and shall protect, indemnify and hold harmless the CITY and all officials, officers, agents, representatives and employees thereof from and against any and all liability, loss, claims or damages of whatsoever kind or character, including attorneys' fees and costs of all types, to the extent arising out of, or related, directly or indirectly, to the work to be performed pursuant to this Agreement or the acts or omissions of the SUBDIVIDER, SUBDIVIDER's independent contractors, employees, representatives, agents and invitees. These indemnification and hold-harmless provisions shall be in full force and effect regardless of whether or not there shall be insurance policies covering such damages, claims, or liability. This indemnification shall be binding upon the SUBDIVIDER whether or not there are any allegations of fault, negligence or liability of the parties indemnified hereunder and shall survive the completion of construction of the IMPROVEMENTS.

SUBDIVIDER agrees that the use of any and all public streets and improvements, which are part of the Subdivision, shall be at all times, prior to the final acceptance by the CITY, the sole and exclusive risk of the SUBDIVIDER.

#### 7. Permits and Compliance.

Should SUBDIVIDER be required to perform any work within any public rights-of-way or easements located beyond the Subdivision limits, SUBDIVIDER shall satisfy any

and all requirements, other than the payment of fees, as necessary to obtain an encroachment permit for said work.

SUBDIVIDER shall make arrangements for the relocation of all overhead and underground public utility facilities that interfere with the construction of the IMPROVEMENTS. The SUBDIVIDER shall be responsible for the full cost of relocating such facilities.

The SUBDIVIDER shall repair any damage to public streets or other public property or improvements resulting from or incidental to, the construction of the Improvements, or in lieu of making such repairs, the SUBDIVIDER shall pay to the CITY the full cost of such repairs.

Building permits for individual lots of the Subdivision will not be issued until all underground utilities are installed within the public right-of-way, the trenches have been backfilled, and an approved all-weather road is constructed for street frontage and access.

No occupancy permit for any dwelling to be constructed within the Subdivision shall be issued until all Improvements are completed and accepted by the City Council.

In accordance with Section 16.24.090 of the Hanford Municipal Code, construction methods and materials for all Improvements shall conform to the Standards and Specifications of the CITY. Construction shall not commence until required Improvement Plans have been approved by the City Engineer and payment of all fees have been received by the CITY.

The IMPROVMENTS shall be constructed in accordance with all applicable street, plumbing, building, electrical and zoning codes and any other codes, rules or regulations of the CITY and the State of California.

The SUBDIVIDER shall require contractors and subcontractors to provide and maintain barricades and warning signs to protect and warn the public of construction hazards. Traffic control shall conform to a traffic control plan approved by the City Engineer. If, in the opinion of the City Engineer, proper barricades and warning signs are not being provided,

the Contractor will be required to immediately stop work until proper traffic control is provided and approved by the City Engineer.

The SUBDIVIDER shall require all contractors and subcontractors to conform to the applicable provisions of the California Occupational Safety and Health Act ("OSHA"). Onsite inspection of the work will be requested of OSHA officials, and all work subject to this Agreement shall immediately stop if, in the opinion of the City Engineer, any such work is being performed in violation of OSHA or when appropriate safety measures are not being utilized for said work.

The SUBDIVIDER and its contractors and subcontractors shall pay for any materials, provisions and other supplies used in, upon, for, or about the performance of the work to be performed hereunder and for any and all work or labor associated therewith and for all amounts due under the Workers' Compensation and the unemployment insurance acts and all other applicable laws or regulations of the State of California or the United States with respect to such work or labor, including without limitation, as required by Section 3200 of the California Labor Code and Section 4200 of the California Government Code.

#### 8. Scheduling.

It shall be the responsibility of the SUBDIVIDER to coordinate all work performed by its contractors and subcontractors, such as scheduling the sequence of operations and the determination of liability if one operation delays another. In no case shall representatives of the CITY be placed in the position of making decisions that are the responsibility of the SUBDIVIDER. It shall further be the responsibility of the SUBDIVIDER to give the City Engineer written notice not less than two (2) working days in advance of the actual date on which work is to be started. Failure on the part of the SUBDIVIDER to notify the City Engineer may cause delay for which the SUBDIVIDER shall be solely responsible.

#### 9. Soil and Dust Control Provisions.

The SUBDIVIDER is responsible for arrangement for and payment of all CITY-required soil tests at locations as determined by the City Engineer. Payment for said tests shall be made directly by the SUBDIVIDER to the certified testing firm of the SUBDIVIDER's choice. Adequate dust control shall be maintained by the SUBDIVIDER on all streets within and outside of the Subdivision on which work is required to be performed under this Agreement, from the time work is first commenced until all work is completed. "Adequate dust control" as used herein shall mean the sprinkling of the streets with water or approved dust palliative with sufficient frequency to prevent the scattering of dust by wind or the activity of vehicles and equipment onto any street area or private property adjacent to the Subdivision. Whenever, in the opinion of the City Engineer, adequate dust control is not being maintained on any street or streets or other areas of the Subdivision, the City Engineer shall give notice to the SUBDIVIDER to comply with the provisions herein, or, at the election of the City Engineer, notice may be mailed to the SUBDIVIDER at his address on file with the City Engineer. If, within twenty-four (24) hours after personal service or within forty-eight (48) hours after mailing of notice, the SUBDIVIDER has not commenced to maintain adequate dust control or at any time thereafter fails to maintain adequate dust control, the City Engineer may, without further notice of any kind, cause any street or streets to be sprinkled with water or an approved dust palliative as may be deemed necessary by the City Engineer to eliminate the scattering of dust. Such dust control shall be performed by equipment and personnel of the CITY or by contract as the City Engineer shall determine, and the SUBDIVIDER agrees to pay to CITY, upon receipt of the billing, therefore, the entire cost to the CITY of such dust control.

When the surfacing on any existing street is disturbed, the surfacing shall be immediately replaced with temporary surfacing and permanently paved within fourteen (14) calendar days thereafter. The streets shall be maintained in a safe and passable condition at all times between the commencement of construction of IMPROVEMENTS and final completion thereof.

#### 10. Reimbursement.

If the City Municipal Code provides SUBDIVIDER with the right to receive cash reimbursement or impact fee credit because of the construction of certain improvements or the oversizing thereof, SUBDIVIDER must request payment of the cash reimbursement or preparation of a reimbursement agreement, whichever is applicable, or the impact fee credit prior to the date of final acceptance of all subdivision improvements by the City Council. Such request must be made in writing and received by the City Engineer prior to the date of final acceptance of the IMPROVMENTS by City Council. SUBDIVIDER agrees that should it fail to make such written request by the date identified herein, SUBDIVIDER forever waives its right to request and receive any cash reimbursement, reimbursement agreement or impact fee credit.

#### 11. Prevailing Wage Laws, Rules and Regulations.

SUBDIVIDER shall comply with and shall require all contractors to comply with all prevailing wage laws, rules and regulations applicable to the SUBDIVISION. Unless otherwise advised in writing by the City, SUBDIVIDER shall be solely responsible for making any and all decisions regarding any portion or aspect of the SUBDIVISION including, without limitation, any form of reimbursement by the City to the SUBDIVIDER or any contractor, that will require the payment of prevailing wages. Further, SUBDIVIDER will be solely responsible for the payment of any claims, fines, penalties, reimbursements, payments or any other actions that may be initiated against applicant or any contractor as a result of failure to pay prevailing wages.

SUBDIVIDER shall defend, indemnify and hold harmless the City of Hanford, its officials, officers, employees, representatives, agents and attorneys from and against any and all claims, damages, losses, judgments, liabilities, expenses and other costs, including, without limitation, litigation costs and attorney's fees arising out of, to the extent resulting from any violation or claim of violation of any prevailing wage law, rule or regulation applicable to any portion or aspect of the SUBDIVISION. SUBDIVIDERS's obligation to defend, indemnify and

hold the City harmless specifically includes, but is not limited to, any suit or administrative action against the City which claims a violation of any prevailing wage law, rule or regulation applicable to any portion or aspect of the SUBDIVISION.

SUBDIVIDERS's obligations to defend, indemnify and hold the City, its officials, officers, employees, representatives, agents and attorneys harmless as set forth herein, shall include, but shall not be limited to, staff time, copying costs, court costs, the costs of any judgments or awards against the City for damages, losses, litigation costs or attorney fees arising out of any violation or claim of violation of any prevailing wage law, rule or regulation applicable to any portion or aspect of the SUBDIVISION and costs of any settlement representing damages, litigation costs and attorney's fees to be paid to other parties arising out of any such proceeding or suit.

The City may, at any time, require the SUBDIVIDER to reimburse the City for costs that have been, or which the City reasonably anticipates will be, incurred by the City during the course of any action. SUBDIVIDER shall reimburse the City within thirty (30) days of receipt of an itemized written invoice from the City for costs actually incurred. Failure of the SUBDIVIDER to timely reimburse the City shall be considered a material violation of the conditions of approval of the SUBDIVISION.

#### 12. Sole and Only Agreement.

This Agreement supersedes any and all other agreements, either oral or in writing, between the parties hereto with respect to the matters set forth herein and contains all of the covenants and agreements between the parties regarding such matters. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, orally or in writing, have been made by any party or anyone acting on behalf of any party which are not embodied in this Agreement, and no other agreement, statement or promises shall be valid or binding.

#### 13. Severability.

If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force and effect without being impaired or invalidated in any way.

#### 14. Attorneys' Fees.

If an action at law or inequity is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees, costs and necessary disbursements in addition to any other reasonable relief to which he may be entitled. With respect to any suit, action or proceeding arising out of or related to this Agreement or the documentation related hereto, the parties hereby submit to the jurisdiction and venue of the Superior or Municipal Court, whichever is applicable, in the County of Kings, State of California for any proceeding arising hereunder.

#### 15. Successors and Assigns.

The covenants and agreements contained in this Agreement shall be binding upon and shall inure to the benefit of the heirs, successors and assigns of the parties hereto. This Agreement shall not be assignable by SUBDIVIDER without the express prior written consent of CITY.

#### 16. Governing Law.

This Agreement shall be construed and governed pursuant to the laws of the State of California.

#### 17. Time of the Essence.

Time is of the essence of this Agreement.

IN WITNESS WHEREOF, the parties had also of September	
SUBDIVIDER:	
	Presidio JJR Bonterra II 160, LLC A Delaware Limited Liability Company By: JJR Management Service, Inc. A California Corporation It's Operating Manager
	By: Joseph A. Leal, President
CITY OF HANFORD APPROVAL:	By:  Johnathan L. Doyel, P.E., P.L.S.  Public Works Director, City of Hanford

By:

Natalie Corral

City Clerk, City of Hanford

ATTEST:

#### **EXHIBIT "C"**

#### SUBDIVISION IMPROVEMENT COST ESTIMATE

In accordance with Section 16.24.080 of the Hanford Municipal Code, estimated construction costs used in this Agreement are increased for projected inflation computed to the estimated mid-point of construction.

ESTIMATED CONSTRUCTION COST

#### **Sanitary Sewers**

Construction of sanitary sewer mains, manholes and appurtenances as shown on the approved improvement plans in accordance with City Standards and Specifications.

\$237,916.90

#### **Storm Sewers**

Construction of storm drain mains, manholes, catch basins and disposal facilities as shown on the approved improvement plan in accordance with City Standards.

\$87,100.00

#### Water System

Construction of water mains, hydrants, services and appurtenances as shown on the approved Improvement Plans in accordance with City Standards and Specifications.

\$173,725.50

#### Curb and Gutter and Other Concrete Construction

Construction of curb and gutter, sidewalk, wheelchair ramps, drive approaches, valley gutter and other concrete improvements as shown on the approved Improvement Plans in accordance with City Standards and Specifications.

\$153,059.40

#### **Street Surfacing**

Construct Type "B" asphalt concrete surfacing over Class II aggregate base as shown on the approved Improvement Plans in accordance with City Standards and Specifications.

\$403,460.20

#### **Street Lighting**

Install street lighting as shown on the approved Improvement	
Plans in accordance with City Standards and Specifications.	

\$22,750.00

#### **Street Barricades**

Install street barricades as shown on the approved Improvement Plans in accordance with City Standards and Specifications.

\$4,550.00

#### Fencing, Landscaping, and Irrigation System

Construct fencing, block walls and install landscape and irrigation system improvements, misc. as shown on the approved Improvement Plans in accordance with City Standards and Specifications.

\$624,741.00

#### Monuments and Lot Markers

Install permanent monuments and lot markers in accordance with City Standards and Specifications.

\$6,500.00

#### **Engineering Services**

Engineering, surveying, & geotechnical services associated with Completion of the Subdivision Improvements.

\$54,925.00

#### **Earthwork Improvements**

•	Excavation & Compaction	<u>\$51,633.40</u>
•	Subgrade Compaction & Fine Grade	<u>\$9,609.60</u>
•	Final Lot Grading	\$3,900.00

Total Improvements subject to Plan Review & Insp. Fees

\$1,833,871.00

#### **Private Utilities**

• Applicant Install Utilities Onsite Construct

\$325,111.93

Total Estimated Improvement Cost (To be bonded with Final Map)

\$2,158,982.93

#### **SECURITY REQUIREMENTS**

Performance	<u>\$2,158,982.93</u>
Labor and Materials	\$1,079,491.47
Warranty (Minimum 12-mo. from N.O.C.)	\$215,898.29

#### City Engineering Plan Review and Inspection Fee Schedule

City Engineering and Inspection Fees are established by Council Resolution No.1902, and are set forth below:

(1) 6% of first	\$ 5,000.00	\$ 300.00
(2) 5% of next	\$ 20,000.00	\$ 1,000.00
(3) 4.5% of next	\$ 75,000.00	\$ 3,375.00
(4) 3.5% of next	\$150,000.00	\$ 5,250.00
(5) 2% over	\$250,000.00	\$ 38,179.86
, ,		·

Total City Engineering Review and Inspection Fee obligation \$ 48,104.86 Fee balance payable with this Agreement Acct. #001-2010-4937 \$ 48,104.86

#### NOTE:

- Engineering Plan Review & Inspection Fees are based on estimated cost of Improvements, including all items constructed both prior to & following posting of security.
- Private utility costs are not included in determination of City Engineering Plan Review and Inspection fee calculation.

Note: Additional fees and charges will be payable prior to approval of Final Map and Final Subdivision Agreement by the City Council, including:

12th Ave. Sewer Benefit District, Acct. #161-2161-5494 (	27.25 Ac @ \$1,734.30/Ac)	<u>\$ 21,540.00</u>
Street Sign Fee, Acct. #001-2010-4937 (9 @ \$200.00 Ea. (Per intersection cost for sign blades furnished by City.)	•	\$ 800.00
Final Map Review Fee, Acct. #001-2010-4937 (Determined at completion of final map review.)		<u>\$ x.xx</u>
Engineering Plan Review & Inspection Fees, Acct. #001-2010-4937		\$ 48,104.86
Storm Drainage Impact Fees, Acct. #184-2184-5504 (N/A) (Onsite drainage Basin provided, no impact to existing City drainage facilities)		\$ 0.00
Building Dept. block wall plan review fees paid from A	cct. #001-2010-4937	<u>\$ x.xx</u>
	SUBTOTAL	\$ 70,444.86
	PAID	\$ 70,444,86
	BALANCE DUE:	s 0.00 V

AMANDA RAMOS NOTARY PUBLIC - CALIFORNIA

COMMISSION # 2234275 TULARE COUNTY My Comm. Exp. April 10, 2022

#### **ACKNOWLEDGMENT**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

validity of that document.			
State of California County of Tulare			
On September 3, 2021 before me, Amanda Ramos, Notary	Public		
(insert name and title o	f the officer)		
personally appearedJoseph A. Leal			
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.			
certify under PENALTY OF PERJURY under the laws of the State of Calif paragraph is true and correct.	fornia that the foregoing		

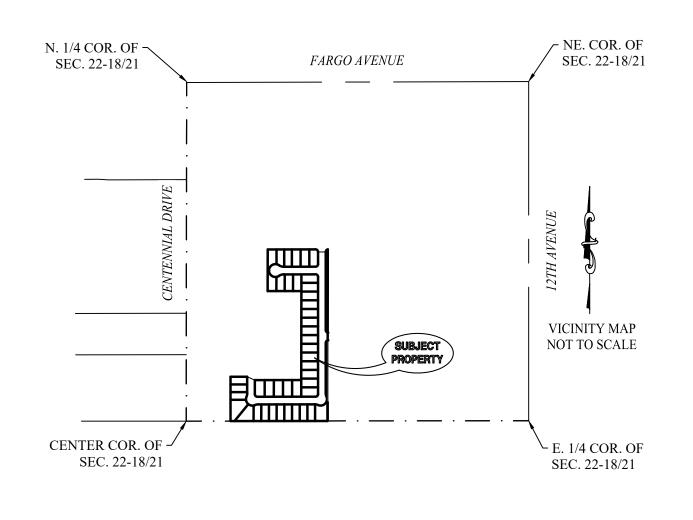
WITNESS my hand and official seal.

Signature / Ma

(Seal)

# COUNTY TRACT No. 928 UNIT II

CITY OF HANFORD, COUNTY OF KINGS \_\_\_\_
STATE OF CALIFORNIA



<b>ENGINEER'S</b>	CTATEMENIT
ENGINEER 5	STATEMENT

THIS MAP CONSISTING OF FOUR SHEETS WAS PREPARED BY ME OR UNDER MY DIRECTION AND IS BASED UPON A FIELD SURVEY IN CONFORMANCE WITH THE REQUIREMENTS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCE AT THE REQUEST OF JIM ROBINSON OF SAN JOAQUIN VALLEY HOMES IN THE MONTH OF MAY 2021 I HEREBY STATE THAT THIS MAP SUBSTANTIALLY CONFORMS TO THE CONDITIONALLY APPROVED TENTATIVE MAP.

DATED THIS	DAY OF	, 20	
JOHN A. ZUM	WALT, R.C.E. 21489		

#### ACTING CITY SURVEYOR

I, JOHN B. HARDIN, HEREBY STATE THAT I HAVE CAREFULLY EXAMINED THE ANNEXED MAP, THAT I AM SATISFIED THAT SAID MAP IS TECHNICALLY CORRECT, AND IN ACCORDANCE WITH SECTIONS 66425 THROUGH 66450, INCLUSIVE, OF THE GOVERNMENT CODE.

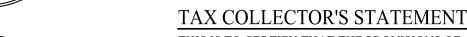
DATED THIS	DAY OF	, 20	
JOHN B. HARDIN, I	R.C.E. 21753		

## CITY ENGINEER'S STATEMENT

ACTING FOR THE CITY OF HANFORD

I, JOHNATHAN L. DOYEL. HEREBY STATE THAT I HAVE CAREFULLY EXAMINED THE ANNEXED MAP, THAT THE SUBDIVISION AS SHOWN IS SUBSTANTIALLY THE SAME AS IT APPEARED ON THE TENTATIVE MAP, AND ANY APPROVED ALTERATIONS THEREOF AND THAT ALL PROVISIONS OF ANY LOCAL ORDINANCES AND SECTIONS 66425 THROUGH 66450 OF THE GOVERNMENT CODE APPLICABLE AT THE TIME OF APPROVAL OF THE TENTATIVE MAP HAVE BEEN COMPLIED WITH.

DATED THIS DAY OF 20	- ·
JOHNATHAN L. DOYEL, CITY ENGINEER R.C.E. 620	)44



THIS IS TO CERTIFY THAT THE PROVISIONS OF ARTICLE 8 OF CHAPTER 4 OF THE GOVERNMENT CODE HAVE BEEN COMPLIED WITH REGARDING DEPOSITS.

DATE:	_
JAMES P. ERB, CPA; DIRECTOR	OF FINANCE
BY:	

#### CITY CLERK'S CERTIFICATE

DATED THIS \_\_\_\_\_, 20\_\_\_\_.

I HEREBY STATE THAT AT A REGULAR MEETING OF THE HANFORD CITY COUNCIL HELD ON THE \_\_\_\_\_, DAY OF \_\_\_\_\_\_\_, 20\_\_\_\_\_, AN ORDER WAS DULY AND REGULARLY MADE AND ENTERED APPROVING THIS MAP AND SUBDIVISION AND ACCEPTING, SUBJECT TO IMPROVEMENT, ON BEHALF OF THE GENERAL PUBLIC, THE STREETS, EASEMENTS, AND LOTS C&D AS INCLUDED WITHIN THE BOUNDARIES OF THE SUBDIVISION SHOWN UPON THIS MAP.

NATALIE CORRAL, CITY CLERK
DI ANNING COMMISSION CEDTIFICATE

### PLANNING COMMISSION CERTIFICATE

APPROVED BY THE HANFORD PLANNING CO	MMISSION IN	ACCORDANCE WITH THI	E REQUIREMENTS OF
LAW IN DULY AUTHORIZED MEETING HELD		, 20	
DATED THIS DAY OF	, 20		

#### GABRIELLE MYERS, ACTING COMMUNITY DEVELOPMENT DIRECTOR

RECORDER'S CERTIFICATE	
FEE BOOK NOFEE PAID	
RECORDED AT THE REQUEST OF ZUMWALT-HANSEN & ASSOCIATES, INC. ON THISOF, 20, ATMINUTES PASTO'CLOCK IN VOLUME	DAY
OF LICENSED SURVEYORS' PLATS, AT PAGE, KINGS COUNTY RECORDS.	
KRISTINE LEE, KINGS COUNTY RECORDER	
BY:	
DEPUTY	



#### OWNER'S STATEMENT

WE, THE UNDERSIGNED, DO HEREBY STATE THAT WE ARE THE OWNERS OF OR HAVE SOME RIGHT, TITLE, OR INTEREST IN AND TO THE REAL PROPERTY INCLUDED WITHIN THE SUBDIVISION SHOWN UPON THIS MAP AND THAT WE ARE THE ONLY PERSONS WHOSE CONSENT IS NECESSARY TO PASS A CLEAR TITLE TO SAID PROPERTY AND THAT WE CONSENT TO THE MAKING OF SAID MAP AND SUBDIVISION AS SHOWN ON THIS MAP AND DO HEREBY DEDICATE IN FEE TO PUBLIC USE ALL OF THE STREETS. WE ALSO DEDICATE THOSE EASEMENTS SHOWN HEREON FOR PUBLIC UTILITIES, LANDSCAPE AND SIDEWALKS. WE FURTHER DEDICATE LOTS "C&D" FOR LANDSCAPE PURPOSES AND THOSE CERTAIN STRIPS OF LAND DESIGNATED AS "FUTURE STREETS", RESERVING TO OURSELVES FOR THE USE OF OURSELVES AND THE SUCCESSIVE OWNERS, ALL ORDINARY USES OF SAID LAND UNTIL SUCH TIME AS THE PROPER LEGISLATIVE BODY SHALL ACCEPT DEDICATION OF, OR ACQUIRE ADDITIONAL RIGHT OF WAY, TO CONSTITUTE THE PERMANENT WIDTH AND/OR EXTENSIONS OF THOSE STREETS HAVING A PARTIAL WIDTH AND/OR DEAD-ENDING, AS SHOWN HEREON.

BY:

JJR MANAGEMENT SERVICES, INC. A CALIFORNIA CORPORATION, ITS OPERATING MANAGER
JOSEPH A. LEAL, PRESIDENT

PRESIDIO JJR BONTERRA II 160, LLC, A DELAWARE LIMITED LIABILITY COMPANY, AS FEE TITLE OWNERS

BY:

JJR MANAGEMENT SERVICES, INC. A CALIFORNIA CORPORATION, ITS OPERATING MANAGER
JOSEPH A. LEAL, PRESIDENT

FARMERS AND MERCHANTS BANK OF LONG BEACH, A CALIFORNIA CORPORATION, AS BENEFICIARY
UNDER DEED OF TRUST DATED JUNE 21, 2021 AND RECORDED JUNE 30, 2021 AS DOCUMENT NO. 2114772

BY:

NAME:

NAME:

COUNTY TRACT No. 928 UNIT II
CITY OF HANFORD, COUNTY OF KINGS,

STATE OF CALIFORNIA

A NOTARY PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VERIFIES ONLY THE IDENTITY OF THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED, AND NOT THE TRUTHFULNESS, ACCURACY, OR VALIDITY OF THAT DOCUMENT.

FATE OF CALIFORNIA OUNTY OF		STATE OF CALIFORNIA COUNTY OF		
N	BEFORE ME,,	ON	BEFORE ME,,	
OTARY PUBLIC, PERSONALLY AP	PEARED	NOTARY PUBLIC, PERSONALLY	APPEARED	
THO PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON(S) WHOSE NAME(S) IS/ARE UBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE/SHE/THEY EXECUTED THE SAME HIS/HER/THEIR AUTHORIZED CAPACITY(IES), AND THAT BY HIS/HER/THEIR SIGNATURE(S) ON THE INSTRUMENT HE PERSON(S), OR THE ENTITY UPON BEHALF OF WHICH THE PERSON(S) ACTED, EXECUTED THE INSTRUMENT. CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING ARAGRAPH IS TRUE AND CORRECT.		WHO PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON(S) WHOSE NAME(S) IS/ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE/SHE/THEY EXECUTED THE SAME IN HIS/HER/THEIR AUTHORIZED CAPACITY(IES), AND THAT BY HIS/HER/THEIR SIGNATURE(S) ON THE INSTRUMENT THE PERSON(S), OR THE ENTITY UPON BEHALF OF WHICH THE PERSON(S) ACTED, EXECUTED THE INSTRUMENT. I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.  WITNESS MY HAND AND OFFICIAL SEAL		
IGNATURE		SIGNATURE		
PRINT NAME)		(PRINT NAME)		
IY COMMISSION NO	MY COMMISSION EXPIRES	MY COMMISSION NO	MY COMMISSION EXPIRES	
RINCIPAL OFFICE IN COUNTY OF		PRINCIPAL OFFICE IN COUNTY (	)F	

UN	BEFORE ME,,
NOTARY PUBLIC, PERSONAL	LY APPEARED
SUBSCRIBED TO THE WITHIN IN HIS/HER/THEIR AUTHORIZ THE PERSON(S), OR THE ENTI	
SIGNATURE	



609 N. IRWIN ST.

A NOTARY PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VERIFIES ONLY THE IDENTITY OF

THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED, AND NOT THE

TRUTHFULNESS, ACCURACY, OR VALIDITY OF THAT DOCUMENT.

HANFORD, CA. 93230

PH. (559) 582-1056

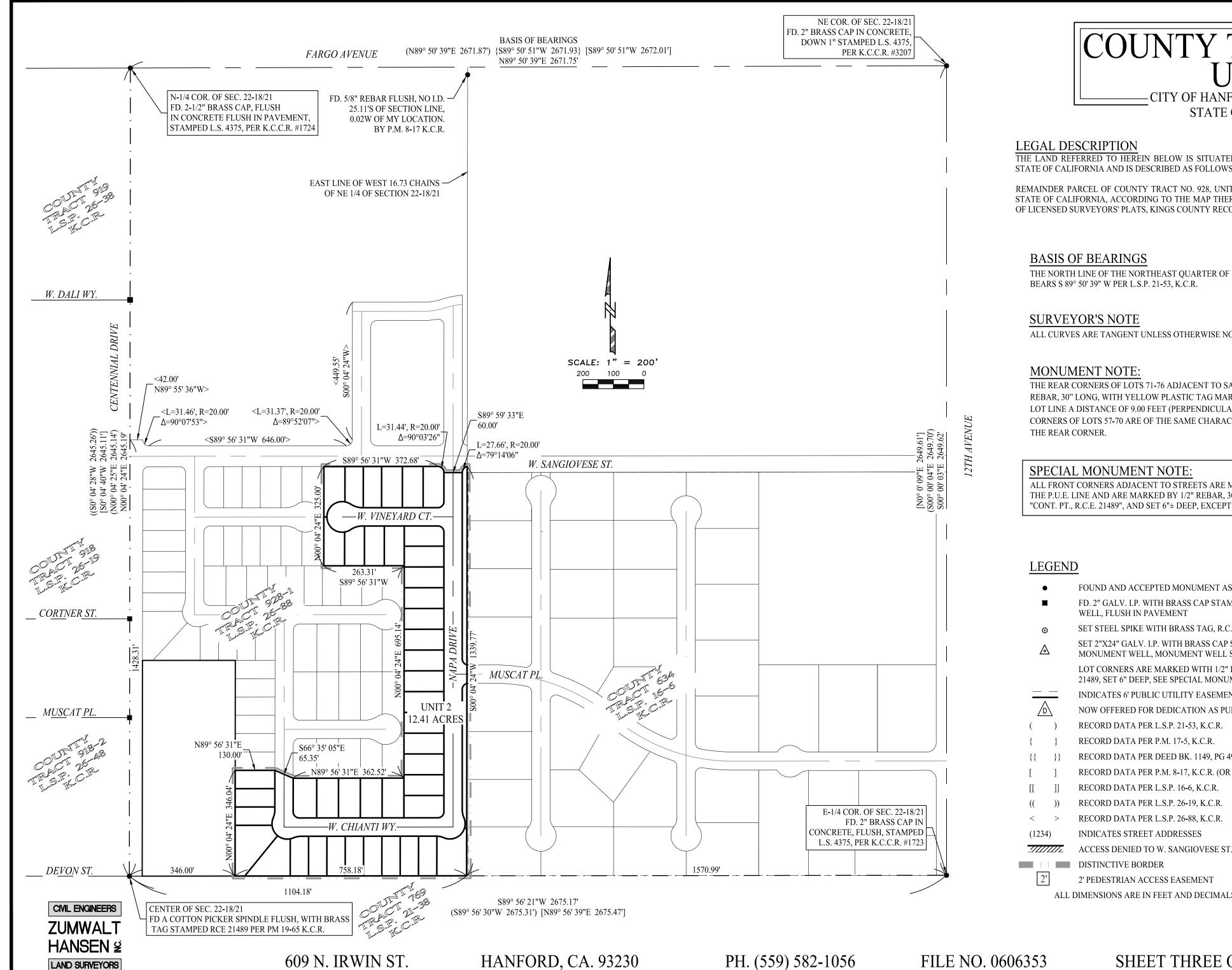
A NOTARY PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VERIFIES ONLY THE IDENTITY OF

THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED, AND NOT THE

TRUTHFULNESS, ACCURACY, OR VALIDITY OF THAT DOCUMENT.

FILE NO. 0606353

SHEET TWO OF FIVE SHEETS



# COUNTY TRACT No. 928 UNIT II

\_CITY OF HANFORD, COUNTY OF KINGS,\_ STATE OF CALIFORNIA

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF HANFORD, COUNTY OF KINGS, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

REMAINDER PARCEL OF COUNTY TRACT NO. 928, UNIT I, IN THE CITY OF HANFORD, COUNTY OF KINGS, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF RECORDED JUNE 8, 2021, IN BOOK 26 PAGE 88 OF LICENSED SURVEYORS' PLATS, KINGS COUNTY RECORDS.

#### BASIS OF BEARINGS

THE NORTH LINE OF THE NORTHEAST QUARTER OF SECTION 22, T. 18 S., R. 21 E., M.D.B. & M., BEARS S 89° 50' 39" W PER L.S.P. 21-53, K.C.R.

ALL CURVES ARE TANGENT UNLESS OTHERWISE NOTED

#### MONUMENT NOTE:

THE REAR CORNERS OF LOTS 71-76 ADJACENT TO SANGIOVESE ST. ARE MONUMENTED WITH 1/2" REBAR, 30" LONG, WITH YELLOW PLASTIC TAG MARKED RCE 21489, SET 6" DEEP ON THE SIDE LOT LINE A DISTANCE OF 9.00 FEET (PERPENDICULAR) FROM THE REAR CORNER. THE REAR CORNERS OF LOTS 57-70 ARE OF THE SAME CHARACTER BUT 4.00 FEET (PERPENDICULAR) FROM

#### SPECIAL MONUMENT NOTE:

ALL FRONT CORNERS ADJACENT TO STREETS ARE MONUMENTED AS WITNESS CORNERS, SET ON THE P.U.E. LINE AND ARE MARKED BY 1/2" REBAR, 30" LONG WITH RED PLASTIC TAG STAMPED "CONT. PT., R.C.E. 21489", AND SET 6"± DEEP, EXCEPT AS SHOWN OTHERWISE

- FOUND AND ACCEPTED MONUMENT AS NOTED
- FD. 2" GALV. I.P. WITH BRASS CAP STAMPED R.C.E. 21489 IN A MONUMENT WELL, FLUSH IN PAVEMENT
- SET STEEL SPIKE WITH BRASS TAG, R.C.E. 21489, FLUSH IN PAVEMENT
  - SET 2"X24" GALV. I.P. WITH BRASS CAP STAMPED R.C.E. 21489 IN MONUMENT WELL, MONUMENT WELL SET FLUSH IN PAVEMENT

LOT CORNERS ARE MARKED WITH 1/2" REBAR, 30" LONG, TAGGED R.C.E. 21489, SET 6" DEEP, SEE SPECIAL MONUMENTATION NOTE

INDICATES 6' PUBLIC UTILITY EASEMENT, EXCEPT AS NOTED

NOW OFFERED FOR DEDICATION AS PUBLIC STREETS

RECORD DATA PER L.S.P. 21-53, K.C.R.

RECORD DATA PER P.M. 17-5, K.C.R.

RECORD DATA PER DEED BK. 1149, PG 495, O.R. RECORD DATA PER P.M. 8-17, K.C.R. (OR CALCULATED THEREFROM)

RECORD DATA PER L.S.P. 16-6, K.C.R.

RECORD DATA PER L.S.P. 26-19, K.C.R.

RECORD DATA PER L.S.P. 26-88, K.C.R.

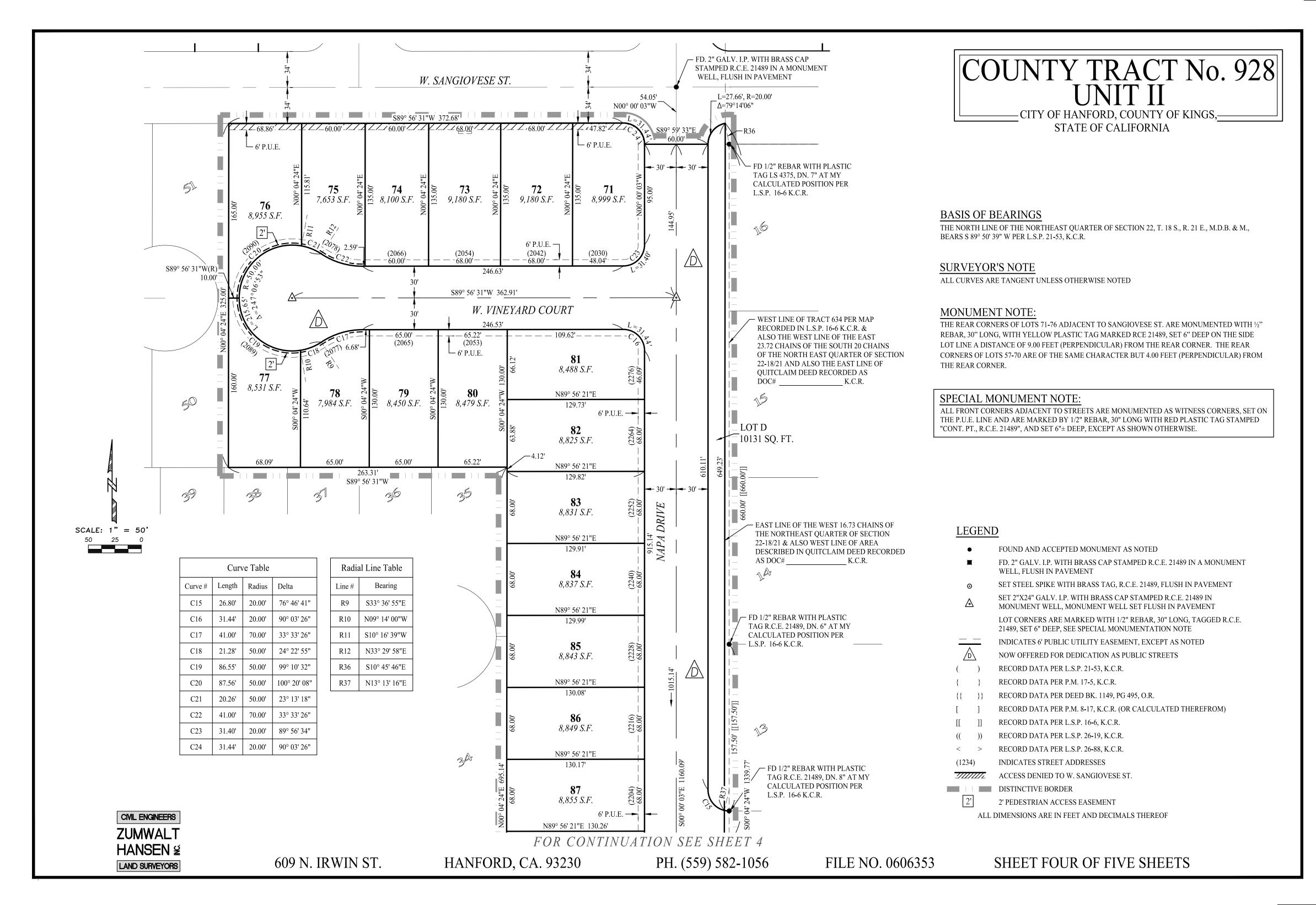
INDICATES STREET ADDRESSES

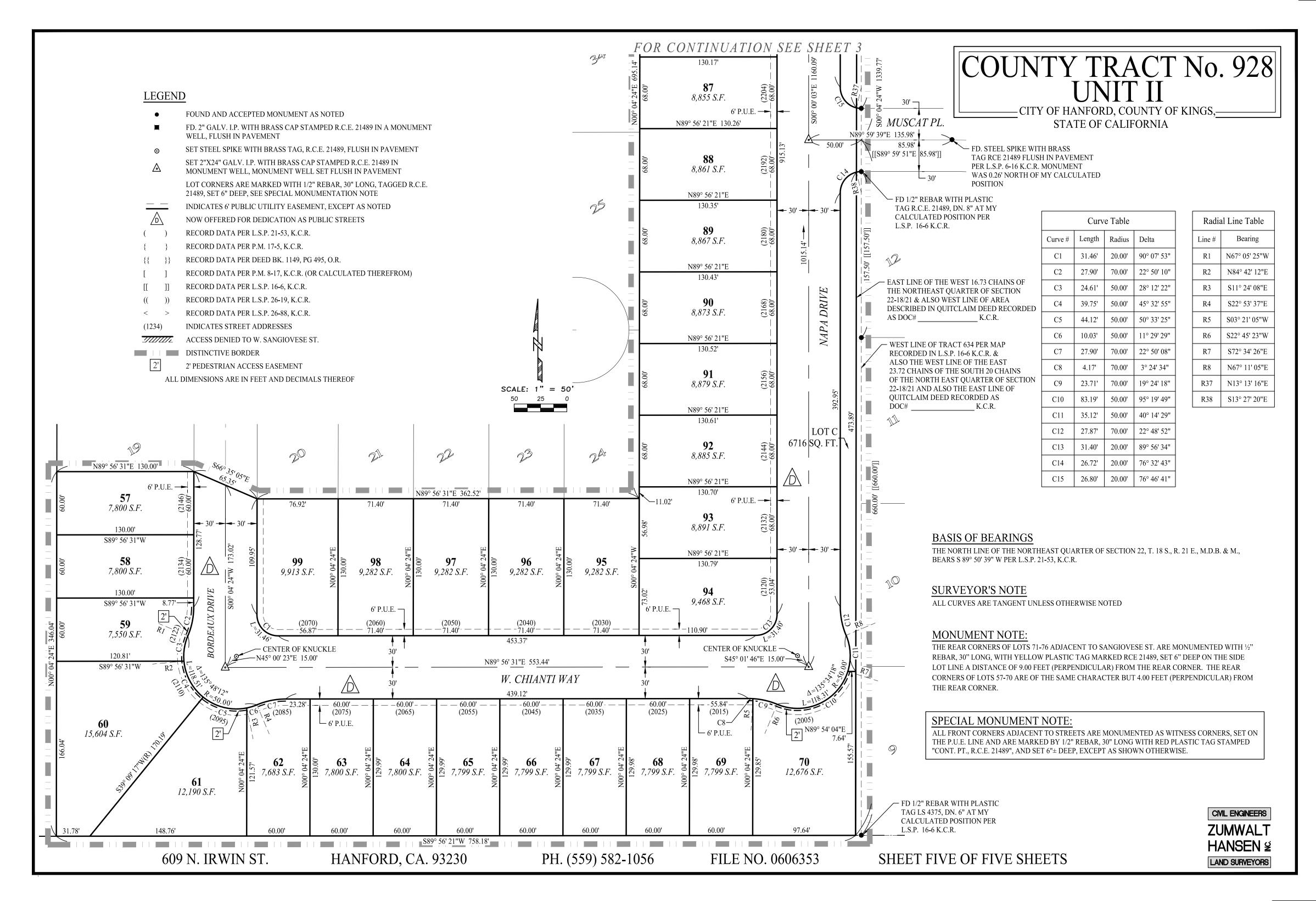
DISTINCTIVE BORDER

2' PEDESTRIAN ACCESS EASEMENT

ALL DIMENSIONS ARE IN FEET AND DECIMALS THEREOF

SHEET THREE OF FIVE SHEETS





1	RECORDING REQUESTED BY:
2	CITY OF HANFORD
3	WHEN RECORDED RETURN TO:
4	CITY CLERK
5	CITY OF HANFORD 319 North Douty Street
6	Hanford, California 93230
7 8	RESOLUTION NO. <u>21-43-R</u>
9	RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HANFORD
10	RESTRUCTURING PROPERTIES WITHIN ASSESSMENT DISTRICT NO. 21-01, AND CONFIRMING LEVY AND COLLECTION OF ANNUAL
11	ASSESSMENTS FOR TRACT NO. 928, UNIT NO. I AND UNIT NO. II, BELLA VISTA PHASE III SUBDIVISION.
12	
13	(Assessment District Restructure No. 20-01-A)
14	At a regular meeting of the City Council of the City of Hanford, duly called and
15	held on October 5, 2021, it was moved by Council Member, seconded by
16	Council Member, and duly carried that the following resolutions be
17	adopted:
18	WHEREAS, the additional territory proposed to be restructured into the District
19	includes properties known as Tract No. 928, Unit No. II (APN 009-030-161)
20	("Restructuring Properties");
21	WHEREAS, the restructure of Additional Properties into the District will provide
22	for maintenance of the following improvements:
23	
24	1. Decorative masonry block fencing, and landscaping & irrigation system
25	improvements located along Centennial Drive, Sangiovese Street; and
26	Napa Drive,
27	

28

- 2. The public park located at the northwest corner of W. Sangiovese Street and Napa Drive;
- 2. Street Lighting within Tract No. 928 Units I & II.

WHEREAS, the owners of all land within the boundaries of the District and the restructured Properties have filed their consent to restructuring of the Properties into the District, and have also consented to adoption of the Engineer's Report and the levy of assessments identified therein.

WHEREAS, the owners of the restructure Properties, including the owners of such lots and parcels as shall be created therefrom, should share in the cost of maintaining the District improvements through payment of District assessments.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Hanford hereby orders the restructure of Properties as shown and described in the Engineer's Report into the District, so that the District henceforth shall include the restructured Properties, including such lots and parcels as shall be created therein, so that the owners thereof shall share in the cost of maintenance of the public improvements located within the District and on the Additional Properties; and,

RESOLVED FURTHER, that the City Council of the City of Hanford hereby confirms the diagram and assessments for the District contained in the Engineer's Report, and levies such assessments for the Fiscal Year 2020-2021; and,

RESOLVED FURTHERMORE, commencing with the calendar year 2020-2021, and January 1 of each calendar year ("Adjustment Date") thereafter during the life of the District, the Total Annual Subdivision Assessment amount for the next calendar year shall be an amount equal to the greater of:

- (i) the Total Annual Subdivision Assessment amount in effect immediately prior to the Adjustment Date; or
- (ii) the product obtained by multiplying the Total Annual Subdivision

  Assessment in effect immediately prior to the Adjustment Date by a fraction, the numerator of which is the Index published nearest but prior to the Adjustment Date and the denominator of which is the Index published nearest but prior to January 1 of the first year the Subdivision Assessment became effective.

The term "Index" means the Consumer Price Index for Urban Wage Earners and Clerical Worker, San Francisco-Oakland-San Jose Consolidated Statistical Area, 1982-1984, equals 100, published by the Bureau of Labor Statistics of the United States Department of Labor. If the Bureau of Labor Statistics revises the Index, the Bureau of Labor Statistics will be the sole judge of the comparability of successive indexes, but if that agency fails to supply indexes that it deems comparable or if no succeeding index is published, the City shall determine an appropriate alternative published price index.

Passed and adopted at a regular meeting of the City Council of the City of Hanford on October 5, 2021, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

FRANCISCO RAMIREZ
MAYOR of the City of Hanford

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1	Attest:
2	
3	NATALIE ORTEGA
4	CITY CLERK
5	STATE OF CALIFORNIA)
6	COUNTY OF KINGS ) ss
7	CITY OF HANFORD )  I, Natalie Ortega, City Clerk of the City of Hanford, do hereby certify the
8	foregoing Resolution was duly passed and adopted at a regular meeting of the City
9	Council of the City of Hanford held on the day of, 2020.
10	Council of the City of Hamord field on the day of, 2020.
11	Doto
12	Date: City Clerk
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### EXHIBIT "B"

### AREA TO BE MAINTAINED FOR LANDSCAPE MAINTENANCE DISTRICT

### **TRACT NO. 928-2**

#### LEGAL DESCRIPTION

ALL THAT PORTION OF THE NORTHEAST QUARTER OF SECTION 22, TOWNSHIP 18 SOUTH, RANGE 21 EAST, MOUNT DIABLO BASE AND MERIDIAN, IN THE CITY OF HANFORD, COUNTY OF KINGS, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, DESCRIBED AS FOLLOWS:

BEGINNING AT THE CENTER OF SECTION OF THE AFORESAID SECTION 22;

THENCE, ALONG THE SOUTH LINE OF SAID NORTHEAST QUARTER, NORTH 89°56'21" EAST A DISTANCE OF 1109.65 FEET TO THE INTERSECTION WITH THE WEST LINE OF THE EAST 23.72 CHAINS OF SAID NORTHEAST QUARTER;

THENCE, LEAVING SAID SOUTH LINE AND ALONG LAST SAID WEST LINE, NORTH 00°00'03" WEST A DISTANCE OF 690.00 FEET TO A POINT AT THE INTERSECTION OF SAID WEST LINE WITH THE EXISTING NORTH RIGHT-OF-WAY LINE OF MUSCAT PLACE AS SHOWN ON A MAP RECORDED IN BOOK 16 AT PAGE 6 OF LICENSED SURVEYORS' PLATS IN THE OFFICE OF THE KINGS COUNTY RECORDER, BEING THE BEGINNING OF A NON-TANGENT CURVE, ALSO BEING THE TRUE POINT OF BEGINNING:

THENCE, LEAVING SAID WEST LINE ON LAST SAID NON-TANGENT CURVE, ON A 20.00 FOOT RADIUS CURVE TO THE RIGHT, CONCAVE TO THE NORTHEAST, FROM A RADIUS POINT BEARING NORTH 0°00'03" WEST, THROUGH A CENTRAL ANGLE OF 90°00'00" AN ARC LENGTH OF 31.42 FEET TO A POINT ON THE FUTURE EASTERLY RIGHT-OF-WAY LINE OF NAPA DRIVE;

THENCE, ALONG SAID FUTURE RIGHT-OF-WAY LINE OF NAPA DRIVE, NORTH 00°00'03" WEST A DISTANCE OF 610.11 FEET TO THE BEGINNING OF A TANGENT CURVE;

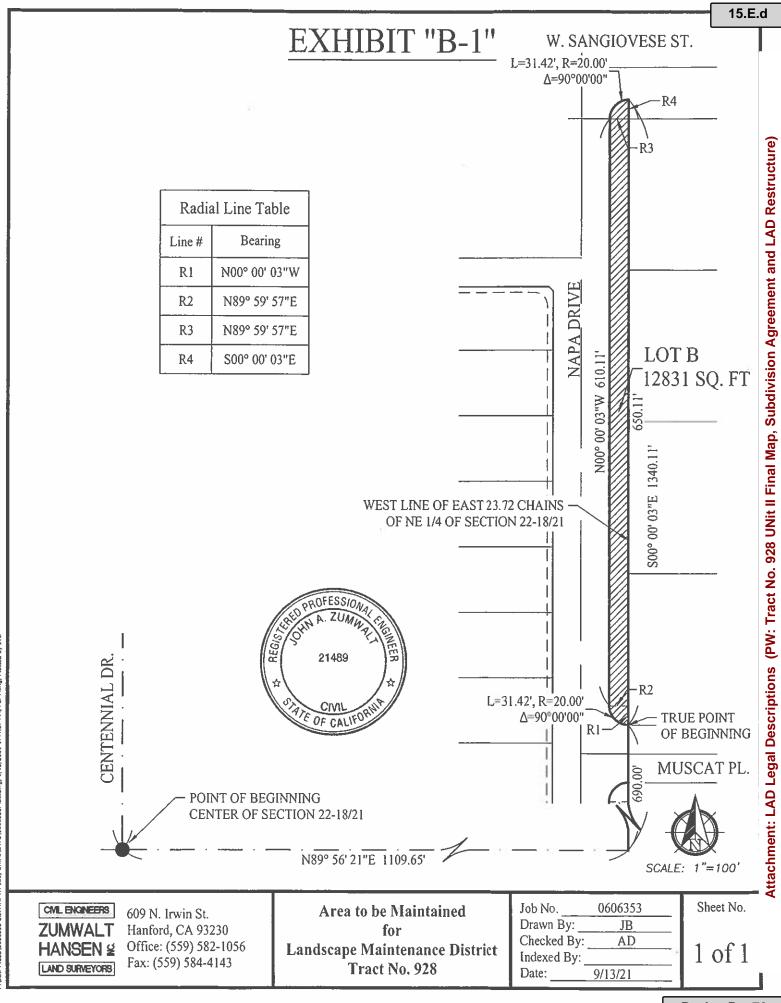
THENCE, CONTINUING ALONG SAID FUTURE RIGHT-OF-WAY LINE OF NAPA DRIVE, NORTHEASTERLY ALONG A 20.00 FOOT RADIUS CURVE TO THE RIGHT, CONCAVE SOUTHEASTERLY, THROUGH A CENTRAL ANGLE OF 90°00'00" AN ARC LENGTH OF 31.42 FEET TO A POINT AT THE INTERSECTION OF THE FUTURE SOUTH RIGHT-OF-WAY LINE OF W. SANGIOVESE STREET AND THE LAST SAID WEST LINE;

THENCE, LEAVING LAST SAID RIGHT-OF-WAY LINE, AND ALONG SAID WEST LINE, SOUTH 00°00'03" EAST A DISTANCE OF 650.11 FEET TO THE TRUE POINT OF BEGINNING.

CONTAINING 12,831 SQUARE FEET, MORE OR LESS.

ATTACHED HERETO IS A PLAT LABELED EXHIBIT "B-1" AND BY THIS REFERENCE MADE A PART HEREOF





Packet Pg. 76

### **EXHIBIT "A"**

### AREA TO BE MAINTAINED FOR LANDSCAPE MAINTENANCE DISTRICT

#### **TRACT NO. 928-2**

### LEGAL DESCRIPTION

ALL THAT PORTION OF THE NORTHEAST QUARTER OF SECTION 22, TOWNSHIP 18 SOUTH, RANGE 21 EAST, MOUNT DIABLO BASE AND MERIDIAN, IN THE CITY OF HANFORD, COUNTY OF KINGS, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, DESCRIBED AS FOLLOWS:

BEGINNING AT THE CENTER OF SECTION OF THE AFORESAID SECTION 22;

THENCE, ALONG THE SOUTH LINE OF SAID NORTHEAST QUARTER, NORTH 89°56'21" EAST A DISTANCE OF 1109.65 FEET TO THE INTERSECTION WITH THE WEST LINE OF THE EAST 23.72 CHAINS OF SAID NORTHEAST QUARTER;

THENCE, LEAVING SAID SOUTH LINE AND ALONG LAST SAID WEST LINE, NORTH 00°00'03" WEST A DISTANCE OF 155.57 FEET TO THE **TRUE POINT OF BEGINNING**;

THENCE, LEAVING LAST SAID WEST LINE, SOUTH 89°54'04" WEST A DISTANCE OF 12.91 FEET TO A POINT ON THE FUTURE EASTERLY RIGHT-OF-WAY LINE OF NAPA DRIVE AND THE BEGINNING OF A NON-TANGENT CURVE;

THENCE, NORTHERLY ALONG SAID FUTURE RIGHT-OF-WAY, ALONG A 50.00 FOOT RADIUS CURVE TO THE LEFT, CONCAVE WESTERLY, FROM A RADIUS POINT BEARING NORTH 72°34'26" WEST, THROUGH A CENTRAL ANGLE OF 40°14'29" AN ARC LENGTH OF 35.12 FEET TO A POINT OF REVERSE CURVATURE;

THENCE, CONTINUING ALONG SAID FUTURE RIGHT-OF-WAY, NORTHWESTERLY ALONG A 70.00 FOOT RADIUS CURVE TO THE RIGHT, FROM A RADIUS POINT BEARING NORTH 67°11'05" EAST, CONCAVE NORTHEASTERLY, THROUGH A CENTRAL ANGLE OF 22°48'52" AN ARC LENGTH OF 27.87 FEET:

THENCE, CONTINUING ALONG SAID FUTURE RIGHT-OF-WAY, NORTH 00°00'03" WEST A DISTANCE OF 392.95 FEET TO THE BEGINNING OF A TANGENT CURVE;

THENCE, CONTINUING ALONG SAID FUTURE RIGHT-OF-WAY, NORTHEASTERLY ALONG A 20.00 FOOT RADIUS CURVE TO THE RIGHT, CONCAVE SOUTHEASTERLY, THROUGH A CENTRAL ANGLE OF 90°00'00" AN ARC LENGTH OF 31.42 FEET TO A POINT AT THE INTERSECTION OF THE FUTURE SOUTH RIGHT-OF-WAY LINE OF MUSCAT PLACE AND SAID WEST LINE OF THE EAST 23.72 CHAINS:

THENCE, LEAVING SAID FUTURE RIGHT-OF-WAY, AND ALONG LAST SAID WEST LINE, SOUTH 00°00'03" EAST A DISTANCE OF 474.43 FEET TO THE TRUE POINT OF BEGINNING.

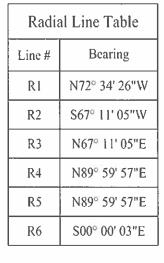
CONTAINING 9,068 SQUARE FEET, MORE OR LESS.

ATTACHED HERETO IS A PLAT LABELED EXHIBIT "A-1" AND BY THIS REFERENCE MADE A PART HEREOF.





# EXHIBIT "A-1"



PROFESSIONAL ENGINEER A. ZUMWA. ENGINEER STATE OF CALFORNIA.

L=27.87', R=70.00' Δ=22°48'52"

S89° 54' 04"W 12.91'

RZ

W. CHIANTI WY.

WEST LINE OF EAST 23.72 CHAINS OF NE 1/4 OF SECTION 22-18/21

Attachment: LAD Legal Descriptions (PW: Tract No. 928 UNit II Final Map, Subdivision Agreement and LAD Restructure)

— TRUE POINT OF BEGINNING

155.57

POINT OF BEGINNING CENTER OF SECTION 22-18/21

N89° 56' 21"E 1109.65'

SCALE: 1"=100"

CML ENGINEERS

ZUMWALT

HANSEN &

LAND SURVEYORS

609 N. Irwin St. Hanford, CA 93230 Office: (559) 582-1056 Fax: (559) 584-4143 Area to be Maintained for Landscape Maintenance District Tract No. 928 
 Job No.
 0606353

 Drawn By:
 JB

 Checked By:
 AD

 Indexed By:
 Date:

 9/13/21

Sheet No.

1 of 1

Packet Pg. 78

### EXHIBIT "C"

### AREA TO BE MAINTAINED FOR LANDSCAPE MAINTENANCE DISTRICT

### **TRACT NO. 928-2**

### LEGAL DESCRIPTION

ALL THAT PORTION OF THE DESIGNATED REMAINDER AS SHOWN ON THAT CERTAIN MAP OF COUNTY TRACT NUMBER 928, UNIT I, RECORDED MAY 27, 2021, IN VOLUME 26 AT PAGE 88 OF LICENSED SURVEYORS' PLATS, KINGS COUNTY RECORDS, LYING IN THE NORTHEAST QUARTER OF SECTION 22, TOWNSHIP 18 SOUTH, RANGE 21 EAST, MOUNT DIABLO BASE AND MERIDIAN, IN THE CITY OF HANFORD, COUNTY OF KINGS, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, DESCRIBED AS FOLLOWS:

BEGINNING AT THE CENTER OF SECTION OF THE AFORESAID SECTION 22:

THENCE, ALONG THE SOUTH LINE OF SAID NORTHEAST QUARTER, NORTH 89°56'21" EAST A DISTANCE OF 1104.18 FEET TO THE SOUTHEAST CORNER OF SAID DESIGNATED REMAINDER;

THENCE, LEAVING SAID SOUTH LINE AND ALONG THE EAST LINE OF SAID DESIGNATED REMAINDER, NORTH 00°04'24" EAST A DISTANCE OF 1320.02 FEET;

THENCE, LEAVING SAID EAST LINE, SOUTH 89°59'57" WEST A DISTANCE OF 76.24 FEET TO A POINT LYING 30.00 FEET WEST OF THE CENTERLINE OF NAPA DRIVE AND BEING THE **TRUE POINT OF BEGINNING**;

THENCE NORTH 45°01'46" WEST A DISTANCE OF 21.94 FEET, TO A POINT LYING 38.50 FEET SOUTH OF THE CENTERLINE OF W. SANGIOVESE STREET;

THENCE SOUTH 89°56'31" WEST, ALONG A LINE 38.50 FEET SOUTH OF AND PARALLEL WITH THE LAST SAID CENTERLINE, A DISTANCE OF 377.19 FEET TO A POINT ON THE EAST LINE OF LOT 51 AS SHOWN ON SAID MAP IN VOLUME 26 AT PAGE 88 OF LICENSED SURVEYORS' PLATS, KINGS COUNTY RECORDS;

THENCE, ALONG LAST SAID EAST LINE, NORTH 00°04'24" EAST A DISTANCE OF 14.00 FEET TO A POINT LYING 24.50 FEET SOUTH OF THE CENTERLINE OF W. SANGIOVESE STREET;

THENCE, ALONG A LINE 24.50 FEET SOUTH OF AND PARALLEL WITH THE CENTERLINE OF W. SANGIOVESE STREET, NORTH 89°56'31" EAST A DISTANCE OF 384.67 FEET TO THE BEGINNING OF A TANGENT CURVE;

THENCE SOUTHEASTERLY ALONG A 19.50 FOOT RADIUS CURVE TO THE RIGHT, CONCAVE TO THE SOUTHWEST, THROUGH A CENTRAL ANGLE OF 90°03'26" AN ARC LENGTH OF 30.65 FEET, TO A POINT LYING 18.50 FEET WEST OF THE CENTERLINE OF NAPA DRIVE;

THENCE, ALONG A LINE 18.50 FEET WEST OF AND PARALLEL TO LAST SAID CENTERLINE, SOUTH 00°00'03" EAST A DISTANCE OF 10.01 FEET;

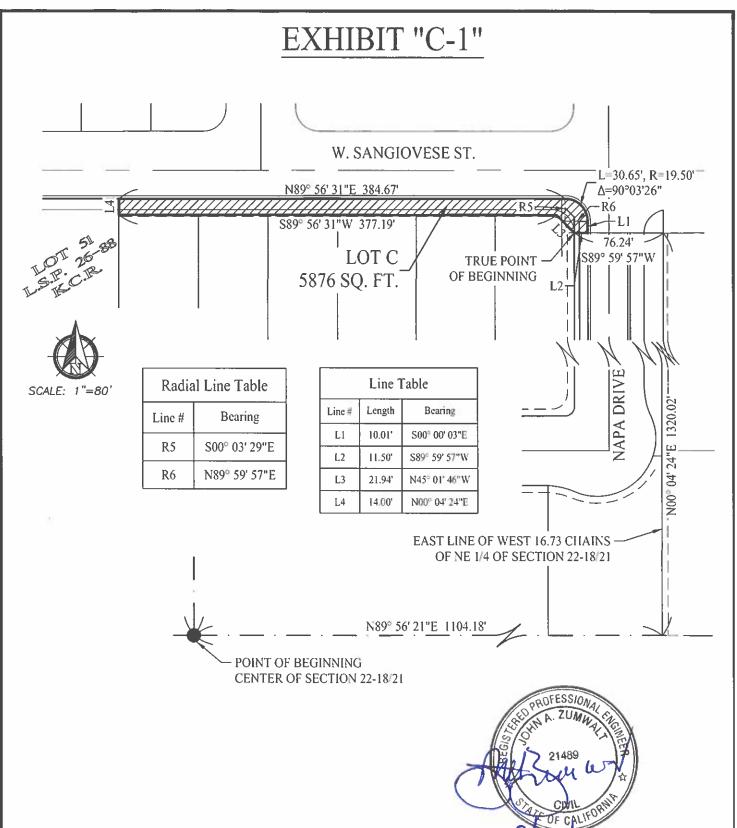
THENCE SOUTH 89°59'57" WEST A DISTANCE OF 11.50 FEET TO THE TRUE POINT OF BEGINNING.

CONTAINING 5,876 SQUARE FEET, MORE OR LESS.

ATTACHED HERETO IS A PLAT LABELED EXHIBIT "C-1" AND BY THIS REFERENCE MADE A PART HEREOF.

END OF DOCUMENT





CIVIL ENGINEERS ZUMWALT LAND SURVEYORS

P-VOB FILES(0606353 \$.J.V.H. Tr. 928, Unit 2\DWG\0606353f lad.dwg, 7/28/2021 11:50:34 AM, For Filing, Plotted by JTB

609 N. Irwin St. Hanford, CA 93230

Area to be Maintained for **Landscape Maintenance District** Tract No. 928

Job No. 0606353 Drawn By: Checked By: Indexed By: Date: 7/27/21

Sheet No. 1 of 1

### ATTACHMENT "A"

# ENGINEER'S REPORT ASSESSMENT DISTRICT NO. 21-01-A

(Pursuant to the Landscaping and Lighting Act of 1972)

### TRACT 928 UNIT I & II – SAN JOAQUIN VALLEY HOMES

NOTE: Assessment District Restructure No. 21-01-A is the first modification of Landscape Assessment District No. 21-01

Johnathan L. Doyel, P.E., P.L.S., Public Works Director/City Engineer and Engineer of Work for the existing Landscape Assessment District No. 21-01, City of Hanford, Kings County, California, makes this report for the inclusion of Assessment District Restructure No. 21-01-A into Landscape District No. 21-01 as directed by City Council, pursuant to Section 22585 of the Streets and Highways Code (Landscaping and Lighting Act of 1972).

The improvements to be constructed and maintained in the District provide special benefits to all of the parcels within the District about and beyond general benefits conferred on parcels located in the District or to the public at large. Specifically, the particular and distinct special benefits include:

- 1. Reduction of traffic noise level from the street located adjacent to the District;
- 2. Restriction of unwanted pedestrian access onto the lots and parcels within the District;
- 3. Enhancement of appearance of the entrance into the subdivision which is included within the District;
- 4. Reduction of impact of dust and other particulate matter onto the lots and parcels within the District;

The improvements which are the subject of this report are briefly described as follows:

- 1. Decorative block fencing, landscaping, and irrigation systems along Centennial Drive, Sangiovese Street, and Napa Drive located adjacent to Tract 928 Units I & II.
- 2. The public park located at the northwest corner of W. Sangiovese Street and N. Vine St. within Tract 928 Units I & II.
- 3. Interior street lighting within Tract 928 Unit I & II.

This report consists of six parts as follows:

Exhibit "A": Plans and specifications for the improvements are filed with the City Clerk. Although separately bound, the plans and specifications are a part of this report and are incorporated herein by reference.

Exhibit "B": An estimate of costs to maintain the improvements.

Exhibit "C": An assessment of the estimated maintenance costs on each benefited parcel of land within the Assessment District.

Exhibit "D": A statement of the method by which the undersigned has determined the amount proposed to be assessed against each parcel.

ATTACHMENT "A" continued...

Exhibit "E": A list of the names and addresses of the property owners of real property within each assessment district as shown on the last equalized assessment roll for taxes, or known to the Clerk. The list is keyed to Exhibit "C" by assessment number.

Exhibit "F": A diagram showing all of the parcels of real property within this assessment district. The diagram is keyed to Exhibit "C" by lot number.

Respectfully submitted,

Johnathan L. Doyel, P.E., P.L.S. Public Works Director And City Engineer

### **ENGINEER'S REPORT**

# ASSESSMENT DISTRICT RESTRUCTURE NO. 21-01-A (Pursuant to the Landscaping and Lighting Act of 1972)

# TRACT 928 UNIT I & II – SAN JOAQUIN VALLEY HOMES

The undersigned hereby respectfully submits the a	enclosed Engineer's Report as directed by the City Council.
The undersigned hereby respectfully submits the e	DATED:
	Johnathan L. Doyel, P.E., P.L.S.
	Public Works Director And City Engineer
	s Report, together with Assessments and Assessment
Diagram thereto attached was filed with me on the	e day of
	Natalie Corral
	City of Hanford, City Clerk
	Kings County, California
	Ву
	s Report, together with Assessments and Assessment rmed by the City Council of the City of Hanford, California
Diagram thereto attached, was approved and confi	s Report, together with Assessments and Assessment rmed by the City Council of the City of Hanford, California, 20
Diagram thereto attached, was approved and confi	s Report, together with Assessments and Assessment rmed by the City Council of the City of Hanford, California
Diagram thereto attached, was approved and confi	's Report, together with Assessments and Assessment rmed by the City Council of the City of Hanford, California, 20  Natalie Corral
Diagram thereto attached, was approved and confi	s Report, together with Assessments and Assessment rmed by the City Council of the City of Hanford, California
Diagram thereto attached, was approved and confi on the day of  I HEREBY CERTIFY that the enclosed Engineer'	s Report, together with Assessments and Assessment rmed by the City Council of the City of Hanford, California
Diagram thereto attached, was approved and confi on the day of  I HEREBY CERTIFY that the enclosed Engineer' Diagram thereto attached, was filed with the Coun	s Report, together with Assessments and Assessment rmed by the City Council of the City of Hanford, California
Diagram thereto attached, was approved and confi on the day of  I HEREBY CERTIFY that the enclosed Engineer' Diagram thereto attached, was filed with the Coun	s Report, together with Assessments and Assessment rmed by the City Council of the City of Hanford, California

By\_

### EXHIBIT "A"

# ASSESSMENT DISTRICT RESTRUCTURE NO. 21-01-A (Pursuant to the Landscaping and Lighting Act of 1972)

### TRACT 928 UNIT I & II – SAN JOAQUIN HOMES

Plans and specifications for the improvements are those prepared by Zumwalt-Hansen & Associates and San Joaquin Valley Home for the City Engineer. These plans and specifications have been filed separately with the Clerk of the Legislative Body and are incorporated in this report by reference.

### EXHIBIT "B"

# CITY OF HANFORD ENGINEER'S REPORT

# ASSESSMENT DISTRICT RESTRUCTURE NO. 21-01-A FISCAL YEAR 2021-2022

# ESTIMATED ASSESSMENTS TRACT 928 UNIT I & II – SAN JOAQUIN VALLEY HOMES

ITE <u>NO</u>		DESCRIPTION	FY 2021-2022 ESTIMATE UNITS	R.	ATE	A	<u>MOUNT</u>
A.	MA	AINTENANCE COSTS					
	1.	Landscape and Irrigation System along Centennial Drive, W. Sangiovese Street, and Park (Labor and Materials)	170,347 SF ±	\$	0.3/SF	\$	51,104.10
	2.	Decorative Block Walls along W. Sangiovese Street, Centennial Drive, (Labor and Materials)	3,366LF ±	\$	0.50/LF	\$	1,682.67
	3.	Water Usage (\$150/mo./Service x 12 = \$1800.00/Service)	Five services	\$	1,800.00/ea	\$	9,000.00
	4.	Electricity Usage (\$30/mo./Meter x 12 = \$360.00/Meter)	Five meters	\$	360.00/ea	\$	1,800.00
	5.	Street Light Usage (\$12/Lt./Mo. x 12 = \$144.00/Lt./Yr.)	28 St. Lights	\$	144.00/Lt./Yr	\$	4,032.00
B.	INC	CIDENTAL COSTS/FORMATION COSTS					
	1. 2. 2.	Staff Preparation of Documents Notice of Public Hearing Collection of Assessment				\$	325.00 75.00 121.00
TOTAL ANNUAL SUBDIVISION ASSESSMENT AMOUNT						<u>\$</u>	<u>67,989.77</u>
LOTS 1 THROUGH 99 SHALL ASSESSED, TOGETHER WITH THE DESIGNATED REMAINDER PARCEL OF TRACT 928:  \$ 60							

C. ADJUSTMENT FOR INFLATION IN ACCORDANCE WITH CALIFORNIA GOVERNMENT CODE SECTION 53739(b)(1).

The Annual Total Subdivision Assessment Amount will be adjusted for inflation on an annual basis in accordance with the following formula:

Commencing with the calendar year 2021-2022, and January 1 of each calendar year ("Adjustment Date") thereafter during the life of the District, the Total Annual Subdivision Assessment Amount for the next fiscal year shall be an amount equal to the greater of:

- (i) the Total Annual Subdivision Assessment amount in effect immediately prior to the Adjustment Date, or
- (ii) the product obtained by multiplying the Total Annual Subdivision Assessment in effect immediately prior to the Adjustment Date by a fraction, the numerator of which is the Index published nearest but prior to the Adjustment Date and the denominator of which is the Index published nearest but prior to January 1 of the first year the Subdivision Assessment became effective.

The term "Index" means the Consumer Price Index for Urban Wage Earners and Clerical Workers, San Francisco-Oakland-San Jose Consolidated Statistical Area, 1982-1984, equals 100, published by the Bureau of Labor Statistics of the United States Department of Labor. If the Bureau of Labor Statistics revises the Index, the Bureau of Labor Statistics will be the sole judge of the comparability of successive indexes, but if that agency fails to supply indexes that it deems comparable or if no succeeding index is published, the City shall determine an appropriate alternative published price index.

### EXHIBIT "C"

# ASSESSMENT ROLL AND ASSESSMENT DISTRICT RESTRUCTURE NO. 21-01-A

# TRACT 928 UNIT I & II – SAN JOAQUIN VALLEY HOMES

ASSESSMENT	AMOUNT OF	PROPERTY DESCRIPTION OR
NUMBER	ASSESSMENT	ASSESSOR PARCEL NUMBER
1 Through 56	\$679.90	Lot 1 through 56, Tract 928, Unit I
57 Through 99	\$679.90	Lot 57 Through 99, Tract 928, Unit I
100	\$679.90	Tract 928, Remainder

Total Assessment: \$ <u>67,989.77</u>

\*NOTE: Assessment amount for 1 Through 56 have been previously included Landscape Assessment District No. 21-01 (Tract 928 Unit I)

### EXHIBIT "D"

### METHOD OF APPORTIONMENT OF ASSESSMENT

# ASSESSMENT DISTRICT RESTRUCTURE NO. 21-01-A (Pursuant to the Landscaping and Lighting Act of 1972)

### TRACT 928 UNIT I & II – SAN JOAQUIN VALLEY HOMES

NOTE: Assessment District Restructure No. 21-01-A is the first modification of Landscape Assessment District No. 21-01.

The method of apportionment of Landscape Assessment District 21-01 maintenance costs is as follows:

100% of the maintenance costs divided equally between Lots 1 through 99 and the Remainder.

# PROPERTY OWNERS LIST

# ASSESSMENT DISTRICT RESTRUCTURE NO. 21-01-A

# TRACT 928 UNIT I & II– SAN JOAQUIN VALLEY HOMES

ASSESSMENT		OWNERS
NUMBERS	PROPERTY DESCRIPTIONS	NAME AND ADDRESS
1 through 100	Tract 928 Unit I & II & Remainder	San Joaquin Valley Homes 5607 Avenida De Los Robles Visalia, CA 93291

EXHIBIT "E"

# ALL PARCELS OF REAL PROPERTY WITHIN THE ASSESSMENT DISTRICT TRACT 928 UNIT 1 AND UNIT 2

### TRACT 928, UNIT 1

AREA 1 - 2.60 ACRES (Basin)

AREA 2 - 27,485 SQ. FT.

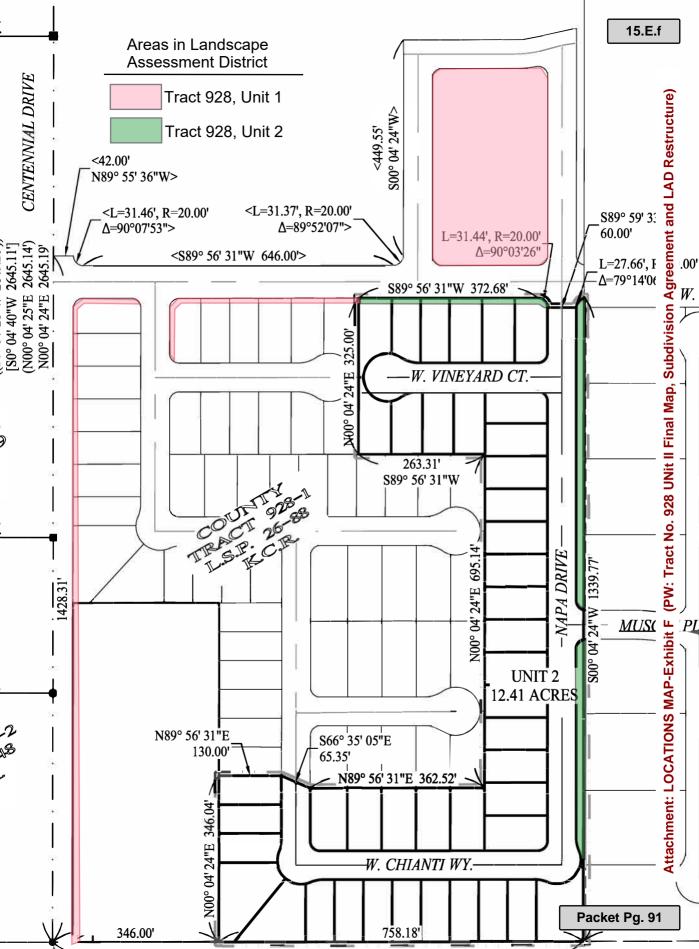
AREA 3 - 6,883 SQ. FT.

### TRACT 928, UNIT 2

LOT A – 9,068 SQ. FT.

LOT B – 12,831 SQ. FT.

LOT C - 5,876 SQ. FT.





### AGENDA STAFF REPORT

MEETING DATE: 10/5/2021 AGENDA SECTION: F

### SUBJECT:

Public Works: Authorization to purchase street right-of-way, located on the north east corner of Emma Lee Lane and Grangeville Boulevard, in the amount of \$20,800 plus escrow fees; Approve acceptance of the Grant Deed and Authorization for the City Manager to execute and the City Clerk to attest and file said deeds with the Kings County Recorder's Office, and accept the attached Purchase and Sale Agreement and authorize City staff to execute said agreement. (008-450-011 & 008-450-012).

### **RECOMMENDATION:**

That the City Council, by motion:

- 1. Authorize the purchase of street right-of-way located on the north east corner of Emma Lee Lane and Grangeville Boulevard, as shown on the attached map, in the amount of \$20,800.00 plus escrow fees. Property appraisal is attached for council review.
- 2. Accept the attached Grant Deed and authorize the City Manager to execute and the City Clerk to attest and file said deeds with the Kings County Recorder's Office.
- 3. Accept the attached Purchase and Sale Agreement and authorize City staff to execute said agreement.

### **BACKGROUND:**

City staff is preparing construction plans and coordinating the acquisition of street right of way necessary for the road widening along Emma Lee Lane, from Grangeville Boulevard to Jana Way. The right of way is necessary for development of street improvements, including curb ramps, utility relocations, and the installation of sidewalks and curb and gutters.

### **FISCAL IMPACT:**

The FY 21 Capital Improvement Program Budget provides \$635,000 for construction, including contingencies. A copy of the Budget page is attached for Council review.

### **ATTACHMENTS:**

Purchase and Sale Agreement (008-450-011 & 012) Grant Deed (008-450-011 & 012) Appraisal 862 W. Grangeville Blvd. (011) Appraisal 1737 Emma Lee Ln. (012) Emma Lee Lane Reconstruction Budget Emma Lee Lane Crossing & Lift Pump Budget PARCEL NO.: 008-450-012 and 008-450-011

PROJECT: City of Hanford – Emma Lee Lane Reconstruction OWNER: William L. Young, Robert D. Young and Thomas H. Young

### PURCHASE AND SALE AGREEMENT

THIS AGREEMENT is made and entered into by and between

William L. Young, a married man as his sole and separate property, as to an undivided 33.34% interest; Robert D. Young, a married man as his sole and separate property, as to an undivided 33.33% interest; Thomas H. Young, a single man as his sole and separate property, as to an undivided 33.33% interest, all as Tenants in Common

(hereinafter called "Grantor"), and

The City of Hanford, a Municipal Corporation,

(hereinafter called "City").

Instruments in the form of a Grant Deed ("Deed") covering the property particularly described therein ("Property"), will be executed concurrently with this Agreement and delivered to City representatives.

In consideration of which, and other considerations hereinafter set forth, it is mutually agreed as follows:

1. The parties have herein set forth the whole of their agreement. The performance of this Agreement constitutes the entire consideration for said document and shall relieve the City of all further obligation or claims on this account, or on account of the location, grade or construction of the proposed public improvement, except as stated in Paragraphs 2.E. and 2.F. below.

### 2. The City shall:

- A. <u>PAYMENT</u> Pay to the order of the Grantor the sum of \$20,800 as consideration in full for the Property, for the loss, replacement and moving of any improvements, and for entering into this Agreement. Said sum shall be paid when title to the Property has vested in City free and clear of all liens, encumbrances, assessments, easements and leases recorded or unrecorded, except for recorded public utility easements and public right of way.
- B. <u>RECORDATION OF INSTRUMENT</u> Accept the Deed and cause the same to be recorded in the office of the Kings County Recorder at such time as when clear title can be conveyed.
- C. <u>MISCELLANEOUS COSTS</u> Pay any escrow, title insurance, and recording fees incurred in this transaction. City shall relocate all mailboxes (1 EA), chain link fencing (129 LF),

and gates (3 EA) across both properties, and shall be in fully working condition, in-kind to current or better condition. The oleander trees/bushes that are to be removed shall be given to the owner for replanting if desired. Otherwise they will be removed completely by the City. The City shall replace or relocate any irrigation sprinklers within the acquired property to just outside of the property line and shall be restored to fully working condition, in-kind to current or better condition. While existing fence is being relocated, temporary fencing shall be provided by the City. Additionally, where not already present, the City will install new vinyl privacy slats into existing chain link fence along properties edge.

- D. <u>CLEARANCE OF BONDS</u>, <u>ASSESSMENTS</u>, <u>OR DELINQUENT TAXES</u> Have the authority to deduct and pay from the amount shown in Clause 2.A. above any amount necessary to satisfy any bond demands and delinquent taxes due in any year except the year in which the Deeds record, together with penalties and interest thereon, and/or delinquent and unpaid non-delinquent assessments which have become a lien as of the date of recordation of the Deeds.
- E. <u>CONSTRUCTION AND RESTORATION</u> The City shall, upon completion of construction, generally restore Grantor's remaining real property to a comparable or better condition than that which existed prior to City's project construction, to the extent reasonably practical. At no expense to the Grantor and at the time of construction, City will reconnect Grantor's existing driveway(s) to the adjacent public road at their present location and will relocate any impacted fences to the new right of way line. Upon completion of construction of said driveway(s), it/they will be considered as an encroachment under permit onto the adjacent public road, and is/are to be maintained, repaired and operated as such by Grantor in accordance with and subject to the laws, rules, and regulations of the public entity controlling said road.

Permission is hereby granted to City or its authorized agent to enter on Grantor's land to conform and reconnect Grantor's driveway(s) and relocate any fences as described herein. Grantor understands and agrees that after completion of the work described, said driveway(s) and fences will be considered as Grantor's sole property and Grantor will be responsible for their future maintenance and repair.

- F. <u>INDEMNIFICATION</u> Indemnify and hold harmless Grantor from any and all claims, damages, costs, judgments, or liability proximately caused by City or its officers, employees, or agents specifically arising from City construction and restoration work on the Property.
  - 3. The Grantor:
- A. <u>PAYMENT ON MORTGAGE OR DEED OF TRUST</u> Agrees that any or all monies payable under this Agreement up to and including the total amount of the unpaid principal and interest on the note(s) secured by mortgage(s) or deed(s) of trust, if any, and all other amounts due and payable in accordance with the terms and conditions of said mortgage(s) or deed(s) of trust, shall upon demand(s) be made payable to the mortgagee(s) or beneficiary(s) entitled thereunder. Grantor shall cooperate with the Escrow Officer in obtaining lien clearance documents from any and all creditors holding liens against the Property.

- B. <u>LEASE INDEMNIFICATION</u> Warrants there are no oral or written leases on all or any portion of the Property, or if there are such leases, Grantor agrees to hold the City harmless and reimburse City for any and all of its losses and expenses occasioned by reason of any lease of said Property held by tenant of Grantor.
- C. <u>PERMISSION TO ENTER</u> Hereby grants to the City, its agents and contractors, permission to enter the Property prior to the close of escrow for the purposes of preparation for the construction of the City's facilities, subject to all applicable terms and conditions contained in this Agreement and the associated Deed.
- D. <u>TITLE INDEMNITY AND WARRANTY</u> In consideration of the City waiving the requirements to clear any defects and imperfections in all matters of record title, the Grantor indemnifies and holds the City harmless from any and all claims that other parties may make or assert on the title to the Property. Grantor's obligation to indemnify the City shall not exceed the amount paid to the Grantor under this Agreement. Grantor hereby represents and warrants that he/she/they are the sole vested owners of the Property, holding all ownership and possessory rights, and are the authorized signatories to grant the rights referenced in this Agreement without conflict or claims from other parties.
- E. <u>HAZARDOUS SUBSTANCES</u> Represents and warrants, to the best of Grantor's knowledge, and after reasonable inquiry, the following:

During Grantor's ownership of the Property, Grantor knows of no disposal, releases, or threatened releases of hazardous substances on, from, or under the Property or Grantor's remaining adjacent property. Grantor further represents and warrants that Grantor has no knowledge of disposal, release, or threatened release of hazardous substances on, from, or under the Property, or Grantor's remaining adjacent property, which may have occurred prior to Grantor's ownership.

There is no pending claim, lawsuit, agency proceeding, or any administrative challenge concerning the presence or use of hazardous substances on or within the Property or Grantor's remaining adjacent property.

Grantor has not used the Property, or Grantor's remaining adjacent property, for any industrial operations that use hazardous substances. Grantor is not aware of any prior use of such property. Grantor has not installed any underground storage tanks, above ground storage tanks, barrels, sumps, impoundments or other containers used to contain hazardous substances on any part of the Property or Grantor's remaining adjacent property. Grantors are not aware of any such prior installations. The purchase price of the Property being acquired reflects the fair market value of the Property without the presence of contamination. If the Property is found to be contaminated by the presence of hazardous substances which require mitigation under Federal or State law, City may elect to recover its cleanup costs from those who caused or contributed to the contamination.

F. <u>TAX REPORTING AND WITHHOLDING</u> - The Foreign Investment in Real Property Tax Act of 1980 ("FIRPTA"), as amended by the Tax Reform Act of 1984, places special requirements for tax reporting and withholding on the parties to a real estate transaction

APN: 008-450-012 & 011

where the transferor (Grantor) is a non-resident alien or non-domestic corporation or partnership, or is a domestic corporation or partnership controlled by a non-resident or non-resident corporation or partnership. In accordance with the provisions of Section 1445 of the Internal Revenue Code of 1954, as amended, and any regulations promulgated thereunder, Grantor shall execute an affidavit under penalty of perjury setting forth Grantor's name, address, federal tax identification number, and certifying whether Grantor is a "foreign person" in accordance with the provisions of the Internal Revenue Code. Further, tax withholding may be required in accordance with the California Revenue and Taxation Code Section 18662. It is specifically understood and agreed by Grantor that closing of this escrow is subject to, and contingent upon, deposit into escrow of a FIRPTA Affidavit of Non-Foreign Status and a California Form 593-C, Real Estate Withholding Certificate and associated required paperwork, completed and signed by Grantor, and Escrow Agent is hereby authorized and instructed to withhold from Grantor's proceeds amounts so required by these laws and to forward any amounts withheld to the appropriate taxing authority.

### 4. The Parties agree:

APN: 008-450-012 & 011

A. <u>ESCROW</u> - At City's option, to open an escrow in accordance with this Agreement at an escrow company of City's choice. Opening an escrow shall be at City's sole discretion and City may decide to process this transaction without the use of an escrow agent. However, if an escrow agent is utilized, this Agreement constitutes the joint escrow instructions of City and Grantor, and the escrow agent to whom these instructions are delivered is hereby empowered to act under this Agreement. The parties hereto agree to do all acts necessary to close this escrow in the shortest possible time.

If an escrow is utilized, as soon as possible after opening of escrow, City will deposit the executed Deeds by Grantor, with Certificate of Acceptance attached, with the escrow agent on Grantor's behalf. City agrees to deposit the purchase price upon demand of escrow agent. City and Grantor agree to deposit with escrow agent all additional instruments as may be necessary to complete this transaction. All funds received in this escrow shall be deposited with other escrow funds in a general escrow fund account(s) and may be transferred to any other such escrow trust account in any State or National Bank doing business in the State of California. All disbursements shall be made by check or wire transfer from such account.

Any taxes which have been paid by Grantor, prior to opening of this escrow, shall not be pro-rated between City and Grantor, but Grantor shall have the sole right after close of escrow, to apply to the County Tax Collector of said County for any refund of such taxes which may be due Grantor for the period after City's acquisition.

- i) <u>ESCROW AGENT DIRECTIVES</u> Escrow Agent is authorized to, and shall:
  - a) Pay and charge Grantor for any unpaid delinquent taxes and/or any penalties and interest thereon, and for any delinquent assessments or bonds against that portion of Grantor's property subject to this transaction as required to convey clear title.
  - b) Pay and charge City for any escrow fees, charges and costs payable under

## Paragraph 2.C. of this Agreement;

- c) Disburse funds and deliver Deeds when conditions of this escrow have been fulfilled by City and Grantor.
- d) Following recording of Deeds from Grantor, if requested by City, provide City with a CLTA Standard Coverage Policy of Title Insurance in the amount of \$20,800 issued by Title Company of City's choice showing that title to the Property is vested in City, subject only to the following exceptions, and the printed exceptions and stipulations in said policy:
  - 1) Real Property Taxes for the fiscal year in which escrow closes;
  - 2) Public utility easements and public rights of way;
  - 3) Other items that may be approved in writing by City in advance of the close of escrow.
- ii) <u>CLOSE OF ESCROW</u> The term "close of escrow", if and where written in these instructions, shall mean the date necessary instruments of conveyance are recorded in the office of the County Recorder. Recordation of instruments delivered through this escrow is hereby authorized.
- B. <u>MISCELLANEOUS REALTY ITEMS ACQUIRED</u> Payment in Clause 2.A. includes, but is not limited to, payment for 287 sq. ft. of fencing, gates, mailbox, concrete, shrubs and trees from APN 008-450-011 and 412 sq. ft. of fencing and a gate from APN 008-450-012, which are considered to be part of the realty and are being acquired by City in this transaction.
- C. <u>JUDGMENT IN LIEU OF DEED</u> In the event Grantor does not deliver title in a reasonable time under the terms of the Agreement, the City may file an action in eminent domain to pursue the acquisition of the Property, and this Agreement shall constitute a stipulation which may be filed in said proceedings as final and conclusive evidence of the total amount of damages for the taking, including all of the items listed in Section 1260.230 of the Code of Civil Procedure, regarding said property rights.
- D. <u>ARTICLE HEADINGS</u> Article headings in this Agreement are for convenience only and are not intended to be used in interpreting or construing the terms, covenants and conditions of this Agreement.
- E. <u>COMPLETE UNDERSTANDING</u> This Agreement constitutes the entire understanding between the parties with respect to the subject matter hereof, superseding all negotiations, prior discussions, and preliminary agreements or understandings, written or oral. This Agreement may not be amended except in writing by the parties hereto or their successors or assigns.
- F. <u>CITY COUNCIL APPROVAL</u> This Agreement is subject to and conditioned upon approval by the Hanford City Council. This Agreement is not binding upon the City until executed by the appropriate City official(s) acting in their authorized capacity.

- G. <u>COUNTERPARTS</u> This Agreement may be executed in counterparts, each of which so executed shall irrespective of the date of its execution and delivery be deemed an original, and all such counterparts together shall constitute one and the same document.
- H. <u>ELECTRONIC AND FACSIMILE SIGNATURES</u> In the event that the parties hereto utilize electronic or facsimile documents which include signatures, such documents shall be accepted as if they bore original signatures provided that documents bearing ORIGINAL SIGNATURES are provided following transmittal of the electronic or facsimile signature. Documents for recordation by the Clerk Recorder must contain original signatures.
- I. <u>NO THIRD-PARTY BENEFICIARIES INTENDED</u> Unless specifically set forth, the parties to this Agreement do not intend to provide any other party with any benefit or enforceable legal or equitable right or remedy.
- J. <u>BINDING EFFECT</u> This Agreement shall inure to the benefit of and constitute a binding obligation upon the successors and assigns of the parties hereto.

No Obligation Other Than Those Set Forth Herein Will Be Recognized	No	<b>Obligation</b>	Other	Than	<b>Those</b>	Set	Forth	Herein	Will	Be	Recognize
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By: Effican C- Chris	Date: 7-27-21
William L. Young	
By: Robert D. Young	Date: 7-28-21
By: 7cm Young Thomas H. Ydung	Date: 7,28-21

### **GRANTOR'S ADDRESS:**

. -t.

William L. Young, Robert D. Young and Thomas H. Young 862 W Grangeville Boulevard Hanford, CA 93230

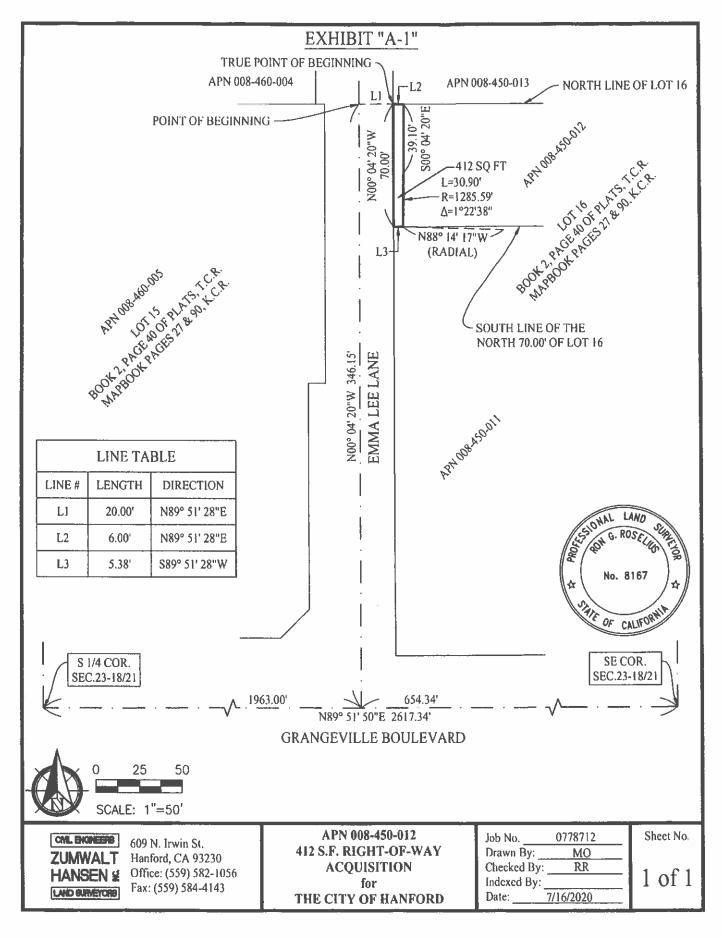
CITY OF HANFOR
----------------

By:		Date:	
	Name:		
	Title:		

### MAILING ADDRESS OF CITY:

The City of Hanford, Public Works Department, 900 S. 10th Avenue, Hanford, CA 93230

APN: 008-450-012 & 011



#### EXHIBIT "A"

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**BEGINNING** AT THE NORTHWEST CORNER OF SAID LOT 16, SAID NORTHWEST CORNER LIES AT THE CENTERLINE OF THE 40.00 FOOT WIDE ROADWAY AS SHOWN ON SAID MAPS, THE ROADWAY IS NOW KNOWN AS EMMA LEE LANE:

THENCE NORTH 89°51'28" EAST, ALONG THE NORTH LINE OF SAID LOT 16, A DISTANCE OF 20.00 FEET TO THE EAST LINE OF EMMA LEE LANE ALSO BEING THE TRUE POINT OF BEGINNING:

THENCE CONTINUING NORTH 89°51'28" EAST, ALONG THE NORTH LINE OF SAID LOT 16, A DISTANCE OF 6.00 FEET:

THENCE SOUTH 00°04'20" EAST, ALONG A LINE 26.00 FEET EAST OF AND PARALLEL WITH LAST SAID CENTERLINE, A DISTANCE OF 39.10 FEET TO A POINT OF CURVATURE:

THENCE SOUTHERLY ALONG A TANGENT 1285.59 FOOT RADIUS CURVE TO THE RIGHT, CONCAVE TO THE WEST, THROUGH A CENTRAL ANGLE OF 1°22'38", A DISTANCE OF 30.90 FEET, TO A POINT ON THE SOUTH LINE OF SAID NORTH 70.00 FEET;

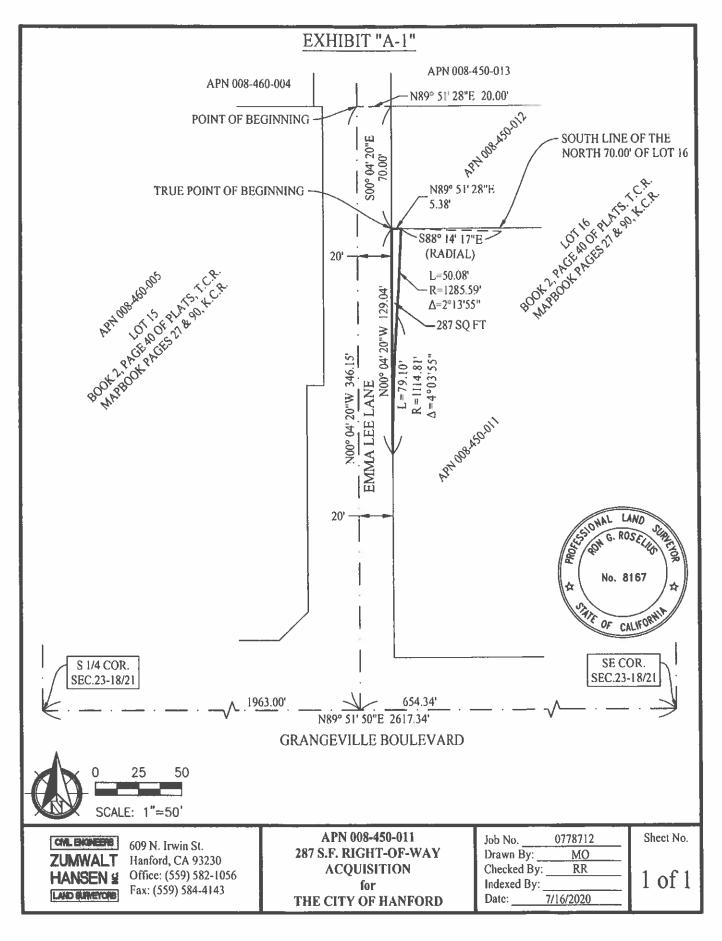
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CONTAINING 412 SQUARE FEET, MORE OR LESS.

ATTACHED HERETO IS A PLAT LABELED EXHIBIT "A-1" AND BY THIS REFERENCE MADE A PART HEREOF.

**END OF DESCRIPTION** 



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**END OF DESCRIPTION** 

RECORDING REQUESTED BY AND WHEN RECORDED RETURN TO:

CITY OF HANFORD 900 S. 10<sup>th</sup> Ave. Hanford, CA 93230

SEND TAX STATEMENTS TO:

CITY OF HANFORD 315 N. Douty Street Hanford, CA 93230

# **GRANT DEED**

Exempt from Recording Fees Pursuant to Gov. Code Section 27383 and Documentary Transfer Tax Pursuant to Revenue and Taxation Code Section 11922

☐ Computed on full value of property conveyed, or
☐ Computed on full value less liens & encumbrances
remaining thereon at time of sale.
Signature of declarant or agent determining tax, firm name

Assessor's Parcel Nos. 008-450-012 and 008-450-011 X City of Hanford County of Kings

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, William L. Young, a married man as his sole and separate property, as to an undivided 33.34% interest; Robert D. Young, a married man as his sole and separate property, as to an undivided 33.33% interest; Thomas H. Young, a single man as his sole and separate property, as to an undivided 33.33% interest, all as Tenants in Common, hereby GRANT(S) to the City of Hanford, a municipal corporation, the following described real property in the County of Kings, State of California:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART OF HEREOF

Dated:		
	WILLIAM L. YOUNG	
	ROBERT D. YOUNG	
	THOMAS H. YOUNG	

Page 1 of 4

# CERTIFICATION OF ACCEPTANCE

This is to certify that the interior	erest in real property conveyed by this to the City of Hanford, a munic	
hereby accepted by order of the Councille Grantee consents to the recordation	cil of said City of Hanford on	, 20 and
DATED:		
	MARIO CIFUENTEZ, II	. City Manager

# EXHIBIT "A"

The real property located in the County of Kings, State of California, more particularly described as follows:

Property Addresses. 1737 Emma Lee Lane, Hanford, CA 93230 and 862 W. Grangeville Blvd., Hanford, CA 93230

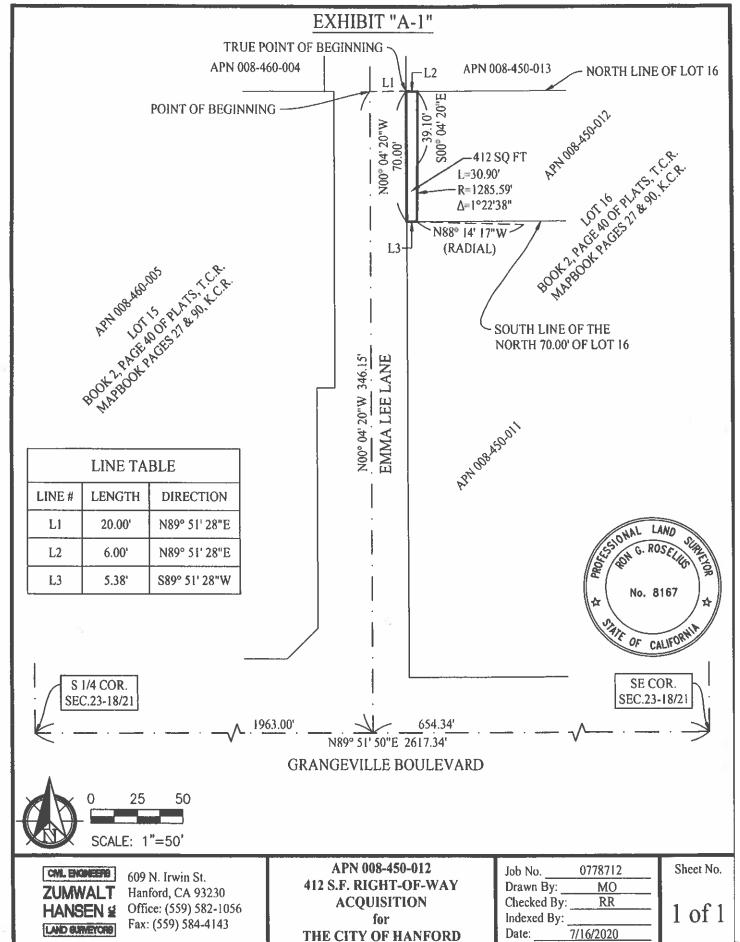
Kings County Assessor's Parcel Numbers 008-450-012 and 008-450-011

# SEE ATTACHED

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA ) ) ss.
COUNTY OF KINGS )
On August, 20, before me,, a notary
public, personally appeared, who proved to me on the
basis of satisfactory evidence to be the person(s) whose name is/are subscribed to the within
instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized
capacity(ies) and that by his/her/their signature on the instrument the person(s) or the entity(ies)
upon behalf of which the person(s) acted, executed the instrument
I certify under PENALTY OF PERJURY under the laws of the State of California that the
foregoing paragraph is true and correct.
WITNESS my hand and official seal.
(SEAL)
, NOTARY PUBLIC





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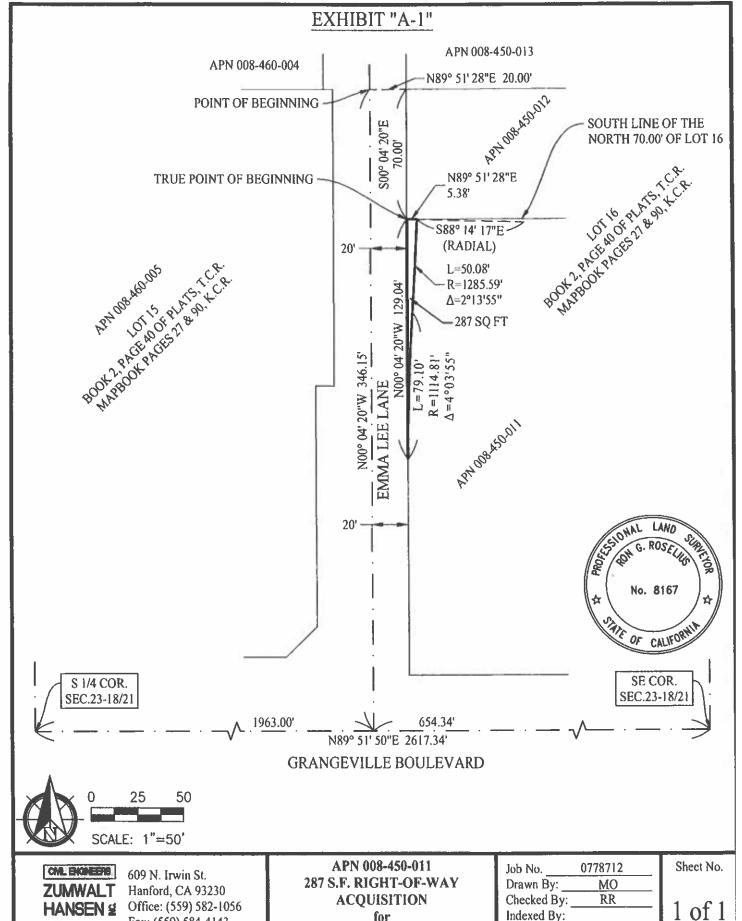
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CONTAINING 412 SQUARE FEET, MORE OR LESS.

ATTACHED HERETO IS A PLAT LABELED EXHIBIT "A-I" AND BY THIS REFERENCE MADE A PART HEREOF.



for

THE CITY OF HANFORD

Fax: (559) 584-4143

LAND SURVEYORS

Indexed By:

7/16/2020

Date:

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Phone: (559) 582-9112 1306 N. Irwin Street Fax: (559) 582-9114

Hanford, CA 93230

# SUMMARY OF THE BASIS FOR THE AMOUNT ESTABLISHED AS FAIR MARKET VALUE

The following is a summary of the basis for the appraised value I concluded for the subject property. The appraisal was prepared to comply with Code of Civil Procedure Section 1255.010 and to assist the City of Hanford in acquiring property by negotiated agreement with Owners, so as to avoid litigation, relieve congestion in the courts, and assure consistent treatment for Owners as required by Government Code Section 7267. The appraisal was made in accordance with accepted appraisal principles, consistent with California valuation law. A statement of the appraisal process, which was the basis for the valuation conclusions, follows:

Date of Appraisal:	September 30, 2020				
Date of Valuation Used (Effective Date):	September 4, 2020				
Fair Market Value of the Acquisition:	\$13,200				
Project Identification:	Emma Lee Lane ROW				
Record Owner:	William L. Young, a married man as his sole and				
	separate property, as to undivided 33.34% interest;				
	Robert D. Young, a married man as his sole and				
	separate property, as to an undivided 33.33%				
	interest; and Thomas H. Young, a single man, as to an				
	undivided 33.33% interest, as Tenants in Common.				
Assessor's Parcel Number (Larger Parcel):	008-450-011				
Larger Parcel Size	27,878 square feet				
Property Address:	862 W Grangeville Boulevard				
	Hanford, Ca 93230				
Sales History:	Not sold in prior three years. Not listed for sale.				
Price paid:	NA				
Interest being considered for acquisition:	Fee acquisition (see attached map)				
Buildings or improvements	Single-family residence and a commercial building.				
	The building improvements are not affected by the				
	acquisition.				
Area of property to be acquired:	287 square feet				
Temporary Construction Easement:	None				
Improvements in the acquisition:	Site improvements including fencing, gates, mailbox,				
	concrete, shrubs and trees.				
Severance Damage:	Subject to the extraordinary assumptions.				
Topography:	Near street grade.				
Shape:	Rectangular				
Access:	Emma Lee Lane & Grangeville Boulevard.				
Utilities:	Municipal				
Offsite Improvements:	None along Emma Lee Lane. Curb, gutter and				
	sidewalk along Grangeville Boulevard.				

<u>Hypothetical Condition:</u> For purposes of valuing the remainder, the acquisition is assumed to have been completed.

**Extraordinary Assumption:** I have assumed the City of Hanford will leave the remainder frontage in similar or better condition to what currently exists, including a driveway approach and reconnection to any existing utilities.

## **Highest and Best Use Analysis**

Highest and best use is "the reasonably probable use of a property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity." Highest and best use analysis is used in the appraisal process to identify comparable properties and, where applicable, to determine whether the existing improvements should be retained, renovated, or demolished. The results of the highest and best use analysis are as follows:

Present Use:	Residence & commercial
Applicable Zoning:	C-N (Neighborhood Commercial)
Probability of a Zone Change:	Minimal
Applicable general plan designation:	C-N (Neighborhood Commercial)
Highest and Best Use as Vacant:	Commercial development
Highest and Best Use as Improved	As improved

<u>Acquisition:</u> The acquisition runs along the western edge of the subject property and is a total of 287 square feet. The acquisition is a triangular sliver and encompasses underlying land and site improvements. No damages to the building improvements result from the acquisition; therefore, only the underlying land value is established, in addition to the site improvements lost in the fee acquisition. Items within the fee include, fencing, two gates, oleander plantings, mailbox and a portion of the concrete driveway.

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<sup>&</sup>lt;sup>1</sup> The Dictionary of Real Estate, 6th Edition; Pg. 109



Improvements within the acquisition that cannot be replaced include approximately 15 oleander plantings and 54 square feet of concrete. Marshall Valuation Service and the 2020 Assessor's Handbook were utilized to determine the value.

Improvements Lost in Fee Acquisition									
Size Unit Cost New /Unit Total Cost % Depreciated Value									
Concrete drive	54	S.F.	\$6.00	\$324	50%	\$162			
Oleander/Bushes	15	Plants	\$250.00	\$3,750	0%	\$3,750			
Total \$:									

Improvements in the acquisition that can be reconstructed or relocated include fencing, gates, and a mailbox. Entrepreneurial profit is added to the total as incentive. These items are included in the following chart:

Cost to Replace Improvements In the Fee Acquisition			
Mailbox relocation	\$500		
Chain link fencing, 79 Linear Feet	\$1,580		
Two rolling gates	\$3,000		
Sub-total	\$5,080		
Profit @ 15%	\$762		
Total	\$5,842		

## **Underlying Land Value**

The sales comparison approach is one of the three accepted approaches value. The income capitalization approach and the cost approach were not considered to be applicable to this appraisal problem. The sales comparison approach is used to derive a value by comparing the property being appraised to similar properties that have recently sold. This is the preferred method of valuation when good data is available. The following sales were utilized to determine fair market value of the underlying land.

	COMPARABLE LAND SALES							
	Sale 1	Sale 2	Sale 3	Sale 4	Sale 5			
Location	East side of	NWC of Garner	629 West 6th	NEC 11th	2584 N 10th			
	11th Avenue,	Avenue and	Street	Avenue and	Avenue			
	north of Lacey	Goleta Way		Fargo Avenue				
	Boulevard							
City	Hanford	Hanford	Hanford	Hanford	Hanford			
APN	010-510-005	012-250-012	012-070-003 &	007-270-004	007-110-053			
			026					
Buyer	Aahir Group	Salvateirra	Marquez	Love in an	Parker et al			
	Management		Investment Group	Elevator LLC				
	LLC		LLC					
Seller	Ryan	Park	Irons	Blackheart	EM-50 UAV Darco			
				Capital Inc.	LLC			
Date of Sale	June-2018	May-2018	September-2017	February-2017	August-2016			
Source	Broker	Broker	Seller	Buyer	Broker			
Sale Price	\$430,000	\$200,000	\$260,000	\$330,000	\$300,000			
Price/S.F.	\$15.19	\$8.06	\$11.48	\$10.98	\$4.99			
Size (Acres)	0.65	0.57	0.52	0.69	1.38			
Size (S.F.)	28,314	24,829	22,651	30,056	60,113			
Zoning	MX-C	MX-C	MX-D	N-C	N-C			
Off-sites	C, G, & SW	None	Partial C, G & SW	C, G, & SW	C, G, & SW			
Utilities	All Municipal	None	All Municipal	All Municipal	All Municipal			
Orientation	Interior	Corner	Corner	Interior	Interior			
Rating	Superior	Inferior	Similar	Similar	Inferior			

Based on the preceding sales it is my opinion that the subject's underlying land value is \$12.00 per square foot.

Under eminent domain law, the same unit value is applied to the area to be acquired.

Valuation Conclusions: The fair market value of the acquisition is concluded as follows:

			FAIR MAR	KET VA	LUE		i
1	Value of Lar	ger Parcel	27,878	S.F. X	\$12.00	per S.F. =	\$334,536
2	Value of the	part taken					
	Fee	acquisition	287	S.F. X	\$12.00	per S.F. =	-\$3,44
3	Value of the	remainder before the ta	king				\$331,092
4	Value of the remainder after without benefits						
	Rem	Remainder parcel		S.F. X	\$12.00	per S.F. =	\$331,092
	Imp	rovements lost in the acquis	ition				-\$3,912
	Tota	Total value in the after condition					\$327,180
5	Severance D	amages					\$3,912
6	Value of the	Value of the remainder after with benefits					
	No t	penefits					\$327,180
7	Net Damage	s					\$3,912
8	Fair Market	Value					
	Valu	ie of the part taken					\$3,444
	Net	Damages					\$3,912
	Cost	s to Cure					\$5,842
	Fair	Market Value					\$13,198
	Rou	inded					\$13,200

## <u>CERTIFICATION</u>

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting
  of a predetermined value or direction in value that favors the cause of the client, the amount of the
  value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly
  related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.
- I have made a personal inspection of the property that is the subject of this report.
- No one provided significant real property appraisal assistance to the person signing this certification.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, I Jacob Hower have completed the continuing education program for Designated Members of the Appraisal Institute.

Jacob I. Hower, MAI, R/W-AC

Certified General Real Estate Appraiser

California License 3002762 (Expires 11/14/2022)



North view of southern point of the fee acquisition



Mailbox to be relocated

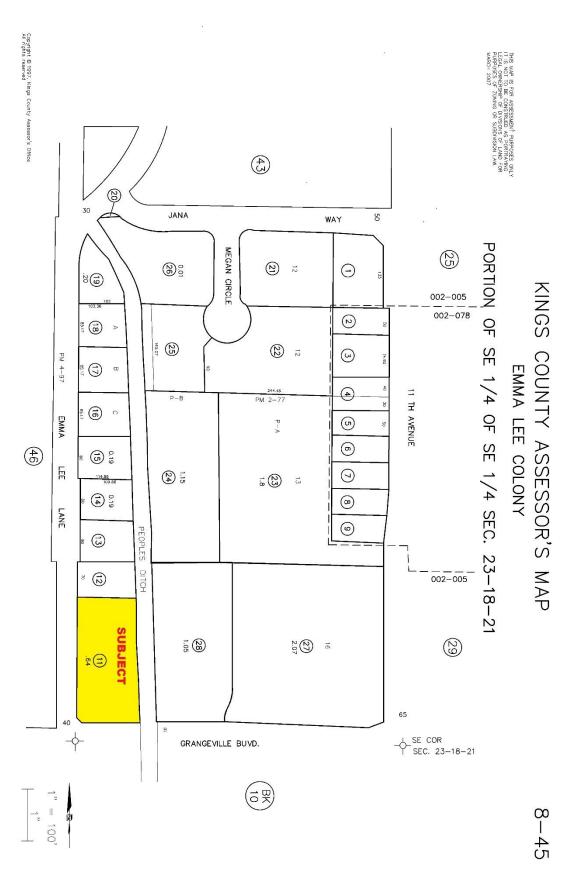


Fencing/gates and oleanders



North end of the fee acquisition





rage **9** of **12** 

## Fee Acquisition Legal Description

#### **EXHIBIT "A"**

THAT PORTION OF LOT 16, LYING WESTERLY OF THE CENTERLINE OF PEOPLES DITCH, AS LOCATED ON APRIL 18, 1945 IN EMMA LEE COLONY, ACCORDING TO THE MAP THEREOF RECORDED IN VOLUME 2, OF PLATS, AT PAGE 40, TULARE COUNTY RECORDS, A HAND COPY OF SAID MAP WAS RECORDED IN THE COUNTY OF KINGS IN THE MAP BOOK AT PAGE 27, AND A TRUE PHOTOGRAPHIC COPY OF SAID MAP RECORDED IN TULARE COUNTY WAS RECORDED IN THE COUNTY OF KINGS IN MAP BOOK AT PAGE 90, SAID PROPERTY LIES IN THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 23, TOWNSHIP 18 SOUTH, RANGE 21 EAST, MOUNT DIABLO BASE AND MERIDIAN, ACCORDING TO THE UNITED STATES GOVERNMENT TOWNSHIP PLAT APPROVED BY THE U. S. SURVEYOR GENERAL'S OFFICE ON MARCH 31, 1855, LYING IN THE CITY OF HANFORD, COUNTY OF KINGS, STATE OF CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

**BEGINNING** AT THE NORTHWEST CORNER OF SAID LOT 16, SAID NORTHWEST CORNER LIES AT THE CENTERLINE OF THE 40.00 FOOT WIDE ROADWAY, AS SHOWN ON SAID MAP, THE ROADWAY IS NOW KNOWN AS EMMA LEE LANE:

THENCE NORTH 89°51'28" EAST, ALONG THE NORTH LINE OF SAID LOT 16, A DISTANCE OF 20.00 FEET TO A POINT ON THE EAST LINE OF EMMA LEE LANE;

THENCE SOUTH 00°04'20" EAST, ALONG THE EAST LINE OF EMMA LEE LANE, BEING A LINE 20.00 FEET EAST OF AND PARALLEL WITH THE CENTERLINE OF EMMA LEE LANE, A DISTANCE OF 70.00 FEET TO A POINT ON THE SOUTH LINE OF THE NORTH 70.00 FEET OF SAID LOT 16, ALSO BEING THE TRUE POINT OF BEGINNING;

THENCE NORTH 89°51'28" EAST, ALONG THE LAST SAID SOUTH LINE, A DISTANCE OF 5.38 FEET, TO THE BEGINNING OF A NON TANGENT CURVE;

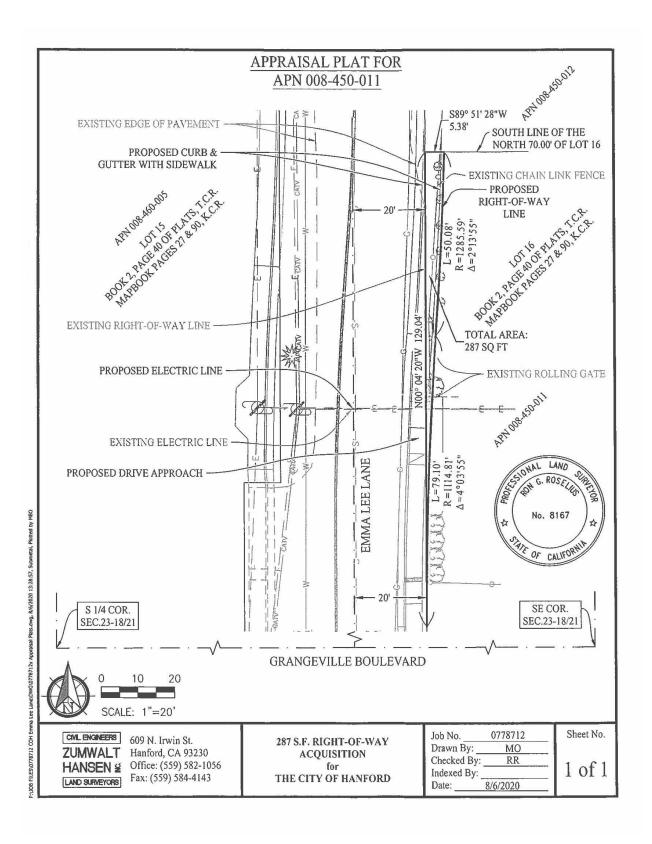
THENCE SOUTHERLY ALONG A NON TANGENT 1285.59 FOOT RADIUS CURVE TO THE RIGHT, CONCAVE TO THE WEST, A RADIAL BEARING TO SAID POINT BEARS SOUTH 88°14'17" EAST, THROUGH A CENTRAL ANGLE OF 2°13'55", A DISTANCE OF 50.08 FEET TO A POINT OF REVERSE CURVATURE;

THENCE SOUTHERLY ALONG A TANGENT 1114.81 FOOT RADIUS CURVE TO THE LEFT, CONCAVE TO THE EAST, THROUGH A CENTRAL ANGLE OF 4°03′55", A DISTANCE OF 79.10 FEET, TO A POINT ON THE EAST LINE OF EMMA LEE LANE;

THENCE NORTH 00°04'20" WEST, ALONG A LINE 20.00 FEET EAST OF AND PARALLEL WITH SAID CENTERLINE, ALSO BEING THE EAST LINE OF SAID EMMA LEE LANE, A DISTANCE OF 129.04 FEET TO THE TRUE POINT OF BEGINNING.

CONTAINING 287 SQUARE FEET, MORE OR LESS.

ATTACHED HERETO IS A PLAT LABELED EXHIBIT "A-1" AND BY THIS REFERENCE MADE A PART HEREOF.



Page 11 of 12

End of Report



Phone: (559) 582-9112 1306 N. Irwin Street Fax: (559) 582-9114

Hanford, CA 93230

# SUMMARY OF THE BASIS FOR THE AMOUNT ESTABLISHED AS FAIR MARKET VALUE

The following is a summary of the basis for the appraised value I concluded for the subject property. The appraisal was prepared to comply with Code of Civil Procedure Section 1255.010 and to assist the City of Hanford in acquiring property by negotiated agreement with Owners, so as to avoid litigation, relieve congestion in the courts, and assure consistent treatment for Owners as required by Government Code Section 7267. The appraisal was made in accordance with accepted appraisal principles, consistent with California valuation law. A statement of the appraisal process, which was the basis for the valuation conclusions, follows:

Date of Appraisal:	September 30, 2020
Date of Valuation Used (Effective Date):	September 4, 2020
Fair Market Value of the Acquisition:	\$4,600
Project Identification:	Emma Lee Lane ROW
Record Owner:	William L. Young, a married man as his sole and separate property, as to undivided 33.34% interest; Robert D. Young, a married man as his sole and separate property, as to an undivided 33.33% interest; and Thomas H. Young, a single man, as to an undivided 33.33% interest, as Tenants in Common.
Assessor's Parcel Number (Larger Parcel):	008-450-012
Larger Parcel Size	8,050 square feet
Property Address:	1737 Emma Lee Lane Hanford, Ca 93230
Sales History:	The property has not sold in prior three years. It is not listed for sale or lease.
Price paid:	NA
Interest being considered for acquisition:	Fee acquisition (see attached map)
Buildings or improvements	None
Area of property to be acquired:	412 square feet
Temporary Construction Easement:	None
Improvements in the acquisition:	Fencing and gate.
Severance Damage:	Subject to the extraordinary assumptions.
Topography:	Near street grade.
Shape:	Rectangular
Access:	Emma Lee Lane
Utilities:	Municipal
Offsite Improvements:	None

<u>Hypothetical Condition:</u> For purposes of valuing the remainder, the acquisition is assumed to have been completed.

**Extraordinary Assumption:** I have assumed the City of Hanford will leave the remainder frontage in similar or better condition to what currently exists, including a driveway approach and reconnection to any existing utilities.

## **Highest and Best Use Analysis**

Highest and best use is "the reasonably probable use of a property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity." Highest and best use analysis is used in the appraisal process to identify comparable properties and, where applicable, to determine whether the existing improvements should be retained, renovated, or demolished. The results of the highest and best use analysis are as follows:

Present Use:	Vacant Land
Applicable Zoning:	R-M (Medium Density Residential)
Probability of a Zone Change:	Minimal
Applicable general plan designation:	R-M (Medium Density Residential)
Highest and Best Use as Vacant:	Multi-family development

<u>Acquisition:</u> The acquisition runs along the western edge of the subject property and is a total of 412 square feet. The acquisition is long, narrow and encompasses underlying land and site improvements. Items within the fee include fencing and a gate.



<sup>&</sup>lt;sup>1</sup> The Dictionary of Real Estate, 6th Edition; Pg. 109

Page 2 of 12

Improvements that can be reconstructed or relocated include 50 feet of chain-link fencing and a 20-foot chain-link gate. Entrepreneurial profit is added to the total as incentive. These items are included in the following chart:

Cost to Replace Improvements In the Fee Acquisition		
Chain-link fence, 50 feet	\$1,000	
Rolling gate, 20 feet	\$1,800	
Sub-total	\$2,800	
Profit @ 15%	\$420	
Total	\$3,220	

## **Underlying Land Value**

The sales comparison approach is one of the three accepted approaches value. The income capitalization approach and the cost approach were not considered to be applicable to this appraisal problem. The sales comparison approach is used to derive a value by comparing the property being appraised to similar properties that have recently sold. This is the preferred method of valuation when good data is available. The following sales were utilized to determine fair market value of the underlying land.

SUN	SUMMARY OF COMPARABLE LAND SALES							
	<u>Sale 1</u>	Sale 2	Sale 3	Sale 4				
Location	South side of Grangeville	NS of Cameron,	NS of Cameron,	1628 N.				
	Boulevard, west of	west of 10th	west of 10th	Normandie				
	Campus Drive	Avenue	Avenue					
City	Hanford	Hanford	Hanford	Hanford				
APN	010-330-026	010-121-047	010-121-048	010-041-004				
Buyer	Lopes	Parra	Contreras	Arriaga				
Seller	Nagavalli	Miller	Williams	Mc Elhannon				
Date of Sale	June-2019	July-2020	June-2020	March-2018				
Sale Price	\$145,000	\$50,000	\$40,000	\$40,000				
Price/S.F.	\$2.41	\$4.17	\$3.33	\$3.95				
Price/ Allowable Units	\$7,236	\$12,500	\$10,000	\$11,852				
Size (Acres)	1.38	0.28	0.28	0.23				
Size (S.F.)	60,113	12,000	12,000	10,125				
Zoning	RM	RM	RM	RM				
Allowable Units	20	4	4	3				
Off-sites	C, G & SW	C & G	C & G	C & G				
Utilities	All Municipal	All Municipal	All Municipal	All Municipal				
Orientation	Interior	Interior	Interior	Corner				
Rating	Inferior	Similar	Similar	Similar				

Based on the preceding sales it is my opinion that the subject's underlying land value is \$12,500 allowable unit. This equates to \$25,000 or \$3.11 (rounded) per square foot.

Under eminent domain law, the same unit value is applied to the area to be acquired.

412 S.F. X \$3.11/ S.F. =	\$1,281
---------------------------	---------

**<u>Valuation Conclusions:</u>** The fair market value of the acquisition is concluded as follows:

			FAIR MAR	RKET VA	LUE		
1	Value of Large	er Parcel	8,050	S.F. X	\$3.11	per S.F. =	\$25,00
2	Value of the p	art taken					
	Fee ac	quisition	412	S.F. X	\$3.11	per S.F. =	-\$1,28
3	Value of the re	emainder before the takin	g				\$23,71
4	Value of the re	emainder after without be	nefits				
	Remai	nder parcel	7,638	S.F. X	\$3.11	per S.F. =	\$23,71
	Improv	ements lost in the acquisition	n				\$
	Total value in the after condition					\$23,71	
5	Severance Dai	nages					\$
6	Value of the re	Value of the remainder after with benefits					
	No be	nefits					\$23,71
7	Net Damages						\$
8	Fair Market Value						
	Value	of the part taken					\$1,283
	Net Da	amages					\$(
	Costs	to Cure					\$3,220
	Fair M	arket Value					\$4,50
	Round	ded					\$4,600

## **CERTIFICATION**

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
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- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, I Jacob Hower have completed the continuing education program for Designated Members of the Appraisal Institute.

Jacob I. Hower, MAI, R/W-AC

Certified General Real Estate Appraiser

California License 3002762 (Expires 11/14/2022)

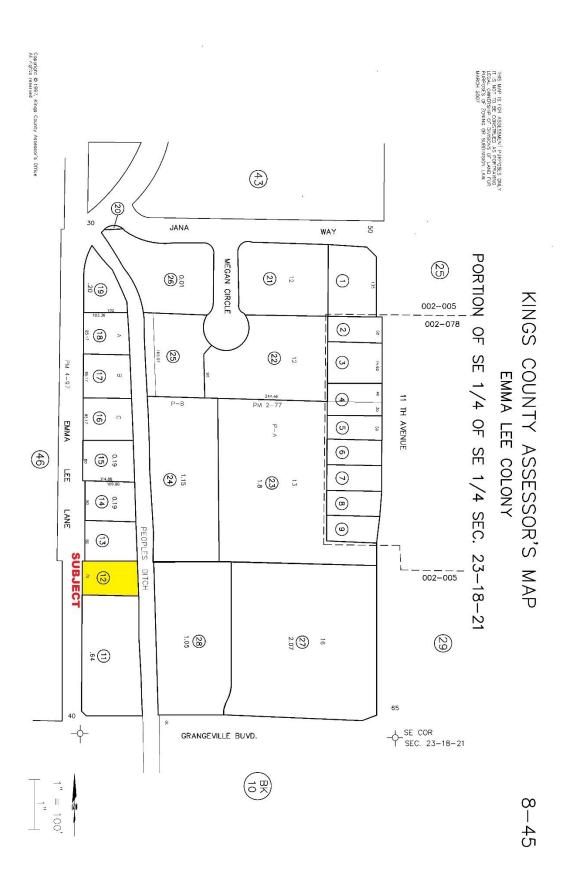




North view along Emma Lee Lane frontage

South view along Emma Lee Lane frontage





Page **9** of **12** 

#### Fee Acquisition Legal Description

#### **EXHIBIT "A"**

THAT PORTION OF THE NORTH 70.00 FEET OF LOT 16, LYING WESTERLY OF THE CENTERLINE OF PEOPLES DITCH, AS LOCATED ON APRIL 18, 1945 IN EMMA LEE COLONY, ACCORDING TO THE MAP THEREOF RECORDED IN VOLUME 2, OF PLATS, AT PAGE 40, TULARE COUNTY RECORDS, A HAND COPY OF SAID MAP WAS RECORDED IN THE COUNTY OF KINGS IN THE MAP BOOK AT PAGE 27, AND A TRUE PHOTOGRAPHIC COPY OF SAID MAP RECORDED IN TULARE COUNTY WAS RECORDED IN THE COUNTY OF KINGS IN MAP BOOK AT PAGE 90, SAID PROPERTY LIES IN THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 23, TOWNSHIP 18 SOUTH, RANGE 21 EAST, MOUNT DIABLO BASE AND MERIDIAN, ACCORDING TO THE UNITED STATES GOVERNMENT TOWNSHIP PLAT APPROVED BY THE U. S. SURVEYOR GENERAL'S OFFICE ON MARCH 31, 1855, LYING IN THE CITY OF HANFORD, COUNTY OF KINGS, STATE OF CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

**BEGINNING** AT THE NORTHWEST CORNER OF SAID LOT 16, SAID NORTHWEST CORNER LIES AT THE CENTERLINE OF THE 40.00 FOOT WIDE ROADWAY AS SHOWN ON SAID MAPS, THE ROADWAY IS NOW KNOWN AS EMMA LEE LANE;

THENCE NORTH 89°51'28" EAST, ALONG THE NORTH LINE OF SAID LOT 16, A DISTANCE OF 20.00 FEET TO THE EAST LINE OF EMMA LEE LANE ALSO BEING THE TRUE POINT OF BEGINNING;

THENCE CONTINUING NORTH 89°51'28" EAST, ALONG THE NORTH LINE OF SAID LOT 16, A DISTANCE OF 6.00 FEET;

THENCE SOUTH 00°04'20" EAST, ALONG A LINE 26.00 FEET EAST OF AND PARALLEL WITH LAST SAID CENTERLINE, A DISTANCE OF 39.10 FEET TO A POINT OF CURVATURE;

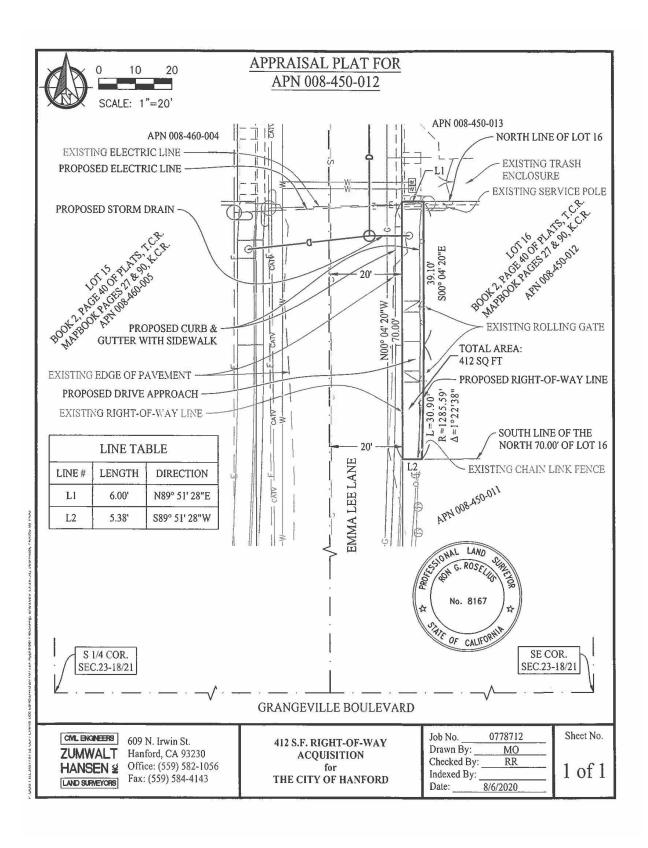
THENCE SOUTHERLY ALONG A TANGENT 1285.59 FOOT RADIUS CURVE TO THE RIGHT, CONCAVE TO THE WEST, THROUGH A CENTRAL ANGLE OF 1°22'38", A DISTANCE OF 30.90 FEET, TO A POINT ON THE SOUTH LINE OF SAID NORTH 70.00 FEET;

THENCE SOUTH 89°51'28" WEST, ALONG THE SOUTH LINE OF SAID NORTH 70.00 FEET, A DISTANCE OF 5.38 FEET TO A POINT ON THE EAST LINE OF SAID EMMA LEE LANE;

THENCE NORTH 00°04'20" WEST, ALONG A LINE 20.00 FEET EAST OF AND PARALLEL WITH SAID CENTERLINE, ALSO BEING THE EAST LINE OF SAID EMMA LEE LANE, A DISTANCE OF 70.00 FEET TO THE TRUE POINT OF BEGINNING.

CONTAINING 412 SQUARE FEET, MORE OR LESS.

ATTACHED HERETO IS A PLAT LABELED EXHIBIT "A-1" AND BY THIS REFERENCE MADE A PART HEREOF.



Page **11** of **12** 

End of Report

## City of Hanford Fiscal Year 2018-2019 Budget



## Emma Lee Lane Reconstruction, Grangeville Boulevard to Conquistador Street

#### **Project Background:**

This project will involve the reconstruction of Emma Lee Lane, from Grangeville Boulevard to Conquistador Street. Improvements to include installation of curb, gutter, sidewalk, ADA ramps, storm drainage collection system and reconstruction of street.

#### **Existing Conditions:**

Emma Lee Lane is a residential street that lacks a proper drainage system and is in need of total reconstruction.

## **Project Justification:**

This project will extend the useful life of the street by approximately 25-30 years.

### Fiscal Implications:

Funding for this project will be allocated from gas tax reserves.

#### **Project Budget Summary:**

		5-Year	Funding Allo	ocation	
	2019	2020	2021	2022	2023
Program or Project	Design	Construction			
Engineering / Inspection	15,000	8,000			
Construction		350,000			
Contingency		35,000			
Department Overhead	3,000~	2,000			
				<u> </u>	
Total Expenditure	\$18,000	\$395,000	\$0	\$0	\$0
			100000		
Funding					
040 Gas Tax (2105)	18,000	395,000			
3					
5					<u> </u>
Ž					
<u> </u>					
	045.575	2005.005			
Total Funding	\$18,000	\$395,000	\$0	\$0	\$0

#### Emma Lee Lane Crossing / Lift Station #37

#### **Project Background:**

Pursuant to an agreement between the City of Hanford and the People's Ditch Company, the City of Hanford is responsible for any and all road crossings over the ditch within the city limits.

#### **Existing Conditions:**

During a recent inspection, the People's Ditch Company notified the City that the galvanized culverts that transfer water under Emma Lee Lane were failing and in need of repair or replacement. Storm Lift Station #37 also discharges under this crossing and must be relocated to affect the repairs.

#### **Project Justification:**

To prevent a failure of the pipes and the possible subsequent road collapse, the culvert pipes must be repaired or replaced and the lift station outlet relocated.

#### **Fiscal Implications:**

Funding for this project will be allocated from storm drainage reserves.

#### Project Budget Summary:

		6-Yea	Funding Allo	eation	
	2019	2020	2021	2022	2023
Program or Project	Construction				
Engineering / Inspection	7,500				
Construction	225,000				
Contingency	25,000				
Department Overhead	2,500				
Total Expenditure	\$260,000	\$0	\$0	\$0	\$0
Funding					
358 Storm Drainage Capital	260,000				
		t.			
Total Funding	\$260,000	\$0	\$0	\$0	\$0



## AGENDA STAFF REPORT

MEETING DATE: 10/5/2021 AGENDA SECTION: G

#### SUBJECT:

Public Works: Authorization to purchase of street right-of-way located on the south west corner of Emma Lee Lane and Conquistador Street, in the amount of \$750.00 plus escrow fees; Approve acceptance of the Grant Deed and Authorization for the City Manager to execute and the City Clerk to attest and file said deeds with the Kings County Recorder's Office, and accept the attached Purchase and Sale Agreement and authorize City staff to execute said agreement. (APN 008-460-001).

### **RECOMMENDATION:**

That the City Council, by motion:

- 1. Authorize the purchase of street right-of-way located on the south west corner of Emma Lee Lane and Conquistador Street, as shown on the attached map, in the amount of \$750.00 plus escrow fees.
- 2. Accept the attached Grant Deed and authorize the City Manager to execute and the City Clerk to attest and file said deeds with the Kings County Recorder's Office.
- 3. Accept the attached Purchase and Sale Agreement and authorize City staff to execute said agreement.

#### **BACKGROUND:**

City staff is preparing construction plans and coordinating the acquisition of street right of way necessary for the road widening along Emma Lee Lane, from Grangeville Boulevard to Jana Way. The right of way is necessary for development of street improvements, including curb ramps, utility relocations, and the installation of sidewalks and curb and gutters.

#### **FISCAL IMPACT:**

The FY 21 Capital Improvement Program Budget provides \$635,000 for construction, including contingencies. A copy of the Budget page is attached for Council review.

## **ATTACHMENTS:**

Grant Deed 008-460-001 Purchase and Sale Agreement 008-460-001 Emma Lee Lane Reconstruction Budget Emma Lee Lane Crossing & Lift Pump Budget RECORDING REQUESTED BY AND WHEN RECORDED RETURN TO:

CITY OF HANFORD 900 S. 10<sup>th</sup> Ave. Hanford, CA 93230

SEND TAX STATEMENTS TO:

CITY OF HANFORD 315 N. Douty Street Hanford, CA 93230

# GRANT DEED

Exempt from Recording Fees Pursuant to Gov. Code Section 27383 and Documentary Transfer Tax Pursuant to Revenue and Taxation Code Section 11922

Signature of declarant or agent determining tax, firm name
remaining thereon at time of sale.
☐ Computed on full value less liens & encumbrances
Computed on full value of property conveyed, of

Assessor's Parcel Nos. 008-460-001 X City of Hanford County of Kings

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, Millard Franklin Downing and Minnie Carol Downing as trustees of the Millard Franklin Downing and Minnie Carol Downing Revocable Trust, Dated August 31, 2015, hereby GRANT(S) to the City of Hanford, a municipal corporation, the following described real property in the County of Kings, State of California:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART OF HEREOF

Dated: 9-22-2021

MILLARD FRANKLIN DOWNING

## CERTIFICATION OF ACCEPTANCE

This is to certify that the interest	est in real property conveyed by this to the City of Hanford, a municip		
hereby accepted by order of the Council the Grantee consents to the recordation	of said City of Hanford on	, 20	_ and
DATED:			
	MARIO CIFUENTEZ, II,	City Manage	r

#### **EXHIBIT "A"**

THAT PORTION OF PARCEL B OF THAT CERTAIN MAP RECORDED IN BOOK 5, OF PARCEL MAPS, AT PAGE 37, KINGS COUNTY RECORDS, BEING A PORTION OF LOT 11 OF EMMA LEE COLONY, ACCORDING TO THE MAP THEREOF RECORDED IN VOLUME 2, OF PLATS, AT PAGE 40, TULARE COUNTY RECORDS, A HAND COPY OF SAID MAP WAS RECORDED IN THE COUNTY OF KINGS IN THE MAP BOOK AT PAGE 27, AND A TRUE PHOTOGRAPHIC COPY OF SAID MAP RECORDED IN TULARE COUNTY WAS RECORDED IN THE COUNTY OF KINGS IN MAP BOOK AT PAGE 90, SAID PROPERTY LIES IN THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 23, TOWNSHIP 18 SOUTH, RANGE 21 EAST, MOUNT DIABLO BASE AND MERIDIAN, ACCORDING TO THE UNITED STATES GOVERNMENT TOWNSHIP PLAT APPROVED BY THE U. S. SURVEYOR GENERAL'S OFFICE ON MARCH 31, 1855, LYING IN THE CITY OF HANFORD, COUNTY OF KINGS, STATE OF CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

**BEGINNING** AT THE NORTHEAST CORNER OF SAID PARCEL B, AS SHOWN ON SAID PARCEL MAP;

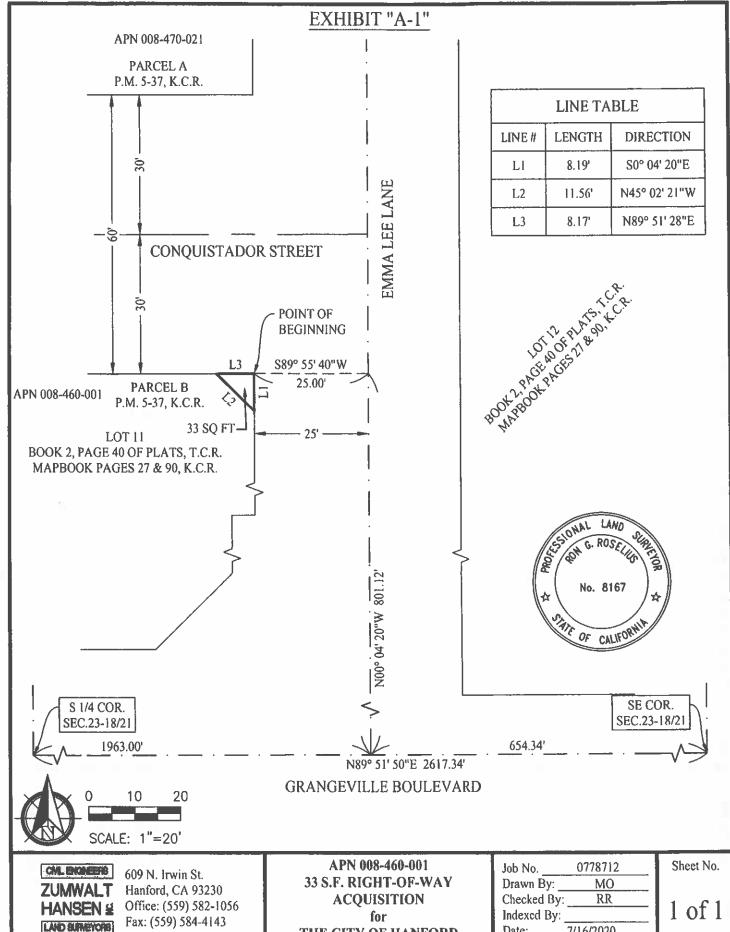
THENCE SOUTH 00°04'20" EAST, ALONG THE EAST LINE OF SAID PARCEL B, ALSO BEING THE WEST RIGHT OF WAY LINE OF EMMA LEE LANE, AS SHOWN ON SAID PARCEL MAP, A DISTANCE OF 8.19 FEET;

THENCE NORTH 45°02'21" WEST A DISTANCE OF 11.56 FEET, TO A POINT ON THE NORTH LINE OF SAID PARCEL B, ALSO BEING THE SOUTH RIGHT OF WAY LINE OF CONQUISTADOR STREET, AS SHOWN ON SAID PARCEL MAP;

THENCE NORTH 89°51'28" EAST, ALONG THE NORTH LINE OF SAID PARCEL B, A DISTANCE OF 8.17 FEET TO THE **POINT OF BEGINNING**.

CONTAINING 33 SQUARE FEET, MORE OR LESS.

ATTACHED HERETO IS A PLAT LABELED EXHIBIT "A-I" AND BY THIS REFERENCE MADE A PART HEREOF.



THE CITY OF HANFORD

7/16/2020

Date:

CALIFORNIA ALL-PURPOSE ACKNOWLEDGM	ENT CIVIL CODE § 1189
A notary public or other officer completing this certificate document to which this certificate is attached, and not the	e verifies only the identity of the individual who signed the truthfulness, accuracy, or validity of that document.
State of California  County of Lings  On Supremble 12, 2021 before me, Virgo  Date  personally appeared Millard Franklin Down	Here Insert Name and Title of the Officer  Name(s) of Signer(s)
subscribed to the within instrument and acknowle	evidence to be the person(s) whose name(s) is/are dged to me that he/she/they executed the same in /her/their signature(s) on the instrument the person(s), ed, executed the instrument.
VIRGINIA E. REITSMA  Vindary Public - California  Kings County	certify under PENALTY OF PERJURY under the laws f the State of California that the foregoing paragraph true and correct.  VITNESS my hand and official seal.  signature Signature of Notary Public
	IONAL ————————————————————————————————————
fraudulent reattachment of this :  Description of Attached Document	nformation can deter alteration of the document or form to an unintended document.
Title or Type of Document:  Document Date:  Signer(s) Other Than Named Above:	Number of Pages:
Capacity(ies) Claimed by Signer(s)  Signer's Name:  Corporate Officer — Title(s):  Partner — Limited General Individual Attorney in Fact Trustee Guardian or Conservator Other: Signer Is Representing:	
<u>(A) 0.0 ° 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0</u>	ন্ধর' ১ . রেইন রেইন রেইন রিইন রেই <mark>র . রুইন রেইন রুইন র</mark> েইন রুইন রেইন রেইন র

CALIFORNIA ALL-PURPOSE ACKNOWLEDGI	MENT CIVIL CODE § 1189
A notary public or other officer completing this certificate document to which this certificate is attached, and not the	tte verifies only the identity of the individual who signed the truthfulness, accuracy, or validity of that document.
State of California  County of King )  On September 12, 2021 before me, Date  personally appeared Minne Carol Down	Here Insert Name and Title of the Officer  Name(s) of Signer(s)
subscribed to the within instrument and acknowl	evidence to be the person(s) whose name(s) is/are ledged to me that he/she/they executed the same in is/her/their signature(s) on the instrument the person(s), eted, executed the instrument.
	I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.
VIRGINIA E. REITSMA Notary Public - California	Signature of Notary Public
Place Notary Seal Above OP	TIONAL ————
	information can deter alteration of the document or form to an unintended document.
Description of Attached Document	
Title or Type of Document:	Number of Pages:
Capacity(ies) Claimed by Signer(s)  Signer's Name:  Corporate Officer — Title(s):  Partner — Limited General Individual Attorney in Fact Trustee Guardian or Conservator Other: Signer Is Representing:	☐ Partner — ☐ Limited ☐ General ☐ Individual ☐ Attorney in Fact ☐ Trustee ☐ Guardian or Conservator

PARCEL NO.: 008-460-001

PROJECT: City of Hanford – Emma Lee Lane Reconstruction OWNER: Millard Franklin Downing and Minnie Carol Downing as trustees of the Millard Franklin Downing and Minnie Carol Downing

Revocable Trust, Dated August 31, 2015

### PURCHASE AND SALE AGREEMENT

THIS AGREEMENT is made and entered into by and between

Millard Franklin Downing and Minnie Carol Downing as trustees of the Millard Franklin Downing and Minnie Carol Downing Revocable Trust, Dated August 31, 2015

(hereinafter called "Grantor"), and

The City of Hanford, a Municipal Corporation,

(hereinafter called "City").

Instruments in the form of a Grant Deed ("Deed") covering the property particularly described therein ("Property"), will be executed concurrently with this Agreement and delivered to City representatives.

In consideration of which, and other considerations hereinafter set forth, it is mutually agreed as follows:

1. The parties have herein set forth the whole of their agreement. The performance of this Agreement constitutes the entire consideration for said document and shall relieve the City of all further obligation or claims on this account, or on account of the location, grade or construction of the proposed public improvement, except as stated in Paragraphs 2.E. and 2.F. below.

### 2. The City shall:

- A. <u>PAYMENT</u> Pay to the order of the Grantor the sum of \$750.00 as consideration in full for the Property, for the loss, replacement and moving of any improvements, and for entering into this Agreement. Said sum shall be paid when title to the Property has vested in City free and clear of all liens, encumbrances, assessments, easements and leases recorded or unrecorded, except for recorded public utility easements and public right of way.
- B. <u>RECORDATION OF INSTRUMENT</u> Accept the Deed and cause the same to be recorded in the office of the Kings County Recorder at such time as when clear title can be conveyed.

- C. <u>MISCELLANEOUS COSTS</u> Pay any escrow, title insurance, and recording fees incurred in this transaction.
- D. <u>CLEARANCE OF BONDS</u>, <u>ASSESSMENTS</u>, <u>OR DELINQUENT TAXES</u> Have the authority to deduct and pay from the amount shown in Clause 2.A. above any amount necessary to satisfy any bond demands and delinquent taxes due in any year except the year in which the Deeds record, together with penalties and interest thereon, and/or delinquent and unpaid non-delinquent assessments which have become a lien as of the date of recordation of the Deeds.
- E. <u>CONSTRUCTION AND RESTORATION</u> The City shall, upon completion of construction, generally restore Grantor's remaining real property to a comparable or better condition than that which existed prior to City's project construction, to the extent reasonably practical. At no expense to the Grantor and at the time of construction, City will reconnect Grantor's existing driveway(s) to the adjacent public road at their present location and will relocate any impacted fences to the new right of way line. Upon completion of construction of said driveway(s), it/they will be considered as an encroachment under permit onto the adjacent public road, and is/are to be maintained, repaired and operated as such by Grantor in accordance with and subject to the laws, rules, and regulations of the public entity controlling said road.

Permission is hereby granted to City or its authorized agent to enter on Grantor's land to conform and reconnect Grantor's driveway(s) and relocate any fences as described herein. Grantor understands and agrees that after completion of the work described, said driveway(s) and fences will be considered as Grantor's sole property and Grantor will be responsible for their future maintenance and repair.

F. <u>INDEMNIFICATION</u> - Indemnify and hold harmless Grantor from any and all claims, damages, costs, judgments, or liability proximately caused by City or its officers, employees, or agents specifically arising from City construction and restoration work on the Property.

### 3. The Grantor:

- A. <u>PAYMENT ON MORTGAGE OR DEED OF TRUST</u> Agrees that any or all monies payable under this Agreement up to and including the total amount of the unpaid principal and interest on the note(s) secured by mortgage(s) or deed(s) of trust, if any, and all other amounts due and payable in accordance with the terms and conditions of said mortgage(s) or deed(s) of trust, shall upon demand(s) be made payable to the mortgagee(s) or beneficiary(s) entitled thereunder. Grantor shall cooperate with the Escrow Officer in obtaining lien clearance documents from any and all creditors holding liens against the Property.
- B. <u>LEASE INDEMNIFICATION</u> Warrants there are no oral or written leases on all or any portion of the Property, or if there are such leases, Grantor agrees to hold the City harmless and reimburse City for any and all of its losses and expenses occasioned by reason of any lease of said Property held by tenant of Grantor.

APN: 008-460-001 City of Hanford / Millard Franklin Downing and Minnie Carol Downing as trustees of the Millard Franklin Downing and Minnie Carol Downing Revocable Trust, Dated August 31, 2015

- C. <u>PERMISSION TO ENTER</u> Hereby grants to the City, its agents and contractors, permission to enter the Property prior to the close of escrow for the purposes of preparation for the construction of the City's facilities, subject to all applicable terms and conditions contained in this Agreement and the associated Deed.
- D. <u>TITLE INDEMNITY AND WARRANTY</u> In consideration of the City waiving the requirements to clear any defects and imperfections in all matters of record title, the Grantor indemnifies and holds the City harmless from any and all claims that other parties may make or assert on the title to the Property. Grantor's obligation to indemnify the City shall not exceed the amount paid to the Grantor under this Agreement. Grantor hereby represents and warrants that he/she/they are the sole vested owners of the Property, holding all ownership and possessory rights, and are the authorized signatories to grant the rights referenced in this Agreement without conflict or claims from other parties.
- E. <u>HAZARDOUS SUBSTANCES</u> Represents and warrants, to the best of Grantor's knowledge, and after reasonable inquiry, the following:

During Grantor's ownership of the Property, Grantor knows of no disposal, releases, or threatened releases of hazardous substances on, from, or under the Property or Grantor's remaining adjacent property. Grantor further represents and warrants that Grantor has no knowledge of disposal, release, or threatened release of hazardous substances on, from, or under the Property, or Grantor's remaining adjacent property, which may have occurred prior to Grantor's ownership.

There is no pending claim, lawsuit, agency proceeding, or any administrative challenge concerning the presence or use of hazardous substances on or within the Property or Grantor's remaining adjacent property.

Grantor has not used the Property, or Grantor's remaining adjacent property, for any industrial operations that use hazardous substances. Grantor is not aware of any prior use of such property. Grantor has not installed any underground storage tanks, above ground storage tanks, barrels, sumps, impoundments or other containers used to contain hazardous substances on any part of the Property or Grantor's remaining adjacent property. Grantors are not aware of any such prior installations. The purchase price of the Property being acquired reflects the fair market value of the Property without the presence of contamination. If the Property is found to be contaminated by the presence of hazardous substances which require mitigation under Federal or State law, City may elect to recover its cleanup costs from those who caused or contributed to the contamination.

F. TAX REPORTING AND WITHHOLDING - The Foreign Investment in Real Property Tax Act of 1980 ("FIRPTA"), as amended by the Tax Reform Act of 1984, places special requirements for tax reporting and withholding on the parties to a real estate transaction where the transferor (Grantor) is a non-resident alien or non-domestic corporation or partnership, or is a domestic corporation or partnership controlled by a non-resident or non-resident corporation or partnership. In accordance with the provisions of Section 1445 of the Internal Revenue Code of 1954, as amended, and any regulations promulgated thereunder, Grantor shall execute an affidavit under penalty of perjury setting forth Grantor's name, address, federal tax

APN: 008-460-001

identification number, and certifying whether Grantor is a "foreign person" in accordance with the provisions of the Internal Revenue Code. Further, tax withholding may be required in accordance with the California Revenue and Taxation Code Section 18662. It is specifically understood and agreed by Grantor that closing of this escrow is subject to, and contingent upon, deposit into escrow of a FIRPTA Affidavit of Non-Foreign Status and a California Form 593-C, Real Estate Withholding Certificate and associated required paperwork, completed and signed by Grantor, and Escrow Agent is hereby authorized and instructed to withhold from Grantor's proceeds amounts so required by these laws and to forward any amounts withheld to the appropriate taxing authority.

### 4. The Parties agree:

A. <u>ESCROW</u> - At City's option, to open an escrow in accordance with this Agreement at an escrow company of City's choice. Opening an escrow shall be at City's sole discretion and City may decide to process this transaction without the use of an escrow agent. However, if an escrow agent is utilized, this Agreement constitutes the joint escrow instructions of City and Grantor, and the escrow agent to whom these instructions are delivered is hereby empowered to act under this Agreement. The parties hereto agree to do all acts necessary to close this escrow in the shortest possible time.

If an escrow is utilized, as soon as possible after opening of escrow, City will deposit the executed Deeds by Grantor, with Certificate of Acceptance attached, with the escrow agent on Grantor's behalf. City agrees to deposit the purchase price upon demand of escrow agent. City and Grantor agree to deposit with escrow agent all additional instruments as may be necessary to complete this transaction. All funds received in this escrow shall be deposited with other escrow funds in a general escrow fund account(s) and may be transferred to any other such escrow trust account in any State or National Bank doing business in the State of California. All disbursements shall be made by check or wire transfer from such account.

Any taxes which have been paid by Grantor, prior to opening of this escrow, shall not be pro-rated between City and Grantor, but Grantor shall have the sole right after close of escrow, to apply to the County Tax Collector of said County for any refund of such taxes which may be due Grantor for the period after City's acquisition.

- i) <u>ESCROW AGENT DIRECTIVES</u> Escrow Agent is authorized to, and shall:
  - a) Pay and charge Grantor for any unpaid delinquent taxes and/or any penalties and interest thereon, and for any delinquent assessments or bonds against that portion of Grantor's property subject to this transaction as required to convey clear title.
  - b) Pay and charge City for any escrow fees, charges and costs payable under Paragraph 2.C. of this Agreement;
  - c) Disburse funds and deliver Deeds when conditions of this escrow have been

fulfilled by City and Grantor.

- d) Following recording of Deeds from Grantor, if requested by City, provide City with a CLTA Standard Coverage Policy of Title Insurance in the amount of \$750.00 issued by Title Company of City's choice showing that title to the Property is vested in City, subject only to the following exceptions, and the printed exceptions and stipulations in said policy:
  - 1) Real Property Taxes for the fiscal year in which escrow closes;
  - 2) Public utility easements and public rights of way;
  - 3) Other items that may be approved in writing by City in advance of the close of escrow.
- ii) <u>CLOSE OF ESCROW</u> The term "close of escrow", if and where written in these instructions, shall mean the date necessary instruments of conveyance are recorded in the office of the County Recorder. Recordation of instruments delivered through this escrow is hereby authorized.
- B. <u>MISCELLANEOUS REALTY ITEMS ACQUIRED</u> Payment in Clause 2.A. includes, but is not limited to, payment for 33 sq. ft. of lawn and sprinkler system, which are considered to be part of the realty and are being acquired by City in this transaction. The remaining sprinkler system will be repaired and left in its original working condition if it is located within the construction area.
- C. <u>JUDGMENT IN LIEU OF DEED</u> In the event Grantor does not deliver title in a reasonable time under the terms of the Agreement, the City may file an action in eminent domain to pursue the acquisition of the Property, and this Agreement shall constitute a stipulation which may be filed in said proceedings as final and conclusive evidence of the total amount of damages for the taking, including all of the items listed in Section 1260.230 of the Code of Civil Procedure, regarding said property rights.
- D. <u>ARTICLE HEADINGS</u> Article headings in this Agreement are for convenience only and are not intended to be used in interpreting or construing the terms, covenants and conditions of this Agreement.
- E. <u>COMPLETE UNDERSTANDING</u> This Agreement constitutes the entire understanding between the parties with respect to the subject matter hereof, superseding all negotiations, prior discussions, and preliminary agreements or understandings, written or oral. This Agreement may not be amended except in writing by the parties hereto or their successors or assigns.
- F. <u>CITY COUNCIL APPROVAL</u> This Agreement is subject to and conditioned upon approval by the Hanford City Council. This Agreement is not binding upon the City until executed by the appropriate City official(s) acting in their authorized capacity.

- G. <u>COUNTERPARTS</u> This Agreement may be executed in counterparts, each of which so executed shall irrespective of the date of its execution and delivery be deemed an original, and all such counterparts together shall constitute one and the same document.
- H. <u>ELECTRONIC AND FACSIMILE SIGNATURES</u> In the event that the parties hereto utilize electronic or facsimile documents which include signatures, such documents shall be accepted as if they bore original signatures provided that documents bearing ORIGINAL SIGNATURES are provided following transmittal of the electronic or facsimile signature. Documents for recordation by the Clerk Recorder must contain original signatures.
- I. <u>NO THIRD-PARTY BENEFICIARIES INTENDED</u> Unless specifically set forth, the parties to this Agreement do not intend to provide any other party with any benefit or enforceable legal or equitable right or remedy.
- J. <u>BINDING EFFECT</u> This Agreement shall inure to the benefit of and constitute a binding obligation upon the successors and assigns of the parties hereto.

No Obligation Other Than Those Set Forth Herein Will Be Recognized.

### **GRANTOR:**

Millard Franklin Downing and Minnie Carol Downing as trustees of the Millard Franklin Downing and Minnie Carol Downing Revocable Trust, Dated August 31, 2015

By: Millard Franklin Downing Millard Franklin Downing	Date:	9.22-2021
By: Marie Carol Downing  By: Minnie Carol Downing	Date:	9-23-2021
GRANTOR'S ADDRESS: Millard Franklin Downing and Minnie Carol Down 1822 Emma Lee Lane	ning	

CITY OF HANFORD

Title:

Hanford, CA 93230

By:		Date:
	Name:	

MAILING ADDRESS OF CITY:

The City of Hanford Public Works Department 900 S. 10<sup>th</sup> Avenue Hanford, CA 93230

APN: 008-460-001

City of Hanford / Millard Franklin Downing and Minnie Carol Downing as trustees of the Millard Franklin Downing and Minnie Carol Downing Revocable Trust, Dated August 31, 2015

### **EXHIBIT "A"**

THAT PORTION OF PARCEL B OF THAT CERTAIN MAP RECORDED IN BOOK 5, OF PARCEL MAPS, AT PAGE 37, KINGS COUNTY RECORDS, BEING A PORTION OF LOT 11 OF EMMA LEE COLONY, ACCORDING TO THE MAP THEREOF RECORDED IN VOLUME 2, OF PLATS, AT PAGE 40, TULARE COUNTY RECORDS, A HAND COPY OF SAID MAP WAS RECORDED IN THE COUNTY OF KINGS IN THE MAP BOOK AT PAGE 27, AND A TRUE PHOTOGRAPHIC COPY OF SAID MAP RECORDED IN TULARE COUNTY WAS RECORDED IN THE COUNTY OF KINGS IN MAP BOOK AT PAGE 90, SAID PROPERTY LIES IN THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 23, TOWNSHIP 18 SOUTH, RANGE 21 EAST, MOUNT DIABLO BASE AND MERIDIAN, ACCORDING TO THE UNITED STATES GOVERNMENT TOWNSHIP PLAT APPROVED BY THE U. S. SURVEYOR GENERAL'S OFFICE ON MARCH 31, 1855, LYING IN THE CITY OF HANFORD, COUNTY OF KINGS, STATE OF CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

**BEGINNING** AT THE NORTHEAST CORNER OF SAID PARCEL B, AS SHOWN ON SAID PARCEL MAP;

THENCE SOUTH 00°04'20" EAST, ALONG THE EAST LINE OF SAID PARCEL B, ALSO BEING THE WEST RIGHT OF WAY LINE OF EMMA LEE LANE, AS SHOWN ON SAID PARCEL MAP, A DISTANCE OF 8.19 FEET;

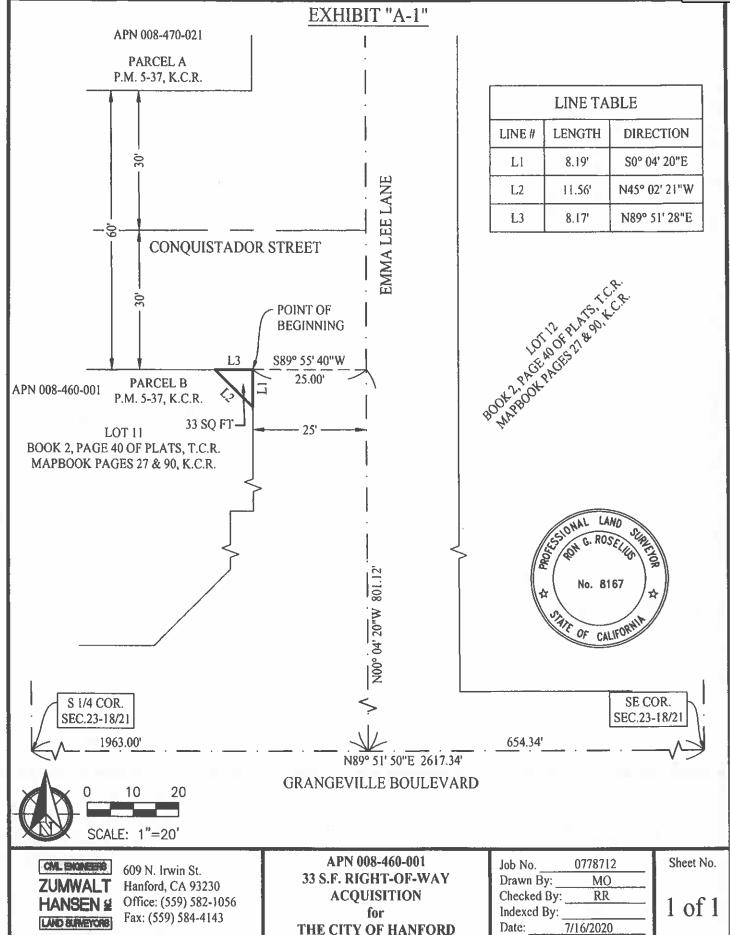
THENCE NORTH 45°02'21" WEST A DISTANCE OF 11.56 FEET, TO A POINT ON THE NORTH LINE OF SAID PARCEL B, ALSO BEING THE SOUTH RIGHT OF WAY LINE OF CONQUISTADOR STREET, AS SHOWN ON SAID PARCEL MAP:

THENCE NORTH 89°51'28" EAST, ALONG THE NORTH LINE OF SAID PARCEL B, A DISTANCE OF 8.17 FEET TO THE **POINT OF BEGINNING**.

CONTAINING 33 SQUARE FEET, MORE OR LESS.

ATTACHED HERETO IS A PLAT LABELED EXHIBIT "A-1" AND BY THIS REFERENCE MADE A PART HEREOF.

**END OF DESCRIPTION** 



### City of Hanford Fiscal Year 2018-2019 Budget

### Emma Lee Lane Reconstruction, Grangeville Boulevard to Conquistador Street

### **Project Background:**

This project will involve the reconstruction of Emma Lee Lane, from Grangeville Boulevard to Conquistador Street. Improvements to include installation of curb, gutter, sidewalk, ADA ramps, storm drainage collection system and reconstruction of street.

### **Existing Conditions:**

Emma Lee Lane is a residential street that lacks a proper drainage system and is in need of total reconstruction.

### **Project Justification:**

This project will extend the useful life of the street by approximately 25-30 years.

### Fiscal Implications:

Funding for this project will be allocated from gas tax reserves.

### **Project Budget Summary:**

			5-Year	Funding Allo	ocation	
		2019	2020	2021	2022	2023
	Program or Project	Design	Construction		(i = = = = = = = = = = = = = = = = = =	
	Engineering / Inspection	15,000	8,000			
	Construction		350,000			
3	Contingency		35,000			
	Department Overhead	3,000~	2,000			
Exp						
ľ	Total Expenditure	\$18,000	\$395,000	\$0	\$0	\$0
	Funding					
	040 Gas Tax (2105)	18,000	395,000			
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-	Total Funding	\$18,000	\$395,000	\$0	\$0	\$0

### Emma Lee Lane Crossing / Lift Station #37

### **Project Background:**

Pursuant to an agreement between the City of Hanford and the People's Ditch Company, the City of Hanford is responsible for any and all road crossings over the ditch within the city limits.

### **Existing Conditions:**

During a recent inspection, the People's Ditch Company notified the City that the galvanized cutverts that transfer water under Emma Lee Lane were failing and in need of repair or replacement. Storm Lift Station #37 also discharges under this crossing and must be relocated to affect the repairs.

### **Project Justification:**

To prevent a failure of the pipes and the possible subsequent road collapse, the culvert pipes must be repaired or replaced and the lift station outlet relocated.

### Fiscal Implications:

Funding for this project will be allocated from storm drainage reserves.

### Project Budget Summary:

		6-Ye	er Funding Allo	eation	
	2019	2020	2021	2022	2023
Program or Project	Construction				
Engineering / Inspection	7,500				
Construction	225,000				
Contingency	25,000				
Department Overhead	2,500				
Total Expenditure	\$260,000	\$0	\$0	\$0	\$0
Funding					
358 Storm Drainage Capital	260,000				
		4			
Total Funding	\$260,000	\$0	\$0	\$0	\$0



### AGENDA STAFF REPORT

MEETING DATE: 10/5/2021 AGENDA SECTION: H

### SUBJECT:

Public Works: Authorization to purchase street right-of-way, located on the south west corner of Davis Street and Grant Street, in the amount of \$1,500.00 plus escrow fees, Approve acceptance of the Grant Deed and Authorization for the City Manager to execute and the City Clerk to attest and file said deeds with the Kings County Recorder's Office, and accept the attached Purchase and Sale Agreement and authorize City staff to execute said agreement. (APN 012-321-001).

### **RECOMMENDATION:**

That the City Council, by motion:

- 1. Authorize the purchase of street right-of-way located on the south west corner of Davis Street and Grant Street, in the amount of \$1,500.00 plus escrow fees.
- 2. Accept the attached Grant Deed and authorize the City Manager to execute and the City Clerk to attest and file said deeds with the Kings County Recorder's Office.
- 3. Accept the attached Purchase and Sale Agreement and authorize City staff to execute said agreement.

### **BACKGROUND:**

City staff is preparing for construction of the street repaving project and coordinating the acquisition of street right of way necessary for the installation of an ADA corner ramp on Grant Street and Davis Street to provide safe crossing.

### **FISCAL IMPACT:**

The FY 21 Capital Improvement Program Budget provides \$1,405,000 for construction, \$957,000 of which is already dedicated for the FY 20/21 Single and Double Micro Fiber Treatment Project. \$448,000 remains for right-of-way and construction for the FY 20/21 Pavement Resurfacing on Davis Street and Northstar Drive. A copy of the Budget page is attached for Council review.

### **ATTACHMENTS:**

Grant Deed 012-321-001 Purchase and Sale Agreement 012-321-001 FY21 Pavement Resurfacing Treatment RECORDING REQUESTED BY AND WHEN RECORDED RETURN TO:

CITY OF HANFORD 900 S. 10<sup>th</sup> Ave. Hanford, CA 93230

SEND TAX STATEMENTS TO:

CITY OF HANFORD 315 N. Douty Street Hanford, CA 93230

## **GRANT DEED**

Exempt from Recording Fees Pursuant to Gov. Code Section 27281 and Documentary Transfer Tax Pursuant to Revenue and Taxation Code Section 11922

☐ Computed on full value of property conveyed, or
☐ Computed on full value less liens & encumbrances
remaining thereon at time of sale.
Signature of declarant or agent determining tax firm name

Assessor's Parcel No. 012-321-001 X City of Hanford County of Kings

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, PAUL CHRISTOPHER ACEVEDO, A SINGLE MAN, hereby GRANT(S) to the City of Hanford, a municipal corporation, the following described real property in the County of Kings, State of California:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART OF HEREOF

Dated: 09.23.24

PAUL CHRISTOPHER ACEVEDO

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

) ss.

COUNTY OF KINGS

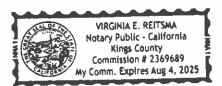
On August 23, 2021, before me, Viginia E. Reitsma

, a notary public, personally appeared Paul Accepted , who proved to me on the basis of satisfactory evidence to be the person(s) whose name is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies) and that by his/her/their signature on the instrument the person(s) or the entity(ies) upon behalf of which the person(s) acted, executed the instrument..

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

(SEAL)



, NOTARY PUBLIC

### CERTIFICATION OF ACCEPTANCE

This is to certify that the interest	est in real property conveyed by this to the City of Hanford, a munic	
hereby accepted by order of the Council the Grantee consents to the recordation to	of said City of Hanford on	, 20 and
DATED:		
	MARIO CIFUENTEZ, II	I. City Manager

### **EXHIBIT "A"**

# LEGAL DESCRIPTION FOR RIGHT OF WAY ACQUISITION

ALL OF THAT PORTION OF LOT 10 OF ROSS SUBDIVISION, AS PER OFFICIAL MAP THEREOF RECORDED IN BOOK 3, AT PAGE 74 OF LICENESED SURVEYORS' PLATS, KINGS COUNTY RECORDS, LYING IN THE SOUTHEAST QUARTER OF SECTION 35, TOWNSHIP 18 SOUTH, RANGE 21 EAST, MOUNT DIABLO BASE AND MERIDIAN IN THE CITY OF HANFORD, COUNTY OF KINGS, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID LOT 10;

THENCE SOUTH 01° 15' 49" EAST, ALONG THE EAST LINE OF SAID LOT 10, A DISTANCE OF 4.00 FEET TO THE POINT OF INTERSECTION OF THE SOUTH RIGHT OF WAY LINE OF DAVIS STREET, AS SAID RIGHT OF WAY WAS ESTABLISHED PER OFFER OF DEDICATION, RECORDED DECEMBER 15, 1994, GRANTED TO THE CITY OF HANFORD, PER DOCUMENT NO. 9424227, OFFICIAL RECORDS OF KINGS COUNTY, AND THE WEST RIGHT OF WAY LINE OF GRANT STREET, AS SHOWN ON SAID MAP, ALSO BEING THE TRUE POINT OF BEGINNING:

THENCE CONTINUING SOUTH 01° 15' 49" EAST, ALONG SAID WEST RIGHT OF WAY LINE OF GRANT STREET, SAID LINE BEING 25.00 FEET WEST OF AND PARALLEL WITH THE CENTERLINE OF GRANT STREET, A DISTANCE OF 11.88 FEET;

THENCE, LEAVING SAID RIGHT OF WAY LINE, NORTH 90° 00' 00" WEST A DISTANCE OF 0.53 FEET TO THE BEGINNING OF A NON-TANGENT CURVE:

THENCE ALONG A 12.40 FOOT RADIUS CURVE TO THE LEFT, CONCAVE TO THE SOUTHWEST, FROM A RADIUS POINT BEARING NORTH 90° 00' 00" WEST, THROUGH A CENTRAL ANGLE OF 71°48' 14", AN ARC LENGTH OF 15.54 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF DAVIS STREET;

THENCE, ALONG LAST SAID RIGHT OF WAY LINE, SAID LINE BEING 24.00 FEET SOUTH OF AND PARALLEL WITH THE CENTERLINE OF DAVIS STREET, NORTH 89° 21' 50" EAST A DISTANCE OF 8.80 FEET, TO THE TRUE POINT OF BEGINNING.

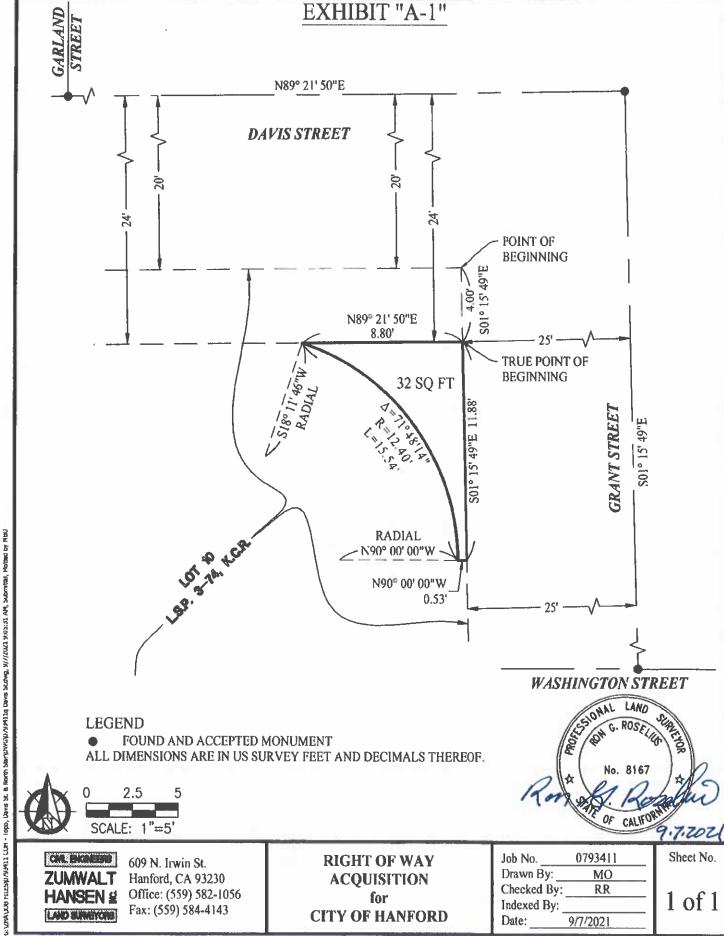
CONTAINING 32 SQUARE FEET, MORE OR LESS.

ATTACHED HERETO IS A PLAT LABELED EXHIBIT "A-I" AND BY THIS REFERENCE MADE A PART HEREOF.

**END OF DESCRIPTION** 

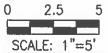
9.7.2021

No. 8167



ALL DIMENSIONS ARE IN US SURVEY FEET AND DECIMALS THEREOF.







609 N. Irwin St. Hanford, CA 93230 Office: (559) 582-1056 Fax: (559) 584-4143

RIGHT OF WAY **ACQUISITION** for **CITY OF HANFORD** 

0793411 Job No. Drawn By: MO Checked By: RR Indexed By: Date: 9/7/2021

No. 8167

OF CALIFORN

Sheet No.

1 of 1

### **EXHIBIT "A"**

### LEGAL DESCRIPTION FOR RIGHT OF WAY ACQUISITION

ALL OF THAT PORTION OF LOT 10 OF ROSS SUBDIVISION, AS PER OFFICIAL MAP THEREOF RECORDED IN BOOK 3, AT PAGE 74 OF LICENESED SURVEYORS' PLATS, KINGS COUNTY RECORDS, LYING IN THE SOUTHEAST QUARTER OF SECTION 35, TOWNSHIP 18 SOUTH, RANGE 21 EAST, MOUNT DIABLO BASE AND MERIDIAN IN THE CITY OF HANFORD, COUNTY OF KINGS, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID LOT 10;

THENCE SOUTH 01° 15' 49" EAST, ALONG THE EAST LINE OF SAID LOT 10, A DISTANCE OF 4.00 FEET TO THE POINT OF INTERSECTION OF THE SOUTH RIGHT OF WAY LINE OF DAVIS STREET, AS SAID RIGHT OF WAY WAS ESTABLISHED PER OFFER OF DEDICATION, RECORDED DECEMBER 15, 1994, GRANTED TO THE CITY OF HANFORD, PER DOCUMENT NO. 9424227, OFFICIAL RECORDS OF KINGS COUNTY, AND THE WEST RIGHT OF WAY LINE OF GRANT STREET, AS SHOWN ON SAID MAP, ALSO BEING THE TRUE POINT OF BEGINNING;

THENCE CONTINUING SOUTH 01° 15° 49" EAST, ALONG SAID WEST RIGHT OF WAY LINE OF GRANT STREET, SAID LINE BEING 25.00 FEET WEST OF AND PARALLEL WITH THE CENTERLINE OF GRANT STREET, A DISTANCE OF 11.88 FEET;

THENCE, LEAVING SAID RIGHT OF WAY LINE, NORTH 90° 00' 00" WEST A DISTANCE OF 0.53 FEET TO THE BEGINNING OF A NON-TANGENT CURVE;

THENCE ALONG A 12.40 FOOT RADIUS CURVE TO THE LEFT, CONCAVE TO THE SOUTHWEST, FROM A RADIUS POINT BEARING NORTH 90° 00' 00" WEST, THROUGH A CENTRAL ANGLE OF 71°48' 14", AN ARC LENGTH OF 15.54 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF DAVIS STREET;

THENCE, ALONG LAST SAID RIGHT OF WAY LINE, SAID LINE BEING 24.00 FEET SOUTH OF AND PARALLEL WITH THE CENTERLINE OF DAVIS STREET, NORTH 89° 21' 50" EAST A DISTANCE OF 8.80 FEET, TO THE TRUE POINT OF BEGINNING.

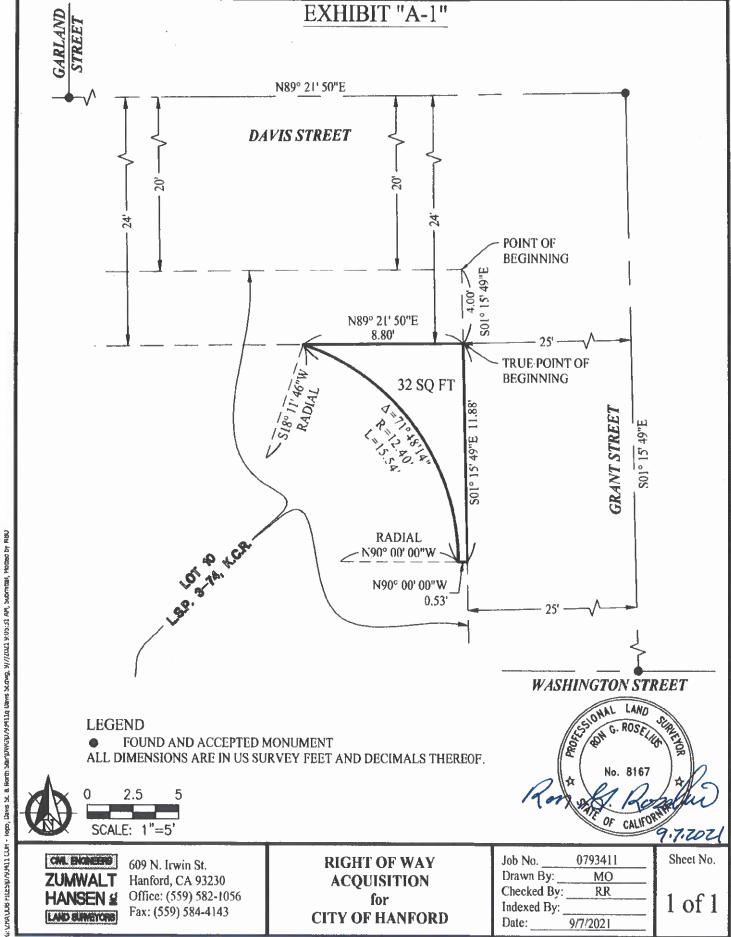
CONTAINING 32 SQUARE FEET, MORE OR LESS.

ATTACHED HERETO IS A PLAT LABELED EXHIBIT "A-1" AND BY THIS REFERENCE MADE A PART HEREOF.

**END OF DESCRIPTION** 

9.7.2021

No. 8167



for

CITY OF HANFORD

Indexed By:

Date:

9/7/2021

HANSEN #

LAND SURVEYORS

Fax: (559) 584-4143

1 of 1

PARCEL NO.: 012-321-001

PROJECT: City of Hanford – Pavement Resurfacing Improvement Project

OWNER: PAUL CHRISTOPHER ACEVEDO

### PURCHASE AND SALE AGREEMENT

THIS AGREEMENT is made and entered into by and between

### PAUL CHRISTOPHER ACEVEDO

(hereinafter called "Grantor"), and

The City of Hanford, a Municipal Corporation,

(hereinafter called "City").

Instruments in the form of a Grant Deed ("Deed") covering the property particularly described therein ("Property"), will be executed concurrently with this Agreement and delivered to City representatives.

In consideration of which, and other considerations hereinafter set forth, it is mutually agreed as follows:

1. The parties have herein set forth the whole of their agreement. The performance of this Agreement constitutes the entire consideration for said document and shall relieve the City of all further obligation or claims on this account, or on account of the location, grade or construction of the proposed public improvement, except as stated in Paragraphs 2.E. and 2.F. below.

### 2. The City shall:

- A. <u>PAYMENT</u> Pay to the order of the Grantor the sum of \$1,500.00 as consideration in full for the Property, for the loss, replacement and moving of any improvements, and for entering into this Agreement. Said sum shall be paid when title to the Property has vested in City free and clear of all liens, encumbrances, assessments, easements and leases recorded or unrecorded, except for recorded public utility easements and public right of way.
- B. <u>RECORDATION OF INSTRUMENT</u> Accept the Deed and cause the same to be recorded in the office of the Kings County Recorder at such time as when clear title can be conveyed.
- C. <u>MISCELLANEOUS COSTS</u> Pay any escrow, title insurance, and recording fees incurred in this transaction.

APN: 012-321-001 City of Hanford / Mr. Paul Acevedo

- D. <u>CLEARANCE OF BONDS</u>, <u>ASSESSMENTS</u>, <u>OR DELINQUENT TAXES</u> Have the authority to deduct and pay from the amount shown in Clause 2.A. above any amount necessary to satisfy any bond demands and delinquent taxes due in any year except the year in which the Deeds record, together with penalties and interest thereon, and/or delinquent and unpaid non-delinquent assessments which have become a lien as of the date of recordation of the Deeds.
- E. <u>CONSTRUCTION AND RESTORATION</u> The City shall, upon completion of construction, generally restore Grantor's remaining real property to a comparable or better condition than that which existed prior to City's project construction, to the extent reasonably practical. At no expense to the Grantor and at the time of construction, City will reconnect Grantor's existing driveway(s) to the adjacent public road at their present location and will relocate any impacted fences to the new right of way line. Upon completion of construction of said driveway(s), it/they will be considered as an encroachment under permit onto the adjacent public road, and is/are to be maintained, repaired and operated as such by Grantor in accordance with and subject to the laws, rules, and regulations of the public entity controlling said road.

Permission is hereby granted to City or its authorized agent to enter on Grantor's land to conform and reconnect Grantor's driveway(s) and relocate any fences as described herein. Grantor understands and agrees that after completion of the work described, said driveway(s) and fences will be considered as Grantor's sole property and Grantor will be responsible for their future maintenance and repair.

- F. <u>INDEMNIFICATION</u> Indemnify and hold harmless Grantor from any and all claims, damages, costs, judgments, or liability proximately caused by City or its officers, employees, or agents specifically arising from City construction and restoration work on the Property.
  - 3. The Grantor:
- A. PAYMENT ON MORTGAGE OR DEED OF TRUST Agrees that any or all monies payable under this Agreement up to and including the total amount of the unpaid principal and interest on the note(s) secured by mortgage(s) or deed(s) of trust, if any, and all other amounts due and payable in accordance with the terms and conditions of said mortgage(s) or deed(s) of trust, shall upon demand(s) be made payable to the mortgagee(s) or beneficiary(s) entitled thereunder. Grantor shall cooperate with the Escrow Officer in obtaining lien clearance documents from any and all creditors holding liens against the Property.
- B. <u>LEASE INDEMNIFICATION</u> Warrants there are no oral or written leases on all or any portion of the Property, or if there are such leases, Grantor agrees to hold the City harmless and reimburse City for any and all of its losses and expenses occasioned by reason of any lease of said Property held by tenant of Grantor.
- C. <u>PERMISSION TO ENTER</u> Hereby grants to the City, its agents and contractors, permission to enter the Property prior to the close of escrow for the purposes of preparation for the construction of the City's facilities, subject to all applicable terms and conditions contained in this Agreement and the associated Deed.

- D. <u>TITLE INDEMNITY AND WARRANTY</u> In consideration of the City waiving the requirements to clear any defects and imperfections in all matters of record title, the Grantor indemnifies and holds the City harmless from any and all claims that other parties may make or assert on the title to the Property. Grantor's obligation to indemnify the City shall not exceed the amount paid to the Grantor under this Agreement. Grantor hereby represents and warrants that he/she/they are the sole vested owners of the Property, holding all ownership and possessory rights, and are the authorized signatories to grant the rights referenced in this Agreement without conflict or claims from other parties.
- E. <u>HAZARDOUS SUBSTANCES</u> Represents and warrants, to the best of Grantor's knowledge, and after reasonable inquiry, the following:

During Grantor's ownership of the Property, Grantor knows of no disposal, releases, or threatened releases of hazardous substances on, from, or under the Property or Grantor's remaining adjacent property. Grantor further represents and warrants that Grantor has no knowledge of disposal, release, or threatened release of hazardous substances on, from, or under the Property, or Grantor's remaining adjacent property, which may have occurred prior to Grantor's ownership.

There is no pending claim, lawsuit, agency proceeding, or any administrative challenge concerning the presence or use of hazardous substances on or within the Property or Grantor's remaining adjacent property.

Grantor has not used the Property, or Grantor's remaining adjacent property, for any industrial operations that use hazardous substances. Grantor is not aware of any prior use of such property. Grantor has not installed any underground storage tanks, above ground storage tanks, barrels, sumps, impoundments or other containers used to contain hazardous substances on any part of the Property or Grantor's remaining adjacent property. Grantors are not aware of any such prior installations. The purchase price of the Property being acquired reflects the fair market value of the Property without the presence of contamination. If the Property is found to be contaminated by the presence of hazardous substances which require mitigation under Federal or State law, City may elect to recover its cleanup costs from those who caused or contributed to the contamination.

F. TAX REPORTING AND WITHHOLDING - The Foreign Investment in Real Property Tax Act of 1980 ("FIRPTA"), as amended by the Tax Reform Act of 1984, places special requirements for tax reporting and withholding on the parties to a real estate transaction where the transferor (Grantor) is a non-resident alien or non-domestic corporation or partnership, or is a domestic corporation or partnership controlled by a non-resident or non-resident corporation or partnership. In accordance with the provisions of Section 1445 of the Internal Revenue Code of 1954, as amended, and any regulations promulgated thereunder, Grantor shall execute an affidavit under penalty of perjury setting forth Grantor's name, address, federal tax identification number, and certifying whether Grantor is a "foreign person" in accordance with the provisions of the Internal Revenue Code. Further, tax withholding may be required in accordance with the California Revenue and Taxation Code Section 18662. It is specifically understood and agreed by Grantor that closing of this escrow is subject to, and contingent upon, deposit into escrow of a FIRPTA Affidavit of Non-Foreign Status and a California Form 593-C,

APN: 012-321-001 City of Hanford / Mr. Paul Acevedo

Real Estate Withholding Certificate and associated required paperwork, completed and signed by Grantor, and Escrow Agent is hereby authorized and instructed to withhold from Grantor's proceeds amounts so required by these laws and to forward any amounts withheld to the appropriate taxing authority.

### 4. The Parties agree:

A. <u>ESCROW</u> - At City's option, to open an escrow in accordance with this Agreement at an escrow company of City's choice. Opening an escrow shall be at City's sole discretion and City may decide to process this transaction without the use of an escrow agent. However, if an escrow agent is utilized, this Agreement constitutes the joint escrow instructions of City and Grantor, and the escrow agent to whom these instructions are delivered is hereby empowered to act under this Agreement. The parties hereto agree to do all acts necessary to close this escrow in the shortest possible time.

If an escrow is utilized, as soon as possible after opening of escrow, City will deposit the executed Deeds by Grantor, with Certificate of Acceptance attached, with the escrow agent on Grantor's behalf. City agrees to deposit the purchase price upon demand of escrow agent. City and Grantor agree to deposit with escrow agent all additional instruments as may be necessary to complete this transaction. All funds received in this escrow shall be deposited with other escrow funds in a general escrow fund account(s) and may be transferred to any other such escrow trust account in any State or National Bank doing business in the State of California. All disbursements shall be made by check or wire transfer from such account.

Any taxes which have been paid by Grantor, prior to opening of this escrow, shall not be pro-rated between City and Grantor, but Grantor shall have the sole right after close of escrow, to apply to the County Tax Collector of said County for any refund of such taxes which may be due Grantor for the period after City's acquisition.

- i) <u>ESCROW AGENT DIRECTIVES</u> Escrow Agent is authorized to, and shall:
  - a) Pay and charge Grantor for any unpaid delinquent taxes and/or any penalties and interest thereon, and for any delinquent assessments or bonds against that portion of Grantor's property subject to this transaction as required to convey clear title.
  - b) Pay and charge City for any escrow fees, charges and costs payable under Paragraph 2.C. of this Agreement;
  - c) Disburse funds and deliver Deeds when conditions of this escrow have been fulfilled by City and Grantor.
  - d) Following recording of Deeds from Grantor, if requested by City, provide City with a CLTA Standard Coverage Policy of Title Insurance in the amount of

- \$1,500.00 issued by Title Company of City's choice showing that title to the Property is vested in City, subject only to the following exceptions, and the printed exceptions and stipulations in said policy:
- 1) Real Property Taxes for the fiscal year in which escrow closes;
- 2) Public utility easements and public rights of way;
- 3) Other items that may be approved in writing by City in advance of the close of escrow.
- ii) <u>CLOSE OF ESCROW</u> The term "close of escrow", if and where written in these instructions, shall mean the date necessary instruments of conveyance are recorded in the office of the County Recorder. Recordation of instruments delivered through this escrow is hereby authorized.
- B. MISCELLANEOUS REALTY ITEMS ACQUIRED Payment in Clause 2.A. includes, but is not limited to, payment for 36 sq. ft. of lawn, sprinkler system, and a single oak tree which are considered to be part of the realty and are being acquired by City in this transaction. The remaining sprinkler system will be repaired and left in its original working condition if it is located within the construction area. The iron fence will be protected and potentially temporarily removed during tree removal. It shall be reinstalled in kind or in better condition.
- C. <u>JUDGMENT IN LIEU OF DEED</u> In the event Grantor does not deliver title in a reasonable time under the terms of the Agreement, the City may file an action in eminent domain to pursue the acquisition of the Property, and this Agreement shall constitute a stipulation which may be filed in said proceedings as final and conclusive evidence of the total amount of damages for the taking, including all of the items listed in Section 1260.230 of the Code of Civil Procedure, regarding said property rights.
- D. <u>ARTICLE HEADINGS</u> Article headings in this Agreement are for convenience only and are not intended to be used in interpreting or construing the terms, covenants and conditions of this Agreement.
- E. <u>COMPLETE UNDERSTANDING</u> This Agreement constitutes the entire understanding between the parties with respect to the subject matter hereof, superseding all negotiations, prior discussions, and preliminary agreements or understandings, written or oral. This Agreement may not be amended except in writing by the parties hereto or their successors or assigns.
- F. <u>CITY COUNCIL APPROVAL</u> This Agreement is subject to and conditioned upon approval by the Hanford City Council. This Agreement is not binding upon the City until executed by the appropriate City official(s) acting in their authorized capacity.

- G. <u>COUNTERPARTS</u> This Agreement may be executed in counterparts, each of which so executed shall irrespective of the date of its execution and delivery be deemed an original, and all such counterparts together shall constitute one and the same document.
- H. <u>ELECTRONIC AND FACSIMILE SIGNATURES</u> In the event that the parties hereto utilize electronic or facsimile documents which include signatures, such documents shall be accepted as if they bore original signatures provided that documents bearing ORIGINAL SIGNATURES are provided following transmittal of the electronic or facsimile signature. Documents for recordation by the Clerk Recorder must contain original signatures.
- I. <u>NO THIRD-PARTY BENEFICIARIES INTENDED</u> Unless specifically set forth, the parties to this Agreement do not intend to provide any other party with any benefit or enforceable legal or equitable right or remedy.
- J. <u>BINDING EFFECT</u> This Agreement shall inure to the benefit of and constitute a binding obligation upon the successors and assigns of the parties hereto.

No Obligation Other Than Those Set Forth Herein Will Be Recognized. **GRANTOR:** Mr. Paul Acevedo Date: 08 . 17 . 21 Paul Christopher Acevedo **GRANTOR'S ADDRESS:** Paul Christopher Acevedo 612 Grant Street Hanford, CA 93230 CITY OF HANFORD By: \_ Name: Title: MAILING ADDRESS OF CITY: The City of Hanford Public Works Department 900 S. 10<sup>th</sup> Avenue

APN: 012-321-001 City of Hanford / Mr. Paul Acevedo

Hanford, CA 93230

### **EXHIBIT "A"**

### LEGAL DESCRIPTION FOR RIGHT OF WAY ACQUISITION

ALL OF THAT PORTION OF LOT 10 OF ROSS SUBDIVISION, AS PER OFFICIAL MAP THEREOF RECORDED IN BOOK 3, AT PAGE 74 OF LICENESED SURVEYORS' PLATS, KINGS COUNTY RECORDS, LYING IN THE SOUTHEAST QUARTER OF SECTION 35, TOWNSHIP 18 SOUTH, RANGE 21 EAST, MOUNT DIABLO BASE AND MERIDIAN IN THE CITY OF HANFORD, COUNTY OF KINGS, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID LOT 10:

THENCE SOUTH 01° 15' 49" EAST, ALONG THE EAST LINE OF SAID LOT 10, A DISTANCE OF 4.00 FEET TO THE POINT OF INTERSECTION OF THE SOUTH RIGHT OF WAY LINE OF DAVIS STREET, AS SAID RIGHT OF WAY WAS ESTABLISHED PER OFFER OF DEDICATION, RECORDED DECEMBER 15, 1994, GRANTED TO THE CITY OF HANFORD, PER DOCUMENT NO. 9424227, OFFICIAL RECORDS OF KINGS COUNTY, AND THE WEST RIGHT OF WAY LINE OF GRANT STREET, AS SHOWN ON SAID MAP, ALSO BEING THE TRUE POINT OF BEGINNING;

THENCE CONTINUING SOUTH 01° 15' 49" EAST, ALONG SAID WEST RIGHT OF WAY LINE OF GRANT STREET, SAID LINE BEING 25.00 FEET WEST OF AND PARALLEL WITH THE CENTERLINE OF GRANT STREET, A DISTANCE OF 11.88 FEET;

THENCE, LEAVING SAID RIGHT OF WAY LINE, NORTH 90° 00° 00" WEST A DISTANCE OF 0.53 FEET TO THE BEGINNING OF A NON-TANGENT CURVE;

THENCE ALONG A 12.40 FOOT RADIUS CURVE TO THE LEFT, CONCAVE TO THE SOUTHWEST, FROM A RADIUS POINT BEARING NORTH 90° 00' 00" WEST, THROUGH A CENTRAL ANGLE OF 71°48' 14", AN ARC LENGTH OF 15.54 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF DAVIS STREET;

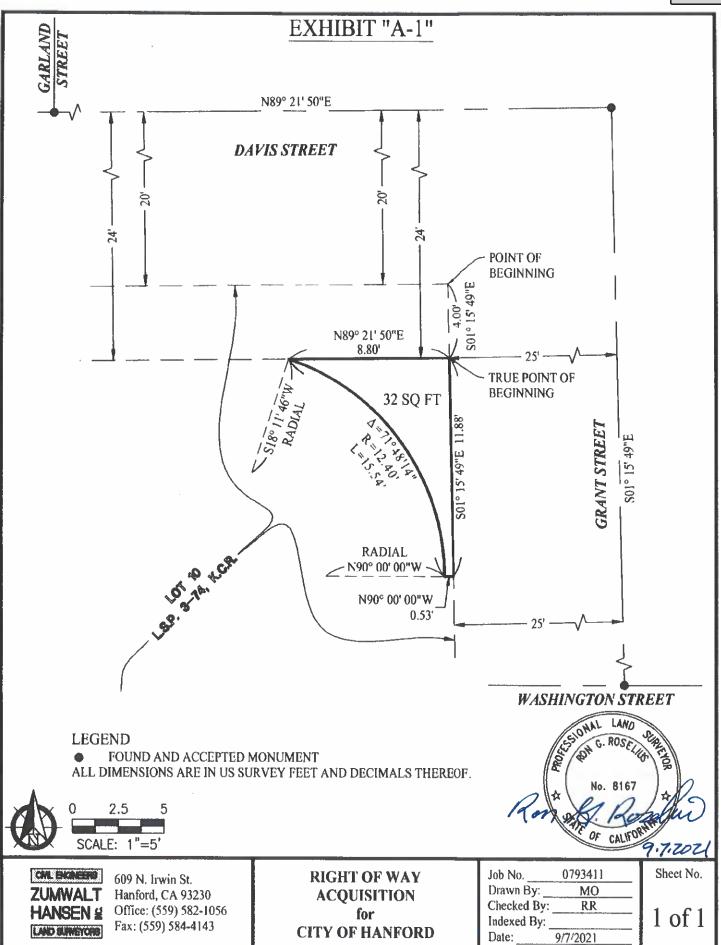
THENCE, ALONG LAST SAID RIGHT OF WAY LINE, SAID LINE BEING 24.00 FEET SOUTH OF AND PARALLEL WITH THE CENTERLINE OF DAVIS STREET, NORTH 89° 21' 50" EAST A DISTANCE OF 8.80 FEET, TO THE TRUE POINT OF BEGINNING.

CONTAINING 32 SQUARE FEET, MORE OR LESS.

ATTACHED HERETO IS A PLAT LABELED EXHIBIT "A-1" AND BY THIS REFERENCE MADE A PART HEREOF.

END OF DESCRIPTION

9.7.2021



G-YARANDE FILESU/94911 CCR1 - 10po, Davis Sc. is Rom Sambwild/9494114 Davis ScAng, 9/7/2021 9/05:51 AR, Submital, Motaid by RIBO

### **Pavement Resurfacing Treatment**

### **Project Background:**

Pavement Resurfacing Treatment is a surface protection and pavement preservation treatment for city streets. The location of streets and the types of treatment processes will be determined by Public Works Department staff and is dependent on pavement conditions. Treatments may include slurry seal, cape seal or fiber seal coatings or other pavement preservation treatments needed to extend the useful life of roadways.

### **Existing Conditions:**

Asphalt concrete pavement surfaces deteriorate over time due to loss of oil content from naturally occurring processes and vehicular traffic loads.

### **Project Justification:**

Pavement Resurfacing treatments will extend the useful life of asphalt concrete pavement surfaces thereby reducing street maintenance costs. This project will provide surface treatment for approximately seven miles of roadways (207,300 SY).

### **Fiscal Implications:**

Funding for this project will be allocated from gas tax reserves.

### **Project Budget Summary:**

		5-Year Funding Allocation							
		2021	2022	2023	2024	2025			
	Program or Project	Construction	Construction	Construction	Construction	Construction			
	Engineering / Inspection	55,000	12,000	12,000	12,000	12,000			
e e	Construction	1,405,000	850,000	850,000	850,000	850,000			
Ē	Contingency	140,000	85,000	85,000	85,000	85,000			
pue	Department Overhead	144,150	3,000	3,000	3,000	3,000			
Expenditure									
ш									
	Total Expenditure	\$1,744,150	\$950,000	\$950,000	\$950,000	\$950,000			
	Funding								
	040 Gas Tax (2105)	381,533	350,000	350,000	350,000	350,000			
	050 Gas Tax (TDA Transportation)	327,028	600,000	600,000	600,000	600,000			
<u>o</u>	045 RMRA Gas Tax	1,035,589							
Revenue									
Še									
œ									
	Total Funding	\$1,744,150	\$950,000	\$950,000	\$950,000	\$950,000			



### AGENDA STAFF REPORT

MEETING DATE: 10/5/2021 AGENDA SECTION: I

### SUBJECT:

Public Works: Authorization to Advertise for Bids for the Fitness Court - Hidden Valley Park and approve an additional appropriation of \$24,075 from the Park Impact Fee Reserve to fully fund the estimated construction portion of this project.

### **RECOMMENDATION:**

That the City Council, by motion,

- 1. Authorize staff to advertise for bids for the Fitness Court Hidden Valley Park Project, and Pre-Authorize the City Manager to award and execute the contract on behalf of the City to the lowest responsible bidder providing project bid is within current budget appropriation.
- 2. Approve an additional appropriation of \$24,075 from the Park Impact Fee Reserve to fund the estimated construction portion, including contingencies for this project.

### **BACKGROUND:**

The Fitness Court is a functional fitness circuit-training system featuring a series of full-body exercises that can be completed in just seven minutes. The Fitness Court is designed for adults of all ages and accommodates a variety of skill levels and abilities at each station, from beginning to expert. It is a powerful way to encourage physical activity and promote community wellness. Each Fitness Court is integrated with shock-resistant sports flooring and allows users a varying fitness levels to utilize the court.

On May 2, 2021, the City Council approved a contract with the National Fitness Campaign for the purchase of the Fitness Court and appropriated \$182,995 from the Park Impact Fee Reserve account to cover the cost of the Court, the concrete slab and the shade structure.

The construction of the Fitness Court requires a concrete slab 38'-0" x 37'-8" with a minimum of 4" of depth. Floor anchor bolts are installed at specific locations to secure flooring, wall unit,

and exercise equipment. A 41' x 41' shade structure manufactured by USA Shade will be installed and require 4 independent footings. In addition to the slab installation, the site location will require access sidewalks to and from the fitness court from the adjacent parking lot. Two park benches and one trash receptacles will be installed. The City has already received the Fitness Court equipment and the shade structure at a combined cost of \$145,178.75, which leaves a remaining project balance of \$37,816.25. The additional \$24,075 in appropriated funding will provide for sufficient funding to complete the project and any contingencies.

After bid opening, Staff will examine the bids, validate the lowest bidder's contractor's license status, and verify the contractor is in good standing. Staff is requesting the pre-authorization to award and execute the contract in order to expedite the process. With Council approval, staff will solicit bids for this project. If awarded, construction is anticipated to begin in December 2021.

### **FISCAL IMPACT:**

Council has previously appropriated \$182,995 from the Park Impact Fee Reserve Account to fund this project. An Additional appropriation of \$24,075 from the Park Impact Fee Reserve is required to fund the estimated construction cost and contingencies of the project.

### **ATTACHMENTS:**

Engineer's Estimate - Fitness Pad 822642 Budget Admendment Fitness Pad Layout

## **Engineer's Estimate**

PROJECT NAME: HIDDEN VALLEY PARK FITNESS PAD

PROJECT NUMBER: 21800000-822642

Item Number	Bid Item	<u>Unit</u>	<u> </u>	Jnit Price	<b>Qty</b>	9	Sub Total
1	Site Preparation, Mobilization, Demolition	LS	\$	14,000.00	1	\$	14,000.00
2	4" Reinforced Concrete Fitness Pad	SF	\$	18.00	1230	\$	22,140.00
3	Install Shade Structure	LS	\$	1,500.00	1	\$	1,500.00
4	4" Concrete Sidewalk per City Standard	SF	\$	15.00	720	\$	10,800.00
5	6" Curb per City Standard	LF	\$	45.00	42	\$	1,890.00
6	Concrete Retaining Wall	LS	\$	1,400.00	1	\$	1,400.00
7	Concrete Stairs with Handrails	LS	\$	1,600.00	1	\$	1,600.00
8	Install City Bench (Material Provided by others)	EA	\$	400.00	2	\$	800.00
9	Install Fitness Equipment	LS	\$	2,000.00	1	\$	2,000.00

Construction Phase Total \$ 56,130.00



09/28/2021 13:17 dcaietti

City of Hanford, CA YEAR-TO-DATE BUDGET REPORT

P 1 |glytdbud

FOR 2022 13					JOURNAL DETAI	L 2022 2 TO	2022 2
ACCOUNTS FOR: 21800000 PARKS FACILITY IMPACT FEE	ORIGINAL APPROP	TRANFRS/ ADJSTMTS	REVISED BUDGET	YTD EXPENDED	ENC/REQ	AVAILABLE BUDGET	PCT USED
81 CAP ASSETS CIP							
822642 HIDDEN VALLEY PARK/FITNESS C	0	182,995	182,995	.00	.00	182,995.00	.0%
TOTAL CAP ASSETS CIP	0	182,995	182,995	.00	.00	182,995.00	.0%
TOTAL PARKS FACILITY IMPACT FEE	0	182,995	182,995	.00	.00	182,995.00	.0%

munis a tyler erp solution

09/28/2021 13:17 dcaietti City of Hanford, CA YEAR-TO-DATE BUDGET REPORT P 2 |glytdbud

FOR 2022 13

JOURNAL	DETAIL	2022	2	TO	2022	- :
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	ORIGINAL APPROP	TRANFRS/ ADJSTMTS	REVISED BUDGET	YTD EXPENDED	ENC/REQ	AVAILABLE BUDGET	PCT USED
GRAND TOTAL	0	182,995	182,995	.00	.00	182,995.00	.0%

<sup>\*\*</sup> END OF REPORT - Generated by Debbie Caietti - Tyler \*\*



09/28/2021 13:17 dcaietti City of Hanford, CA YEAR-TO-DATE BUDGET REPORT P 3 |glytdbud

### REPORT OPTIONS

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HIDDEN VALLEY PARK FITNESS PAD LAYOUT



#### AGENDA STAFF REPORT

MEETING DATE: 10/5/2021 AGENDA SECTION: A

#### **SUBJECT:**

Public Works: Public Hearing to Review, Discuss and receive Public Comment on the 2020 Water Shortage Contingency Plan Update.

#### **RECOMMENDATION:**

That the City Council hold a public hearing for the 2020 Water Shortage Contingency Plan (WSCP) update.

#### **BACKGROUND:**

In compliance with the State of California Urban Water Management Planning Act, the City's UWMP must be updated every five years ending in five and zero (2005, 2010, etc.). The City's 2015 UWMP was last updated and adopted by Council on June 21, 2016 and subsequently approved the State Department of Water Resources.

The City's Water Shortage Contingency Plan (WSCP) was included as part of the 2015 UWMP, which received letters of review and completeness from the Department of Water Resources. Subsequent amendments to the UWMPA require that the WSCP must be prepared and adopted separately from the UWMP.

The 2020 WSCP builds upon previous water shortage contingency planning efforts completed by the City and reflects updates to the City's water shortage levels and water conservation measures for consistency with state-wide requirements provided by the Department of Water Resources

The State has set July 1, 2021 as the deadline for updating and approving the 2020 WSCP. However, because the State did not issue final guidelines until March 2021, late submittals were expected. A public hearing has been scheduled for the October 5, 2021 Council meeting. This meeting was properly noticed and is required as part of the approval process to take public testimony on the plan update. A copy of the final draft report was provided for Public Review. Adoption of the 2020 WSCP is tentatively scheduled for October 19, 2021.

Due to the size of the document, a copy is available in the City Clerk's office for viewing.

#### **FISCAL IMPACT:**

Final adoption of the UWMP does not have any direct impact on the City budget. Implimentation of the Demand Management Measures identified in the plan will be accomplished through operational means or become a part of a future Capital Improvement Program budget.

#### **ATTACHMENTS:**

PublicReviewDraft WSCP, small 082321 Proof of publication



# DRAFT



City of Hanford

**AUGUST 2021** 

# 2020 Water Shortage Contingency Plan

A K E L
Packet Pg. 183

Attachment: PublicReviewDraft WSCP, small 082321 (PW: 2020 Water Shortage Contengency Plan Update)



# 2020 WATER SHORTAGE CONTINGENCY PLAN

**Draft** 

August 2021





Smart Planning Our Water Resources

July 19, 2021

City of Hanford 319 Douty Street Hanford California, 93230

Attention: James Ross, Deputy Public Works Director

**Subject: Water Shortage Contingency Plan** 

Dear Jim,

We are pleased to submit the City of Hanford 2020 Water Shortage Contingency Plan (2020 WSCP) which is intended to address the Urban Water Management Planning Act (UWMPA) of 1983 and amendments thereof.

The City's Water Shortage Contingency Plan (WSCP) was originally included in the 2015 UWMP, which received letters of review and completeness from the Department of Water Resources. As part of amendments to the UWMPA the WSCP is now required to be prepared and adopted separately from the UWMP. The 2020 WSCP builds upon previous water shortage contingency planning efforts completed by the City and reflects updates to the City's water shortage levels and water conservation measures for consistency with state-wide requirements provided by the Department of Water Resources.

We extend our thanks to you; John Doyel, Public Works Director; Christine Baca, Regulatory Compliance Analyst; Bob Williams, Utilities Supervisor, and other City staff whose courtesy and cooperation were valuable in reviewing and completing this study.

Sincerely,

AKEL ENGINEERING GROUP, INC.

Tony Akel, P.E. Principal

Enclosure: 2020 Water Shortage Contingency Plan



# **Acknowledgements**

### City Council

Francisco Ramirez, Mayor

Diane Sharp, Vice Mayor

Amanda Saltray

Kalish Morrow

Art Brieno

#### **Management Personnel**

John Doyel, Director of Public Works

Jim Ross, Deputy Public Works Director

Christine Baca, Regulatory Compliance Analyst

Bob Williams, Utilities Supervisor

## City of Hanford 2020 Water Shortage Contingency Plan

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#### Section 1 INTRODUCTION

This report documents the City of Hanford's Water Shortage Contingency Plan (WSCP). This 2020 WSCP document builds upon previous water shortage contingency planning efforts completed by the City and documented in the 2010 and 2015 Urban Water Management Plans (UWMP). This WSCP reflects updates to the City's water shortage levels and water conservation measures for consistency with state-wide requirements provided by the Department of Water Resources. As part of the 2020 UWMP update, the Department of Water Resources requires urban water suppliers to prepare a stand-alone 2020 WSCP, that is separate from the 2020 UWMP, and intended to manage a water shortage. As the City continues to monitor the effectiveness of the WSCP, this document can be updated and adopted separately from the UWMP.

Though it is a stand-alone document, the 2020 WSCP is still considered one of the elements of the 2020 UWMP, as required by the State Law.

Based on Department of Water Resources (DWR) requirements, and consistent with previous planning efforts, this WSCP includes the following sections:

- Water Supply Reliability Analysis
- Annual Water Supply and Demand Assessment
- Shortage Response Actions
- Communication Protocols
- Compliance and Enforcement
- Legal Authorities
- Financial Consequences of WSCP Activation
- Monitoring and Reporting
- Special Water Feature Distinction
- Plan Adoption, Submittal, and Availability

#### Section 2 WATER SUPPLY RELIABILITY ANALYSIS

#### Law

10632 (a)(1) The analysis of water supply reliability conducted pursuant to Section 10635.

The City currently uses groundwater as the sole source of water supply, with wells extracting water from the Tulare Lake Subbasin of the San Joaquin Valley Groundwater Basin. These groundwater basins are managed by Mid-Kings River Groundwater Sustainability Agency, and the 2020 Tulare Lake Subbasin Groundwater Sustainability Plan lists the rates of natural recharge for these groundwater supply sources. Consistent with previous planning efforts, the City's Water

Supply Reliability Analysis, the available supply drawn from the aquifer in any year is equal to the system-wide water demand for that particular year.

As part of the 2020 UWMP the City has also prepared a Drought Risk Assessment (DRA), which is a proactive planning review that readies the City for worst-case water supply conditions should they occur in the immediate future. The DRA compares the City's projected demands over the next five years to estimated available supplies should a five-year dry period occur. The results of the DRA prepared as part of the 2020 UWMP indicate that the City has sufficient supplies to meet projected demands over the next five years.

# Section 3 ANNUAL WATER SUPPLY AND DEMAND ASSESSMENT PROCEDURES

#### Law

10632 (a)(2) The procedures used in conducting an annual water supply and demand assessment that include, at a minimum, both of the following:

- (A) The written decision-making process that an urban water supplier will use each year to determine its water supply reliability.
- (B) The key data inputs and assessment methodology used to evaluate the urban water supplier's water supply reliability for the current year and one dry year, including all of the following:
- (i) Current year unconstrained demand, considering weather, growth, and other influencing factors, such as policies to manage current supplies to meet demand objectives in future years, as applicable.
- (ii) Current year available supply, considering hydrological and regulatory conditions in the current year and one dry year. The annual supply and demand assessment may consider more than one dry year solely at the discretion of the urban water supplier.
- (iii) Existing infrastructure capabilities and plausible constraints.
- (iv) A defined set of locally applicable evaluation criteria that are consistently relied upon for each annual water supply and demand assessment.
- (v) A description and quantification of each source of water supply.

10632.1

An urban water supplier shall conduct an annual water supply and demand assessment pursuant to subdivision (a) of Section 10632 and, on or before July 1 of each year, submit an annual water shortage assessment report to the department with information for anticipated shortage, triggered shortage response actions, compliance and enforcement actions, and communication actions consistent with the supplier's water shortage contingency plan. An urban water supplier that relies on imported water from the State Water Project or the Bureau of Reclamation shall submit its annual water supply and demand assessment within 14 days of receiving its final allocations, or by July 1 of each year, whichever is later.

Updates to the California Water Code now require that urban water suppliers prepare a water supply and demand assessment on an annual basis (Annual Assessment). The findings of this Annual Assessment will be summarized in a report submitted to the DWR by July 1<sup>st</sup> of each calendar year, with the first report required for submission on July 1<sup>st</sup>, 2022. The purpose of this annual assessment is to ensure water suppliers are proactively considering the available water

City of Hanford Water Shortage Contingency Plan

supplies and service area demand requirements, as well as identifying the potential need for implementing the Water Shortage Contingency Plan.

It should be noted that DWR is in the process of preparing a stand-alone guidance document that will outline general procedures to aid urban water suppliers in preparing the Annual Assessment. The decision-making process and Annual Assessment completion steps are preliminary at this point in time and will be further refined as the guidance document by DWR is completed.

#### 3.1 Decision Making Process

This section describes the decision-making process to prepare and approve the Annual Assessment each year. It should be noted that the Annual Assessment and decision-making process will rely on the findings of the Tulare Lake Subbasin Annual Report, which will include documentation of available water supply information and any subbasin-wide required water shortage actions to be implemented.

Current Year **Following Year** Nov Dec Feb Sep Jan Oct Mar Jul ONGOING MONITORING AND REVIEW **INITIATE ANNUAL ASSESSMENT EVALUATE SUPPLIES** CITY COUNCIL REVIEW OF ANNUAL ASSESSMENT FINALIZE ANNUAL ASSESSMENT SUBMIT ANNUAL ASSESSMENT

Figure 3-1 Annual Assessment Report Timeline

#### September to February – Ongoing Monitoring and Review

For the majority of the year, City staff will continue to monitor and report monthly water consumption and production. This information will be used when the Annual Assessment is initiated to prepare a year-to-year comparison of system-wide water demands for the purpose of projecting demands for the following year.

#### March - Initiate WSCP Annual Assessment

City staff will initiate the Annual Assessment process by gathering the collected demand and production data. Other relevant information includes but is not limited to the following:

- <u>Land Use/Planning:</u> Changes in land use or number of building permits will be used in estimating the next year's demands.
- <u>Hydrologic Year Review:</u> The City's wet year typically ends in April and rainfall information over the past year can be gathered and reviewed.
- Climate Forecast: Any available climate projection information

The purpose of gathering this information will be to compare the various factors that affect water demand throughout the City's service area. This comparison will guide the City's projection for water demand in the upcoming year.

#### **April** – Review Available Supply Information

According to the Tulare Lake Groundwater Sustainability Plan, a Groundwater Annual Report will be completed by the month of April. City staff will review this document once available and use it as a basis for estimating the available supply in the upcoming year. If required, City staff will also prepare to initiate any water shortage response actions noted by Mid-Kings River Groundwater Sustainability Agency.

#### May - City Council Review of Annual Assessment

The draft of Annual Assessment will be presented to City Council for their information and discussion. If water shortage actions are recommended by the Annual Assessment, the City Council will be asked to begin the implementation of the recommended actions.

#### June - Finalize Annual Assessment

The Annual Assessment is finalized based on any feedback received during the City Council review process.

#### July - Submit Annual Assessment

The Annual Assessment will be submitted to DWR on or before July 1st.

#### 3.2 Data and Methodologies

This section describes the key data and methodologies used in the preparation of the Annual Assessment. This includes historical water supply information, historical and projected water demand, demand and projected water supply demand, which city uses to evaluate their water supply reliability for a normal and a dry subsequent year.

#### 3.2.1 Evaluation Criteria

The primary criteria used in preparing the City's Annual Assessment are the projected water demand and available supply. The supply information will be based on any available subareawide review of available water supplies prepared by Mid-Kings River Groundwater Sustainability Agency, Kings County Water District, or other local groundwater planning agencies. The demand projections will be prepared using a combination of factors, including a comparison to historical demand, land use changes, building permits, and historical rainfall. The City will continue to review its Annual Assessment preparation process, and additional criteria may be added if considered appropriate.

#### 3.2.2 Water Supply

The City currently relies on groundwater as the sole source of supply. There are numerous groundwater wells used by the City, each of which is monitored and has production reported on a monthly basis. These monthly production records will be used to characterize the City's current water production requirement and compared to previous years to estimate production requirements for the upcoming year.

As the Groundwater Sustainability Agency, Mid-Kings River GSA manages water supplies within the Tulare Lake Subbasin; this also includes the Mid-Kings River Subarea, which is used by the City for supply. The water supply analysis prepared by each GSAs within the Tulare Lake Subbasin in preparation of their Annual Report will provide a critical basis for water supply assumptions, regarding available water supply volumes and any pumping restrictions required to be implemented if any.

#### 3.2.3 Current Year Unconstrained Customer Demand

Billed water consumption is reported on a monthly basis and will be used to characterize the current water consumption requirements for the City. The monthly records will be compared to corresponding months of the previous year to identify any significant changes in water use behavior throughout the City's service area. In addition to consumption records, known recent developments or current building permits will enable City staff to estimate changes to water demand in the upcoming year.

#### 3.2.4 Current Year Available Supply

The Annual Assessment estimates the current year available supply for current hydrological conditions as well as a possible subsequent dry year. The supply estimate will be based on the Drought Risk Assessment supply estimation methodology documented in the 2020 UWMP and it will also incorporate information from the Tulare Lake Groundwater Annual Report and Mid-Kings Groundwater Sustainability Agency.

#### 3.2.5 Infrastructure Considerations

The annual assessment will include a review of any ongoing capital projects that are expected to affect the demands and supply projections. Examples of such capital projects include water loss reductions, distribution expansion to serve the growth, or new groundwater wells.

#### Section 4 WATER SHORTAGE LEVELS

#### Law

10632 (a)(1) Stages of action to be undertaken by the urban water supplier in response to water supply shortages, including up to a 50 percent reduction in water supply and an outline of specific water supply conditions which are applicable to each stage.

10632 (a)(3)

- (A) Six standard water shortage levels corresponding to progressive ranges of up to 10, 20, 30, 40, and 50 percent shortages and greater than 50 percent shortage. Urban water suppliers shall define these shortage levels based on the suppliers' water supply conditions, including groundwater levels, changes in surface elevation or level of subsidence, or other changes in hydrological or other local conditions indicative of the water supply available for use. Shortage levels shall also apply to catastrophic interruption of water supplies, including but not limited to, a regional power outrage, an earthquake, and other potential emergency events.
- (B) An urban water supplier with an existing water shortage contingency plan that uses different water shortage levels may comply with the requirement in subparagraph (A) by developing and including a cross-reference relating its existing categories to the six standard water shortage

The City's current water shortage contingency plan includes three water shortage levels. These water shortage stages reflect potential supply reductions due to reductions in average rainfall, groundwater well issues, or extended periods of summer weather. The City's water shortage levels are documented in Table 4-1. The comparison between the City's water shortage levels and the DWR recommended 6-level framework is provided in Appendix A.

Identifying the appropriate shortage level will be in accordance with the procedures outlined in Section 3 – Annual Water Supply and Demand Assessment Procedures. With recommendations from City staff, the City Council has the authority to declare the appropriate conservation level considered necessary to manage the system demands and mitigate the water shortage. The City Council can also downgrade, upgrade, or terminate a shortage response level based on City staff recommendations.

The City's groundwater supply is dependent on recharge from surface water sources as well as deep percolation of applied irrigation water. In periods of drought when the natural recharge sources are less than in typical years, the basin is at risk of overdraft. In order to reduce water consumption city-wide, the City's water conservation ordinance will be amended as necessary to respond to severe, prolonged drought

As part of the City's efforts to conserve water, the City has permanent water use prohibitions in place. Additionally, the City's conservation ordinance describes a multiple-stage water conservation plan. Each water rationing stage includes a water demand reduction percentage, which is to be applied to normal water demands. The plan is dependent on the cause, severity, and anticipated duration of the water shortage, and a combination of voluntary and mandatory water conservation measures, which can be put in place to reduce City-wide water usage. City manager and Council have the authority to implement additional conservation measures as needed.

**Table 4-1 Water Shortage Contingency Plan Levels** 

Stage	Percent Supply Reduction	Water Supply Condition	
1	10%-20%	Minor Shortage Potential  - Below average rainfall in the previous 12-24 months  - 10 percent or more of municipal wells out of service  - Warm weather patterns typical of summer months	
2	20%-35%	Moderate Shortage Potential  - Below average rainfall in the previous 24-36 months  - Prolonged periods of low water pressure  - 10 percent or more of municipal wells out of service  - Warm weather patterns typical of summer months	
3	35%-50%	Critical Shortage Potential  - Below average rainfall in the previous 36 months  - Prolonged periods of low water pressure  - 10 percent or more of municipal wells out of service  - Warm weather patterns typical of summer months	

#### Section 5 SHORTAGE RESPONSE ACTIONS

#### Law

10632 (a)(4) Shortage response actions that align with the defined shortage levels and include, at a minimum, all of the following:

- (F) Locally appropriate supply augmentation actions.
- (G) Locally appropriate demand reduction actions to adequately respond to shortages.
- (H) Locally appropriate operational changes
- (I) Additional, mandatory prohibitions against specific water use practices that are in addition to state-mandated prohibitions and appropriate to the local conditions.
- (J) For each action, an estimate of the extent to which the gap between supplies and demand will be reduced by implementation of the action.

Pursuant to the CWC 10632 (a) (4), this section documented the detailed shortage response actions which align with the shortage levels into different categories.

#### 5.1 Demand Reduction

There are a number of demand reduction measures an urban water supplier can implement as response actions to corresponded water shortage levels. Some of these may include watering and outdoor water usage prohibitions, water rate structure changes, public educations or water supply service adjustments. Other demand reduction such as infrastructure improvement or replacing, water-efficient assets installation are considered as long-term water demand reductions will not be listed in this water shortage contingency plan.

Consumption reduction actions are methods taken by a water supplier to reduce demand within the service area, whereas prohibitions are specific limitations on water use; the City's consumption reduction actions are summarized in **Table 5-1**. The permanent water use restrictions enforced year-round are also documented in the table.

#### 5.2 Supply Augmentation

As noted in previous sections, groundwater is the City's sole source of potable water supply, and there are no known opportunities for water supply augmentation through actions such as exchanges, transfers, or purchase programs. Therefore, supply augmentation actions are excluded from the City's Water Shortage Contingency Plan at this time.

#### 5.3 Operation Changes

During a water shortage, changes to water system operations may be considered. These operational changes may include improving water usage consumption and tracking, changes to fire hydrant testing frequencies, alteration in maintenance cycles, and expedited water leak repairs.

#### 5.4 Additional Mandatory Restrictions

Additional mandatory restrictions have been reported in a previous section.

#### 5.5 Emergency Response Plan

The City has a Local Hazard Mitigation Plan, most recently updated in 2012, that provides a framework for the City to address a catastrophic supply interruption due to various hazards, including seismic, geological, wildfire, and flooding hazards. The plan is intended to define the actions required of the City before, during, and after an emergency. It also guides the City's response to major emergencies and disasters.

**Table 5-1 Demand Reduction Actions** 

Restrictions and Level Prohibitions on End Users Category		Additional Explanation or Reference	Penalty, Charge, or Other Enforcement?
1-3	Landscape - Limit landscape irrigation to specific days	Prohibit sprinkling, irrigating, or otherwise applying water to any yard, ground, premises or vegetation except on the following designated days: - Properties ending with even-numbered addresses: Tuesday and Saturday - Properties ending with odd-numbered addresses: Wednesday and Sunday.	Yes
1-3	Landscape - Limit landscape irrigation to specific days	ition and 6 n m. during periods designated as "daylight sayings time" (generally	
1-3	Landscape - Other landscape restriction or prohibition  Prohibit sprinkling, irrigating, or otherwise applying water to any yard, ground, landscaping or vegetation during and up to 48 hours after measurable rainfall.		Yes
1-3			Yes
Landscape - Prohibit certain types of landscape irrigation  Landscape - Prohibit sprinkling, irrigating, or otherwise applying water to any ornamental turf or public street medians.		Yes	

**Table 5-1 Demand Reduction Actions** 

Level	Restrictions and Prohibitions on End Users Category	Additional Explanation or Reference	Penalty, Charge, or Other Enforcement?	
1-3	Landscape - Other landscape restriction or prohibition	, , , , , , , , , , , , , , , , , , , ,		
1-3	Landscape - Restrict or prohibit runoff from landscape irrigation	Prohibit water used to irrigate any yard, ground, landscaping or vegetation to run or waste onto non-irrigated areas, private or public walkways, sidewalks, driveways, streets or adjoining or adjacent property.	Yes	
1-3	Other - Customers must repair leaks, breaks, and malfunctions in a timely manner	Prohibit keeping, maintaining, operating, or using any water connection, hose, faucet, hydrant, pipe, outlet, or plumbing fixture which is not tight and free from leakage and dripping.		
1-3	Other	Prohibit washing any type of vehicle, boat or trailer with water supplied by a hose unless the hose is fitted with a shut-off nozzle or device attached to it that causes it to cease dispensing water immediately when not in use.	Yes	
1-3	Other - Prohibit use of potable water for washing hard surfaces	Prohibit use of water for sidewalk, driveway, or walkway washing cleaning, except as required to address an immediate public health or safety need.	Yes	
1-3	Water Features - Restrict water use for decorative water features, such as fountains	Prohibit operation of water fountains or other decorative water fixtures without recirculation pumps.	Yes	
1-3	Other water feature or swimming pool restriction	Prohibit draining and filling of a swimming pool or similar water feature more than once during a one year period (all pool drainage must occur pursuant to a permit issued by the City's public works department.	Yes	

**Table 5-1 Demand Reduction Actions** 

Level	Restrictions and Prohibitions on End Users Category	Additional Explanation or Reference	Penalty, Charge, or Other Enforcement?
1-3	Other	Prohibit willful of negligent waste of water in any manner.	Yes
1-3	CII - Lodging establishment must offer opt out of linen service	Require operators of hotels and motels to provide guests with the option of choosing not to have towels and linens laundered daily. Each hotel and motel shall prominently display notice of this option in each bathroom using clear and easily understood language.	Yes
1-3	Landscape - Prohibit certain types of landscape irrigation	Prohibit the planting of rye grass on any property that is serviced by the city's water system.	Yes
1-3 Other landscaping planted outside of newly-constructimes other than those consistent with the cut.  Other - Prohibit vehicle washing which an individual or a group, which is not a except at facilities using recycled or service of washing, with water, any type of verifications.		The city may issue Conditional Water Permits that allow the watering of new landscaping planted outside of newly-constructed buildings on days and/or times other than those consistent with the current use restrictions.	Yes
		Prohibit charity and community vehicle wash events, including any event at which an individual or a group, which is not a commercial washing business operating legally in the city, offers to the general public or portion thereof the service of washing, with water, any type of vehicle, boat, or trailer in exchange for a fee, donation, other form of compensation, or for no compensation.	Yes

**Table 5-1 Demand Reduction Actions** 

Level	Restrictions and Prohibitions on End Users Category	Additional Explanation or Reference	Penalty, Charge, or Other Enforcement?
1-3	Landscape - Prohibit certain types of landscape irrigation	week using a handheld hose with a positive shutoff nozzle or drip irrigation. Use of reclaimed water (if available), is exempt.  Water no more than twice per week. Trees and shrubs may be water only twice per week using a handheld hose with a positive shutoff nozzle or drip irrigation. Use of reclaimed water (if available), is exempt.  Water no more than twice per week using only hand-held hoses with positive shutoff nozzle or drip irrigation systems. Eliminate sprinkler use	
1-3	Landscape - Limit landscape irrigation to specific days		
1-3	CII - Restaurants may only serve water upon request	Prohibit the serving of drinking water, other than upon request, in eating or drinking establishments.	Yes

**Table 5-1 Demand Reduction Actions** 

Level	Restrictions and Prohibitions on End Users Category	Additional Explanation or Reference	Penalty, Charge, or Other Enforcement?
1-3	Other - Customers must repair leaks, breaks, and malfunctions in a timely manner	When a leak is discovered by a customer in a customer's water system and a customer is charged for water that it has not used, as a result of the leakage, it shall be policy of the city to aid the customer in locating the leak. If the leak is repaired by the customer within a period of ten days of the date the leak was discovered and the customer can establish that a portion of the charges identified in its water bill are in excess of the amount normally charged to the customer, that excess amount of water use caused by the leakage shall be charged to the customer at the standard water rate. If the leak is not repaired by the customer within the 10 day period, the portion of the excess water usage which results from the leakage will be billed at two times the standard water rate until the leak is repaired by the customer. The city shall give prompt notice to a customer if the city obtains information indicating that a leak may exist in the customer's exclusive control.	Yes
1-3	Other - Prohibit use of potable water for construction and dust control	All construction water must be reclaimed or non-potable. Issuance of construction meters will be only for testing and disinfection of potable water lines.	Yes

#### 5.6 Seismic Risk Assessment and Mitigation Plan

#### Law

10632.5 (a)	In addition to the requirements of paragraph (3) of subdivision (a) of Section 10632,
1000=10 (0.)	beginning January 1, 2020, the plan shall include a seismic risk assessment and
	mitigation plan to assess the vulnerability of each of the various facilities of a water
	system and mitigate those vulnerabilities.
(b)	An urban water supplier shall update the seismic risk assessment and mitigation plan
, ,	when updating its urban water management plan as required by Section 10621.
(0)	
(c)	An urban water supplier may comply with this section by submitting, pursuant to Section
	10644, a copy of the most recent adopted local hazard mitigation plan or multi-hazard
	mitigation plan under the federal Disaster Mitigation Act of 2000 (Public Law 106-390) if
	the local hazard mitigation plan or multi-hazard mitigation plan addresses seismic risk.

In addition to the emergency response plan described in a previous section, the California Water Code now requires urban water suppliers to document a locally appropriate multi-hazard mitigation plan, as developed under the federal Disaster Mitigation Act of 2000, that includes documentation of seismic risk assessment. Kings County developed such a hazard mitigation plan in December 2012. The City's service area is included in the boundaries reviewed as part of this mitigation plan.

#### 5.7 Shortage Response Action Effectiveness

In addition to documenting demand reduction actions the 2020 UWMP also estimates the effectiveness of these actions on reducing system-wide demand. The City records water consumption and production on a monthly basis, and this data can be used to estimate the effect of any demand reduction actions implemented.

#### Section 6 COMMUNICATION PROTOCOLS

#### Law

10632 (a)(5)	Communication protocols and procedures to inform customers, the public, interested parties, and local, regional, and state governments, regarding, at a minimum, and of the following:  (A) Any current or predicted shortages as determined by the annual water supply and demand assessment described pursuant to Section 10632.1.  (B) Any shortage response actions triggered or anticipated to be triggered by the annual water supply and demand assessment described pursuant to Section 10632.1.
	(C) Any other relevant communications.

When the City identifies the need for short-term water use reductions as directed by the Water Shortage Contingency Plan or Annual Assessment, clear and effective communication will be critical to achieve the necessary demand reductions. Methods of public notification include newspaper publications, bill inserts, City website announcements, social media posts, and press

releases or informational campaigns. These public notification methods would be implemented in the event of a Level 2 Water Shortage and would increase in frequency in the event of a Level 3 Water Shortage.

#### Section 7 COMPLIANCE AND ENFORCEMENT

#### Law

10632 (a) (6) For an urban retail water supplier, customer compliance, enforcement, appeal, and exemption procedures for triggered shortage response actions as determined pursuant to Section 10632.2.

Customers who violate the provisions noted in the water code for water shortage conditions shall receive, in accordance with the Amended Hanford Municipal Code Section 13.04.150, the following:

- The first violation shall result in a written notice of the violation from Public Works
  Department personnel or police department.
- The second violation shall result in a written notice of the violation and a penalty of fifty dollars imposed on the customer's water bill.
- The third violation shall result in a written notice of the violation. Additionally, for unmetered customers, a water meter shall be installed by the city to monitor all water usage on the property. Water meter purchasing cost and installation fees shall be billed to the customer and are due within thirty days of the billing. Metered customers shall have a penalty of one hundred dollars imposed on their water bill.
- The fourth violation shall result in a written notice of the violation and a penalty of two hundred dollar penalty shall be imposed on the customer's water bill.

#### Section 8 LEGAL AUTHORITIES

#### Law

10632 (a) (7)

(A) A description of the legal authorities that empower the urban water supplier to implement and enforce its shortage response actions specified in paragraph (4) that may include, but are not limited to, statutory authorities, ordinances, resolutions, and contract provisions.

(B) A statement that an urban water supplier shall declare a water shortage emergency in accordance with Chapter 3 (commencing with Section 350) of Division 1. [see below] (C) A statement that an urban water supplier shall coordinate with any city or county within which it provides water supply services for the possible proclamation of a local emergency, as defined in Section 8558 of the Government Code.

Water Code Section Division 1, Section 350

Declaration of water shortage emergency condition. The governing body of a distributor of a public water supply, whether publicly or privately owned and including a mutual water company, shall declare a water shortage emergency condition to prevail within the area served by such distributor whenever it finds and determines that the ordinary demands and requirements of water consumers cannot be satisfied without depleting the water supply of the distributor to the extent that there would be insufficient water for human consumption, sanitation, and fire protection.

This City has the legal authority to implement and enforce its water shortage response actions and relative penalties, water charge adjustments, and water service alteration or prohibition. City Urgency Ordinance 15-06, which amended the water supply shortage regulations for the City in June 2015, documents the demand reduction measures as well as enforcement protocols.

#### Section 9 FINANCIAL CONSEQUENCES OF WSCP ACTIVATION

#### Law

10632 (a) (8) A description of the financial consequences of, and responses for, drought conditions, including, but not limited to, all of the following:

- (A) A description of potential revenue reductions and expense increases associated with activated shortage response actions described in paragraph (4).
- (B) A description of mitigation actions needed to address revenue reductions and expense increases associated with activated shortage response actions described in paragraph (4).
- (C) A description of the cost of compliance with Chapter 3.3 (commencing with Section 365) of Division 1. [retail urban suppliers only]

The activation of the Water Shortage Contingency Plan and related Water Shortage Levels have financial consequences for the City. Reduced water consumption will contribute to reduced revenue, while proactive operational practices will contribute to higher operational and maintenance costs. Currently, the City maintains some funds as rate stabilization reserves as well as approximately 60 days of operating reserves. In addition, the City Council has the authority to increase water rates to offset reduced revenues. These reserve funds or rate modifications have the ability to mitigate financial consequences of the Water Shortage Contingency Plan.

Additionally, potential mitigation actions are documented in Table 9-1. These are preliminary actions and would be evaluated in more detail should a water shortage occur.

**Table 9-1 Financial Consequences of WSCP** 

Stage	Supply Reduction	Financial Consequences	Anticipated Mitigation Actions
0	None	None	Funding provided for supplemental water supply reserve.
1-	10%-20%	Potential increase in O&M expenses and mild reduction in revenue.	Reduce O&M costs and identify supplemental funding sources.
3	21%-35%	Moderate increase to O&M expenses and decrease in revenue.	Defer capital expenditures and consider use of reserves.
2	35%-50%+	Significant increases to O&M and decreases in revenue.	Implement long-term O&M budget reductions.

#### Section 10 MONITORING AND REPORTING

#### Law

10632 (a) (9) For an urban retail water supplier, monitoring and reporting requirements and procedures that ensure appropriate data is collected, tracked, and analyzed for purposes of monitoring customer compliance and to meet state reporting requirements.

Monitoring and reporting as part of the Water Shortage Contingency Plan and Annual Assessment will be based on the metered production and consumption data. Ongoing review of this information, and comparisons to historical data for similar months, will enable the City to monitor the effectiveness of the WSCP measures. Additionally, due to implemented shortage response actions and water shortage levels, the City's Water Department may increase the frequency of reading meters in order to collect, track, and analyze the water use.

#### Section 11 WSCP REFINEMENT PROCEDURES

#### Law

10632 (a) (10) Reevaluation and improvement procedures for systematically monitoring and evaluating the functionality of the water shortage contingency plan in order to ensure shortage risk tolerance is adequate and appropriate water shortage mitigation strategies are implemented as needed

While the WSCP is a standalone document adopted separately from the 2020 UWMP it should be considered a dynamic planning tool and be subject to ongoing refinement efforts as necessary. Following the declaration of a water shortage and implementation of the WSCP, the monitoring and reporting steps described in a previous section will provide valuable insight into the effectiveness of the WSCP. City staff will evaluate the effectiveness of communication protocols, demand reduction actions, operational changes, or financial consequence mitigation. If this review reveals opportunities for procedural refinements or new WSCP actions, City staff may elect to incorporate these items into an amended version of the WSCP.

#### Section 12 SPECIAL WATER FEATURE DISTINCTION

#### Law

For purposes of developing the water shortage contingency plan pursuant to subdivision (a), an urban water supplier shall analyze and define water features that are artificially supplied with water, including ponds, lakes, waterfalls, and fountains, separately from swimming pools and spas, as defined in subdivision (a) of Section 115921 of the Health and Safety Code.

The California Water Code requires urban water suppliers to distinguish between water features that are artificially supplied with water as opposed to swimming pools and spas. The City's current demand reduction actions include this distinction, as documented in a previous section.

#### Section 13 PLAN ADOPTION, SUBMITTAL, AND AVAILABILITY

#### Law

10632 (c) The urban water supplier shall make available the water shortage contingency plan prepared pursuant to this article to its customers and any city or county within which it provides water supplies no later than 30 days after adoption of the water shortage contingency plan.

The WSCP adoption and submittal process, as well as the public availability, are the same as those for the City's UWMP. However, the WSCP may be periodically amended independently from the City's UWMP. Should an amendment to the WSCP be implemented, stakeholder and public notification methods consistent with the UWMP will be performed prior to the adoption of the amended plan

# **APPENDIX A**

Water Shortage Level Comparison

Stage	Precent Supply Reduction	2020 Hanford WSCP  Water Supply	Corresponding Relationship ("crosswalk")	Stage	DWR 6 Standard Water Shortage Levels
1	0-20%	Minor Shortage Potential - Below average rainfall in the previous 12-24 months		1	Up to 10%
	0 20%	<ul><li>- 10 percent or more of municipal wells out of service</li><li>- Warm weather patterns typical of summer months</li></ul>		2	10 to 20%
		Moderate Shortage Potential - Below average rainfall in the previous 24-36 months	<b>*</b>	3	20 to 30%
2	20%-35%	<ul> <li>- Prolonged periods of low water pressure</li> <li>- 10 percent or more of municipal wells out of service</li> <li>- Warm weather patterns typical of summer months</li> </ul>		4	30 to 40%
	35%+	Critical Shortage Potential - Below average rainfall in the previous 36 months		5	40 to 50%
3		<ul> <li>Prolonged periods of low water pressure</li> <li>10 percent or more of municipal wells out of service</li> <li>Warm weather patterns typical of summer months</li> </ul>		6	Greater than 50%

THE SENTINEL
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#### ORDER CONFIRMATION

Salesperson: JUAN MORALES	Printed at 09/16/21	09:15 by jmora-bk
Acct #: 7650	Ad #: 46328	Status: New
CITY OF HANFORD - LEGALS ACCOUNTS PAYABLE 315 N DOUTY ST HANFORD CA 93230	Start: 09/17/2021 Times Ord: 2 3STD 2.00 X 4.73 Wo Total 3STD 9.46 Class: H0986 LEGALS Rate: LD # Affidavits: 1	Times Run: *** ords: 367
Contact: Phone: (559)585-2500 Fax#: Email: billing@cityofhanfordca.com Agency:	Ad Descrpt: AD# 4633 Given by: * P.O. #: Created: jmora Last Changed: jmora	09/15/21 08:07
PUB ZONE EDT TP RUN DATES HSP A 95 S 09/17,25 HSO A 95 S 09/17,28		
AUTHORIZATION		
Under this agreement rates are subject event of a cancellation before schedul rate charged will be based upon the ra	e completion, I unde	rstand that the
Name (print or type)	Name (signature)	
(CONTINUED O	N NEXT PAGE)	

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#### ORDER CONFIRMATION (CONTINUED)

Salesperson: JUAN MORALES Printed at 09/16/21 09:15 by jmora-bk

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AD# 46328

#### **Public Notice**

#### **Notice of Public Hearing**

NOTICE IS HEREBY GIVEN that the City Council of the City of Hanford, California, will hold an informational session on October 5, 2021 at 5:00 p.m. followed by a Public Hearing on October 5, at 7:00 p.m. or as soon as possible thereafter, in the City of Council Chambers located at 400 Douty Street, Hanford, California to consider the following matter:

PUBLIC HEARING ON URBAN WATER MANAGEMENT PLAN & WATER SHORTAGE CONTINGENCY PLAN FOR 2020

The Hanford City Council will hold a Public Hearing to receive comments from the public on the final draft of the City of Hanford 2020 Urban Water Management Plan (UWMP) and 2020 Water Shortage Contingency Plan (WSCP). The City is preparing its 2020 UWMP to continue to provide adequate water supplies to meet existing and future water demands within Citys Urban Growth Boundary. The 2020 UWMP updates the information in the existing 2015 UWMP and provides an overview of the Citys efficient water uses, water supplies, and demand management measures. Additionally, the 2020 WSCP builds upon previous planning efforts and outlines the Citys plan to address potential future water shortages. At the conclusion of receipt of comments by the public, the Public Hearing will be closed.

Written communications may be filed prior to the Public Hearing. Questions or comments regarding the plans should be emailed to jross@cityofhanfordca.com. The final draft plans are available for review at the City Clerks office at 319 N. Douty Street, Hanford CA, Monday through Friday between the hours of 8:00 a.m. and 4:00 p.m. Further detail may be obtained from the City of Hanford Public Works department at (559) 585-2550. The final draft plan can be viewed and downloaded at: https://www.cityofhanfordca.com

ADOPTION OF THE 2020 URBAN WATER MANAGEMENT PLAN and 2020 WATER SHORTAGE CONTINGENCY PLAN

At the regularly scheduled meeting of the Hanford City Council on October 19, 2021, the City Council will also consider adoption of a resolution approving the City of Hanford 2020 UWMP and 2020 WSCP and directing staff to submit the plan to the State Department of Water Resources.

BY ORDER OF THE CITY COUNCIL OF THE CITY OF HANFORD.

Publish September 17, 25, 2021



#### AGENDA STAFF REPORT

MEETING DATE: 10/5/2021 AGENDA SECTION: B

#### **SUBJECT:**

Public Works: Public Hearing to Review, Discuss and receive Public Input on the 2020 Urban Water Management Plan Update.

#### **RECOMMENDATION:**

That the City Council hold a public hearing for the 2020 Urban Water Management Plan (UWMP) update.

#### **BACKGROUND:**

In compliance with the State of California Urban Water Management Planning Act, the City's UWMP must be updated every five years ending in five and zero (2005, 2010, etc.). The City's 2015 UWMP was last updated and adopted by Council on June 21, 2016 and subsequently approved the State Department of Water Resources. The purpose of the UWMP is to maintain efficient use of urban water supplies, continue to promote conservation programs and policies, ensure that sufficient water supplies are available for future beneficial use, and to provide a mechanism for response during water drought conditions. It also requires an evaluation of implementation measures to comply with AB 1420, which requires a 20% reduction of water use by the year 2020 to qualify for water management grants and loans. The City of Hanford has met the 20% reduction requirement.

The State has set July 1, 2021 as the deadline for updating and approving the 2020 UWMP. However, because the State did not issue final guidelines until March 2021, late submittals were expected. A public hearing has been scheduled for the October 5, 2021 Council meeting. This meeting was properly noticed and is required as part of the approval process to take public testimony on the plan update. A copy of the final draft report was provided for Public Review. Adoption of the 2020 UWMP is tentatively scheduled for October 19, 2021.

Due to the size of the document, a copy is available in the City Clerk's office for viewing.

#### **FISCAL IMPACT:**

Final adoption of the UWMP does not have any direct impact on the City budget. Implimentation of the Demand Management Measures identified in the plan will be accomplished through operational means or become a part of a future Capital Improvement Program budget.

#### **ATTACHMENTS:**

PublicReviewDraft UWMP, small 082421 Proof of publication



# DRAFT



City of Hanford

**AUGUST 2021** 

# 2020 Urban Water Management Plan

Attachment: PublicReviewDraft UWMP, small 082421 (PW: 2020 Urban Water Management Plan Update)



#### **CITY OF HANFORD**

# 2020 URBAN WATER MANAGEMENT PLAN

**Draft** 

August 2021





Smart Planning Our Water Resources

July 19, 2021

City of Hanford 319 Douty Street Hanford California, 93230

Attention: James Ross, Deputy Public Works Director

Subject: 2020 Urban Water Management Plan

Dear Jim:

We are pleased to submit the City of Hanford 2020 Urban Water Management Plan (2020 UWMP) which is intended to address the Urban Water Management Planning Act (UWMPA) of 1983 and amendments thereof.

The City's 2015 UWMP received letters of review and completeness from the Department of Water Resources. This 2020 UWMP addresses additional amendments to the UWMPA and new guidelines established by the Department of Water Resources, including a 2020 Water Shortage Contingency Plan (2020 WSCP), as a separate document. Water supply reliabilities and demands are projected through a planning horizon of 2045.

We extend our thanks to you; John Doyel, Public Works Director; Christine Baca, Regulatory Compliance Analyst; Bob Williams, Utilities Supervisor, and other City staff whose courtesy and cooperation were valuable in reviewing and completing this study.

Sincerely,

AKEL ENGINEERING GROUP, INC.

Tony Akel, P.E. Principal

Enclosure: 2020 Urban Water Management Plan

## City of Hanford 2020 Urban Water Management Plan

# **Contact Sheet**

Date this plan was submitted to the Department of Water Resources:

Name of Person(s) preparing this plan:

Jim Ross, Deputy Public Works Director

City of Hanford

Phone: (559) 585-2567

Email: jross@cityofhanfordca.com

Tony Akel, P.E., Project Manager

Akel Engineering Group, Inc. Phone: (559) 436-0600 Fax (559) 436-0622

Email: takel@akeleng.com

The Water supplier is a Municipality

The Water supplier is a Retailer

Utility Services provided by the water supplier include: Water, Sewer, Recycled Water

Is this Agency a Bureau of Reclamation Contractor? No

Is this Agency a State Water Project Contractor? No



# **Acknowledgements**

# City Council

Francisco Ramirez, Mayor

Diane Sharp, Vice Mayor

Amanda Saltray

Kalish Morrow

Art Brieno

# **Management Personnel**

John Doyel, Director of Public Works

Jim Ross, Deputy Public Works Director

Christine Baca, Regulatory Compliance Analyst

Bob Williams, Utilities Supervisor

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# **CHAPTER 1 – INTRODUCTION AND OVERVIEW**

This chapter introduces the purpose of the Urban Water Management Plan (UWMP) and its importance to the City of Hanford (City) as well as Department of Water Resources (DWR). This chapter also includes the coordination and outreach that took place for this UWMP to come to fruition as well as documenting the milestones for adopting the UWMP and for submitting it to the DWR.

### 1.1 BACKGROUND AND PURPOSE

Water suppliers must submit an Urban Water Management Plan to the Department of Water Resources in accordance with California Water Code requirements. The purpose of the UWMP is to review and maintain the reliability of urban water supplies, ensure that future beneficial use can be complemented by sufficient water supply, continue to promote policies and programs that benefit water conservation, and provide a means for response during water supply shortages and drought conditions. In addition to being filed every five years, the Urban Water Management Plan must satisfy requirements defined in the Urban Water Management Planning Act (UWMPA) of 1983 and any amendments thereof.

Since the passage of the UWMPA, there have been more than 20 amendments to the Act. According to the UWMPA, a UWMP must be prepared by an urban water supplier that supplies over 3,000 acre-feet (AF) of water a year, or services 3,000 or more connections.

In October 2017, DWR completed the review of the City's 2015 UWMP and its supplements, and issued a letter of completeness. The UWMPA has undergone significant expansion and revision since the last UWMP Guidebook was prepared in 2015. Prolonged droughts, groundwater overdrafts, regulatory revisions affect not only each Supplier's water reliability determinations, but also the broad picture of statewide water reliability overseen by DWR, the State Water Resources Control Board (State Water Board), and the Legislature. Accordingly, the Act has grown to address changing conditions and it guides California's water resources management.

Thus, this 2020 UWMP includes updates to the 2015 UWMP and addresses additional amendments to the UWMPA and new guidelines established by DWR. This report references the tables required by DWR in their 2020 UWMP Guidebook published in March 2021, which have been completed and included in **Appendix A**.

# 1.2 URBAN WATER MANAGEMENT PLANNING AND THE CALIFORNIA WATER CODE

The drought of 1976-1977 created shortages of water supplies throughout California. With several cities and water districts/agencies witnessing reductions in their water supplies and having to look for additional water sources elsewhere, an immediate need for a statewide, local level, long-term water management planning arose. To dramatically reduce future emergencies caused by inadequate planning of water resources, the Urban Water Management Planning Act was proposed and adopted in 1983. State Assembly Bill 797 modified the California Water Code Division 6 in 1983, creating the UWMPA. Since this Assembly Bill, more than 20 amendments have changed the quantity of data required, as well as increasing the planning elements included in this 2020 plan.

Early amendments to the UWMPA required 20year planning horizons in 5-year increments for the comparison of water use to sources of water supply. More recently, these planning projections have been extended to 25-year planning horizons in order to maintain the 20-year projections, while the subsequent UWMP is completed.

Additional amendments included requirements that water supplier's UWMP provides provisions for a Water Shortage Contingency Plan, which would meet the specifications set forth in the UWMPA; demand management measures; and provisions for recycled water use. Recycled water use was added to reporting requirements due to its additional reliability for alternative water supply, and most notably, as an additional supply for future water use demand. Individual water purveyors, in coordination with other water purveyors in the same general area and to the extent practicable, must work to prepare the Water Shortage Contingency Plan. The individual water supplier must also describe the water demand management measures that are currently in practice, or those scheduled to be practiced.

More than 15 amendments have been passed since the year 2000, amending the UWMPA and increasing reporting for the UWMP. Included in these amendments are SB 610 (Costa, 2001) and AB 901 (Daucher, 2001), which require urban water purveyors to review information regarding water to supply new large developments. Additionally, SB 318 (Alpert, 2004) requires the plan to review opportunities involved in the development of desalinated water, included but not limited to, ocean, brackish, and groundwater, as a long-term supply. AB 105 (Wiggins, 2004) requires suppliers to submit their completed UWMP to the California State Library. SBX7-7 requires the state and its municipal water purveyors to achieve a 20 percent reduction in urban per capita water usage by the year 2020. The "20X2020" plan is intended to reduce water usage per capita by 10% by the year 2015, and 20% by the year 2020.

The most recent of these amendments are:

 AB2242 (2018) requires an urban water supplier to include in its UWMP an assessment of the reliability of its water service to customers during normal, dry, and multiple dry years, including a repeat of the five consecutive historic driest years the urban water supplier has experienced.

- SB606 (2018) adds new requirements to the UWMP process as well as established updated urban water use objectives and water use reporting requirements,
  - Prepare a drought risk assessment that examines water shortage risks for a drought lasting for the next five years.
  - Prepare a comprehensive Water Shortage Contingency Plan that will include water budgeting forecast procedures, standard water shortage levels, shortage response actions, and other protocols.

Enacts an annually required water supply and demand assessment wherein an urban water supplier will assess local demand and supply conditions and provide that information to DWR.

### 1.3 REPORT ORGANIZATION

This report is organized in accordance with the outline suggested by the Department of Water Resources for the 2020 Urban Water Management Plans.

Chapter 1 – Introduction and Overview. This chapter introduces the purpose of the Urban Water Management Plan (UWMP) and its importance to the City of Hanford (City) as well as the Department of Water Resources (DWR).

**Chapter 2 – Plan Preparation.** This chapter describes the process that was used for the development of the UWMP. This chapter also includes the coordination and outreach that took place for this UWMP to come to fruition, as well as documenting the milestones for adopting the UWMP and for submitting it to the DWR.

Chapter 3 – System Description. This chapter describes the City's water service area. This description includes discussion of the City's location, the boundaries of the water service area, existing and future land use types, and climate. This chapter also summarizes the historical and projected population as well as a review of the City's demographics and socioeconomic conditions.

**Chapter 4 – System Water Use.** This chapter provides a description of the current and projected water uses within the City's service area. Additionally, a description of potential recycled water uses is provided. Water demands are projected through the year 2045.

Chapter 5 – Baseline and Targets. This chapter summarizes the methods used to estimate the target water use. As part of the 2020 UWMP update, this chapter evaluates if the City achieved the required water use reduction target.

**Chapter 6 – System Supplies.** The purpose of this chapter is to summarize the City's current and planned water supply sources and volumes. This includes a description of the groundwater basins used by the City as a source of supply. Ongoing planning efforts for the potential use of recycled water within the City's service area are also summarized.

Chapter 7 – Water Supply Reliability. This chapter assesses the reliability of the City's water supply under normal conditions, single year dry conditions, and five-year dry conditions. The reliability assessment includes a comparison of projected water use versus expected water supply for the next 25 years. This chapter also includes the newly required Drought Risk Assessment, which is a review of the capability of the City's water supplies to meet the demand for the next five years assuming a five-year drought occurs.

Chapter 8 – Water Shortage Contingency Plan. This chapter summarizes the City's Water Shortage Contingency Plan (WSCP). The WSCP is a separately adopted planning document that most notably outlines levels of water shortage conditions, demand reduction methods to be implemented in the event of a water shortage and the process the City will implement to perform an annual Supply and Demand assessment. The WSCP also includes discussion of the City's communication protocols during a water shortage, methods of determining compliance and enforcing water use prohibitions, estimating the financial consequences of a water shortage, and the methods the City has in place to monitor and report the effectiveness of any water demand reduction methods implemented.

**Chapter 9 – Demand Management Measures.** This chapter summarizes the demand management measures, which are additional measures the supplier plans on implementing to achieve its water use targets and maintain ongoing water conservation.

Chapter 10 – Plan Adoption, Submittal and Implementation. This chapter summarizes the process for adopting and submitting the UWMP as well as the ways the public can access the adopted UWMP.

#### 1.4 PUBLIC PARTICIPATION AND PLAN ADOPTION

#### Law

10642. Each urban water supplier shall encourage the active involvement of diverse social, cultural, and economic elements of the population within the service area prior to and during the preparation of the plan. Prior to adopting a plan, the urban water supplier shall make the plan available for public inspection and shall hold a public hearing thereon. Prior to the hearing, notice of the time and place of hearing shall be published ... After the hearing, the plan shall be adopted as prepared or as modified after the hearing.

In accordance with the stated law, the City held a public hearing for members of the community to provide comments, learn about existing and future water supplies of the city, and raise concerns towards the plan being adopted. A notice of the public hearing was published in the local

newspaper on August 24<sup>th</sup> and August 31<sup>st</sup>, 2021, notifying interested parties that the draft 2020 UWMP was available at various City facilities and on the City's web page (www.cityofhanfordca.com) for review two successive weeks prior to adoption. After public review, the plan was adopted on September 21<sup>st</sup>, 2021 and subsequently submitted to DWR for approval on September 27, 2021.

#### 1.5 UWMP AND GRANT OR LOAN ELIGIBILITY

#### Law

August 2021

10608.56	<ul> <li>(a) On and after July 1, 2016, an urban retail water supplier is not eligible for a water grant or loan awarded or administered by the state unless the supplier complies with this part.</li> <li>(c) Notwithstanding subdivision (a), the department shall determine that an urban retail water supplierapplicable to the water funds.</li> <li>(e) Notwithstanding subdivision (a), the department shall determine that an urban retail water supplier as a disadvantaged community.</li> <li>(f) The department shall not deny eligibility to an urban retail water supplier or agricultural water supplier is not implementing all of the requirements of this part or Part 2.8 (commencing with Section 10800).</li> </ul>
10656	An urban water supplier is not eligible for a water grant or loan awarded or administered by the state unless the urban water supplier complies with this part.

Beginning in 2016, changes to California law require that urban retail water suppliers must comply with water conservation requirements established by the Water Conservation Act of 2009 in order to be eligible for State water grants or loans. For 2020 UWMPs, compliance with the Water Conservation Act of 2009 means that a water agency must have met its 2020 Urban Water Use Target, discussed further in Chapter 5; this compliance must be reported in the 2020 UWMP.

#### 1.6 PREVIOUS URBAN WATER MANAGEMENT PLANS

The City of Hanford prepared a 2015 UWMP, which was adopted on June 21, 2016. This UWMP documented the SBX7-7 baseline per capita was use, as well as the interim and 2020 water use targets. This UWMP documented the groundwater conditions, future water supply projects, the water shortage contingency plan, and demand management measures implemented to reduce water demands. The 2015 UWMP serves as a benchmark for the 2020 UWMP, as the 2020 UWMP will update the target projections consistent with the final Guidebook release from the Department of Water Resources.

#### **CHAPTER 2 – PLAN PREPARATION**

This chapter describes the process that was used for the development of the UWMP. This chapter also summarizes the coordination and outreach that was conducted during the preparation of the UWMP.

### 2.1 BASIS FOR PREPARING A PLAN

The California Water Code (CWC) defines an "Urban water supplier" as a publicly or privately owned supplier of water for municipal purposes either directly or indirectly to more than 3,000 customers or supplying more than 3,000 acre-feet of water annually. At the time of preparation of the 2020 UWMP, the City supplied water to over 17,900 active service connections, as summarized in Table 2-1, thereby qualifying as an urban water supplier and required to prepare an Urban Water Management Plan every five years.

**Table 2-1 Public Water Systems** 

Public Water System Number	Public Water System Name	Number of Municipal Connections 2020	Volume of Water Supplied 2020
			(AF)
1610003	City of Hanford	17,965	11,714

#### 2.2 REGIONAL PLANNING

The City's 2020 UWMP is prepared as an individual UWMP and the City is not part of any regional alliance for planning purposes, as summarized in Table 2-2.

Table 2-2 Plan Identification

Select Only One	Type of Plan		Name of RUWMP or Regional Alliance
•	Individual UWMP		
		Water Supplier is also a member of a RUWMP	
		Water Supplier is also a member of a Regional Alliance	
	Regional Urban Water Management Plan (RUWMP)		

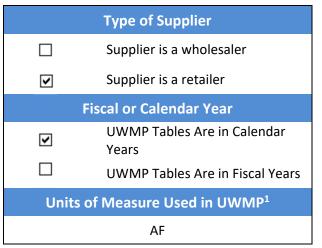
## 2.3 INDIVIDUAL OR REGIONAL PLANNING AND COMPLIANCE

Consistent with the 2015 UWMP, the 2020 UWMP reports solely on the City's service area and is not a part of a regional alliance or regional urban water management plan (RUWMP).

### 2.4 FISCAL OR CALENDAR YEAR AND UNITS OF MEASURE

This UWMP has been prepared using calendar year data and includes complete 2020 data, as required by the DWR guidelines. The units of measure reported in all tables are acre-feet (AF), as shown in Table 2-3.

**Table 2-3 Supplier Identification** 



#### Notes:

 Units of DWR required tables are consistent in SBX7-7 verification tables

# 2.5 COORDINATION AND OUTREACH

The City's 2020 UWMP is an update to the 2015 UWMP and is intended to address those aspects of the UWMPA which are under the control of the City, specifically water supply and water use. The City submitted its draft plan to regional stakeholders, and made the draft plan available to the public in hard copy form and electronic form. The City did notify wholesale water suppliers, as shown in Table 2-4.

# Table 2-4 Water Supplier Information Exchange

Wholesale Water Supplier Informed of Projected Water Use

Kings County Water District

Kings County Water Commission

# **CHAPTER 3 – SYSTEM DESCRIPTION**

This chapter describes the City's water service area. This description includes discussion of the City's location, the boundaries of the water service area, existing and future land use types, and climate. This chapter also summarizes the historical and projected population as well as a review of the City's demographics and socioeconomic conditions.

# 3.1 GENERAL DESCRIPTION

This section documents the City's location, service area, land use, and socioeconomic conditions.

#### 3.1.1 Location

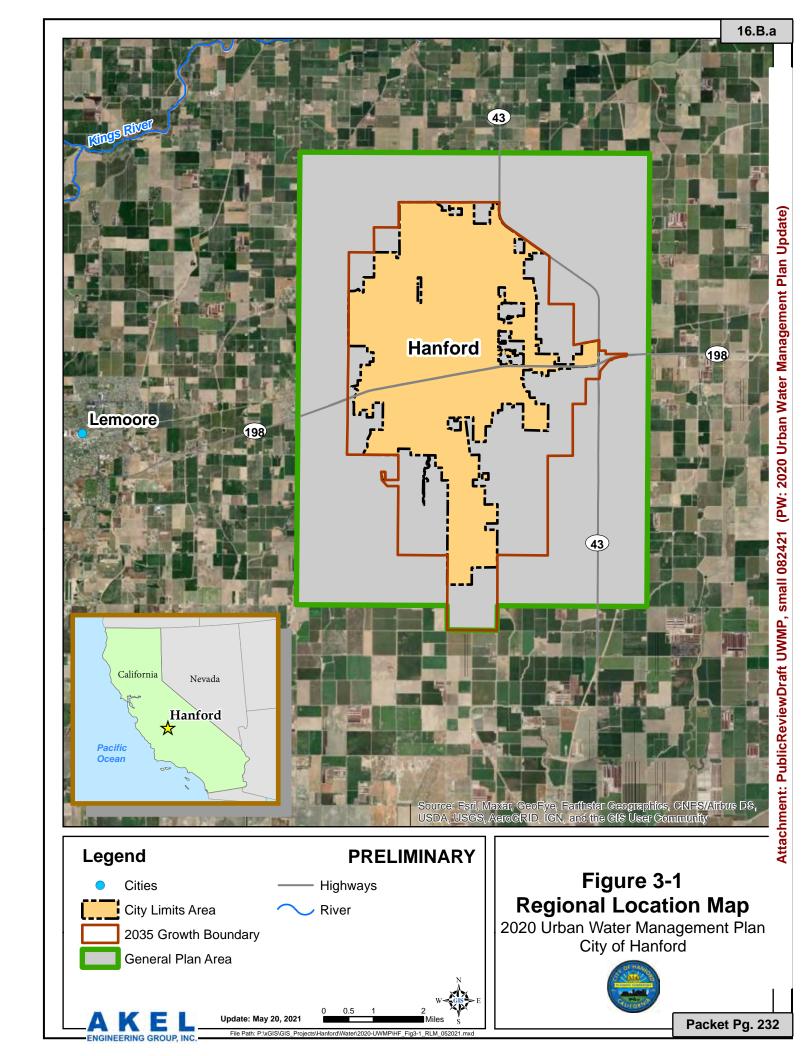
The City is located in Kings County, approximately 30 miles southeast of the city of Fresno and 20 miles west of the city of Visalia (Figure 3-1). The City's closest neighbor, the city of Lemoore, is located 8 miles to the west. Highway 198 bisects the southern boundary of the City in the eastwest direction, and Highway 43 lies just east of the City's eastern boundary. In 2002, the City outlined the long-term Ultimate Growth Boundary (UGB), which was approved by City Council, and identified lands intended for future urbanization within the City service area.

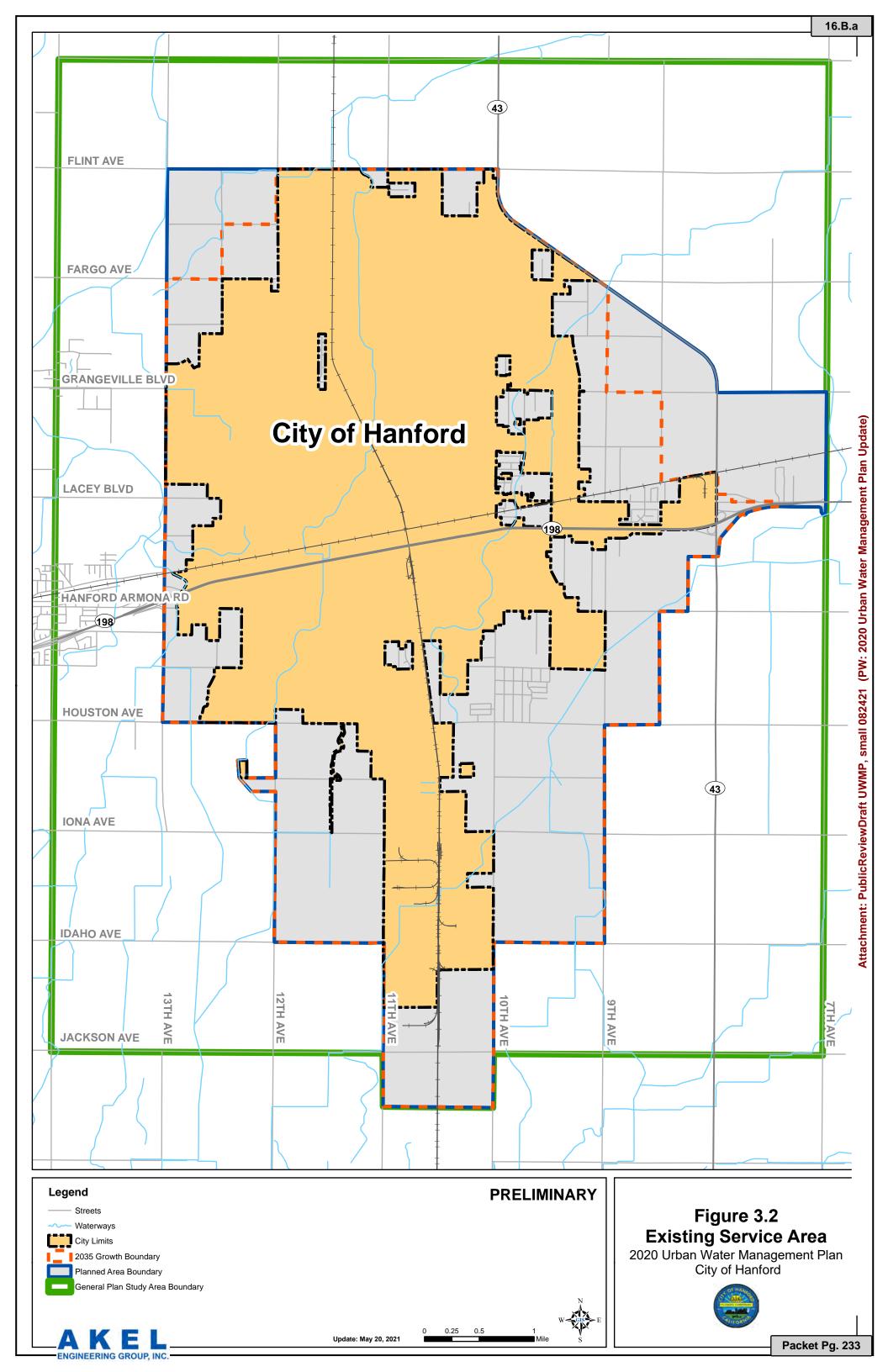
#### 3.1.2 Water Service Area

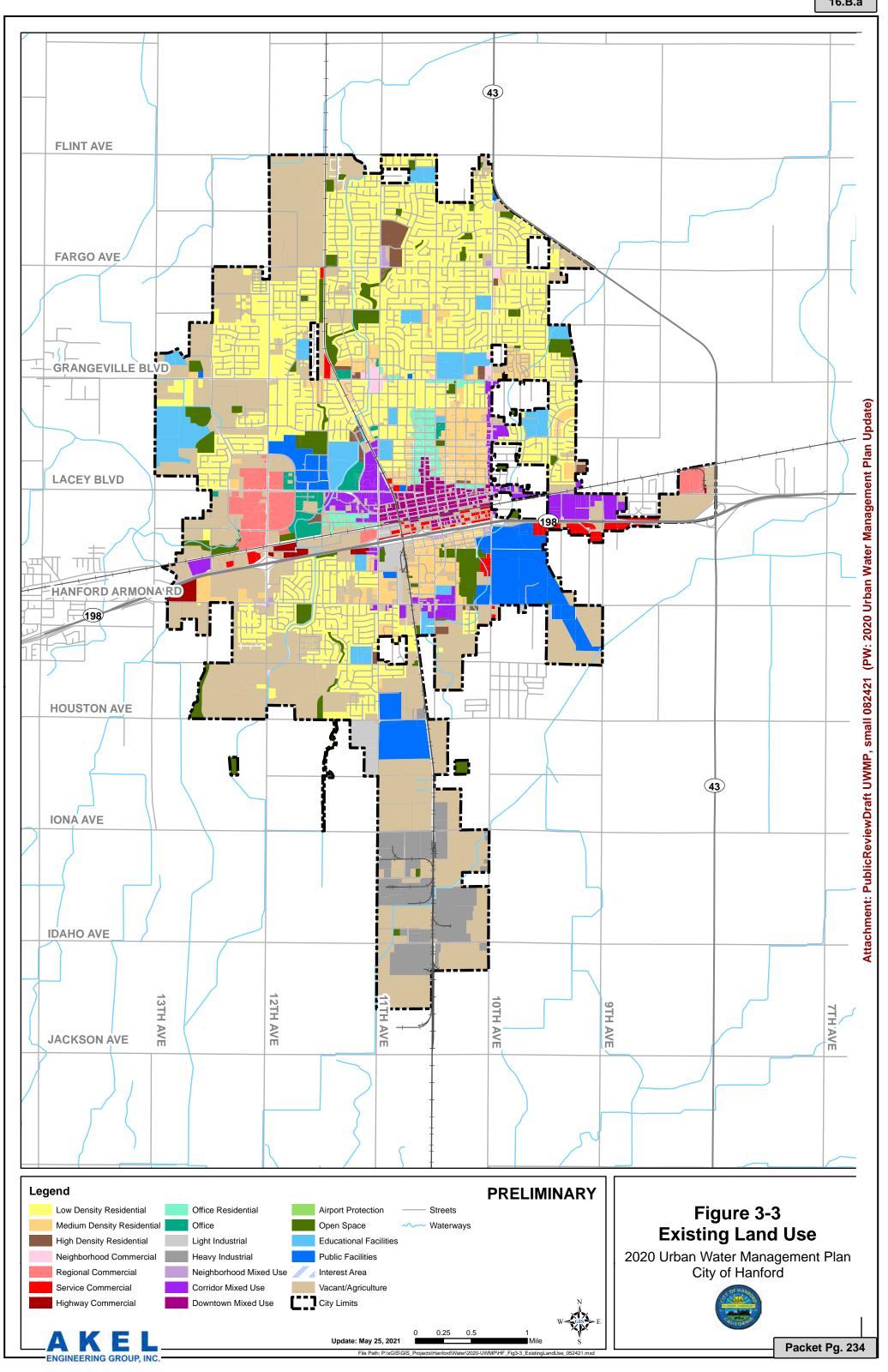
The City's most recent General Plan, adopted in April 2017, outlines the boundary for future growth for the City. The planned area boundary outlined in the 2035 General Plan update encompasses a gross area of approximately 31.3 square miles and it is assumed to describe the future water system service area. The City limits currently describe the existing water service area, as shown in Figure 3-2.

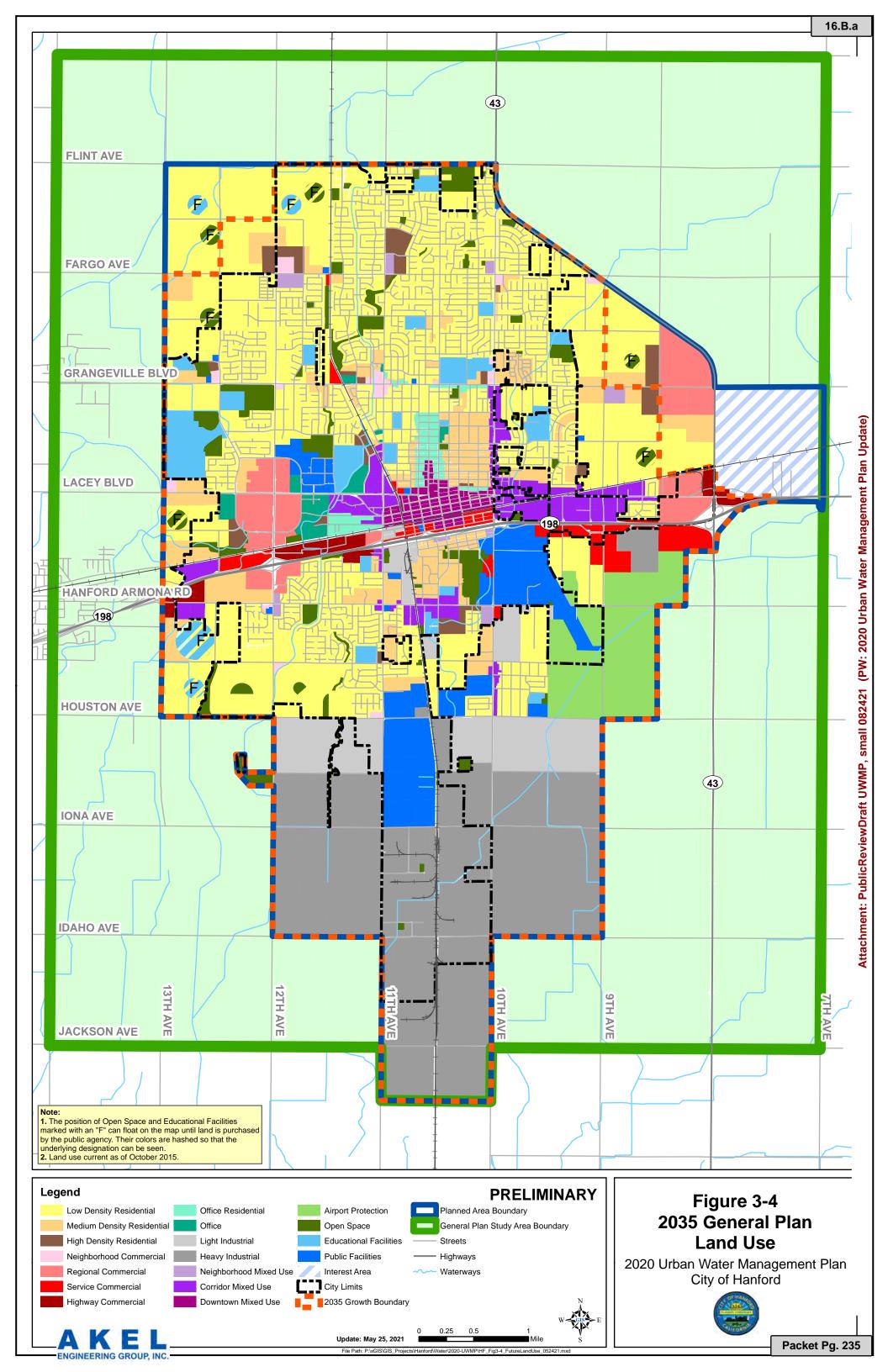
#### 3.1.3 **Land Use**

The planning area boundary of the City's 2035 General Plan includes an approximate net area of 16,032 acres, which includes the following land use types: 6,872 acres of residential; 826 acres of mixed use; and 8,334 acres of non-residential, which includes commercial, industrial, institutional, and open space land use types. The residential component can be further subdivided, with 82 percent of the units as low density, and 15 and 3 percent of units being medium and high densities, respectively. The City's 2017 Water System Master Plan used the 2035 General Plan Land use as the basis for estimating future demands, and this future land use is considered acceptable for incorporation as part of the 2020 UWMP update. The City's existing and future land use maps are shown in Figure 3-3 and Figure 3-4, respectively.









#### 3.1.4 Socioeconomic Conditions

Based on data from the U.S. Census American Community Survey, the City of Hanford has a median household income of approximately \$62,400 per year and a per capita income of approximately \$27,400 per year as of 2019. Approximately 19% of the population has a bachelor's degree or higher, and 80% have a high school diploma or higher. Approximately 15.3% of the population lives below the poverty line.

According to population and housing statistics prepared by the California Department of Finance, the City of Hanford has an average household occupancy of 2.96 people per household. Approximately 77% of the current residential units are single family residences, with the other 23% reflecting multiple family dwelling units. The 2020 residential vacancy rate is approximately 3.1%.

According to U.S. Census American Community Survey, the primary job sectors within the City are educational and health services, retail, and agricultural production. The most recent unemployment rate was listed as 8.9%.

#### 3.2 CLIMATE DATA

The following sections includes a description of the City's historical climate data as well as a summary of the potential impacts of climate change.

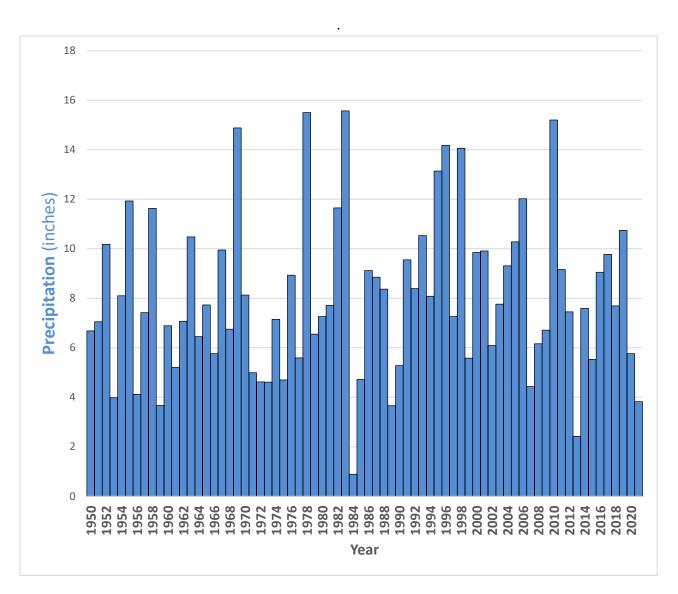
#### 3.2.1 Historic Climate Data

Yearly extremes in temperature vary, with the peak high rising to above 100 °F and winter lows receding to the 20 °F range. The City has a historical average annual rainfall of approximately 8.4 inches, with the majority of the rainfall occurring from November to April. According to the California Irrigation Management Information System (CIMIS), the approximate average annual evapotranspiration (Eto) for the City is 61.6 inches. Average climate data is included in Table 3-1.

**Table 3-1 Average Climate Data** 

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
Rainfall (inches)	1.6	1.5	1.5	0.8	0.3	0.1	0.0	0.0	0.2	0.4	0.8	1.2	8.4
Max. Daily Temp. (°F)	54.7	61.9	67.5	74.9	83.6	91.4	97.8	96.1	90.5	80.0	66.2	55.4	76.7
Min. Daily Temp. (°F)	35.2	38.6	42.1	46.4	52.5	58.3	62.5	60.4	55.5	47.4	38.8	34.6	47.7
Average ETo (inches)	1.3	2.2	4.2	6.1	8.1	9.0	9.0	8.1	6.1	4.2	2.2	1.2	61.6

Historical rainfall in the city is shown in Figure 3-5 and has ranged from 0.89 inches in 1984 to 15.57 inches in 1983.



**Figure 3-5 Historical Annual Rainfall** 

# 3.2.2 Climate Change

As part of the 2020 UWMP update, the California Water Code requires urban water suppliers to provide a general description of the potential effect of climate change within the service area. Based on the City's location and current climate, the most likely changes are related to increasing average temperature, intensifying storm events, and periods of extended drought. Other effects, such as decreasing snowpack or rising sea levels, do not have a direct impact on the City's water demand or supply. Changes in annual precipitation and temperature could have an impact on the City's overall water use as well as available supply volumes.

#### 3.3 SERVICE AREA POPULATION AND DEMOGRAPHICS

The City is a growing community with an estimated 2020 population of 59,178. According to the California Department of Finance (DOF), which accounts for approximately 39 percent of the population of Kings County. Additionally, the city also supplies domestic water to 651 accounts out of the City limit, which are equaled to 2,148 population. Therefore, the City's water system serves a total population of 61,326. The City has an average historical growth rate of approximately 0.9% per year, which is used to project populations through the year 2045. The current and projected service area populations are summarized in Table 3-2.

According to 2019 United States Census Bureau's data, the City is comprised of predominantly Hispanic (49.9%) and white (38.9%) ethnicities, with the remaining population comprised of, Black or African American (4.0%), American Indian and Alaska Native (0.4%), and Asian, Native Hawaiian and Pacific Islander (0.2%), Hispanic or Latino (50.4%), with the rest more than one race or other race.

Table 3-2 Population - Current and Projected

2020	2025	2030	2035	2040	2045
61,326	64,227	67,264	70,444	73,776	77,265

#### Notes:

- 1. Projected population assumes historical average annual growth of 0.9%.
- 2. Based on Department of Finance E-5 Table, City of Hanford's 2020 population was 59,178.
- 3. City of Hanford also supplied 651 accounts outside of the city limit, which included 2,148 residents.

## **CHAPTER 4 – SYSTEM WATER USE**

This chapter provides a description of the current and projected water uses within the City's service area. Additionally, a description of non-potable water use is provided. Water demands are projected through the year 2045.

# 4.1 NON-POTABLE VERSUS POTABLE WATER USE

The California State Water Code requires documentation of water use within the City's service area for potable, recycled, and raw water demands, as applicable. While the City does not provide any deliveries of raw water, treated wastewater effluent is used to irrigate crops on privately owned land and is discussed in more detail in Chapter 6. The remaining sections within this chapter summarize the historical and projected water use. The water use projection also includes preliminary estimation for recycled water demands, based on potable water demand and return-to-sewer ratio.

#### 4.2 WATER USES BY SECTOR

This section documents the historical and projected water use as well as the maximum day demand.

#### Law

- 10631. (d) (1) For an urban retail water supplier, quantify, to the extent records are available, past and current water use, over the same five-year increments described in subdivision (a), and projected water use, based upon information developed pursuant to subdivision (a), identifying the uses among water use sectors, including, but not necessarily limited to, all of the following:
  - (A) Single-family residential.
  - (B) Multifamily.
  - (C) Commercial.
  - (D) Industrial.
  - (E) Institutional and governmental.
  - (F) Landscape.
  - (G) Sales to other agencies.
  - (H) Saline water intrusion barriers, groundwater recharge, or conjunctive use, or any combination thereof.
  - (I) Agricultural.
  - (J) Distribution system water loss.
  - (2) The water use projections shall be in the same five-year increments described in subdivision (a).

#### 4.2.1 Historical Water Use

The City currently provides domestic water to residential, commercial, industrial and institutional customers within the City limits. At the time of preparation of the 2020 UWMP, the City had recorded metered water deliveries to 17,965 accounts. The total amount of metered water delivered in 2020 was 10,911 AF, which does not account for an additional 803 AF of unmetered use and water loss. The City's gross water use, 11,714 AF, is summarized in Table 4-1.

Table 4-1 Demands for Potable and Non-Potable Water – Actual

Use Type	Metered Delivered Volume (AF)
Single Family	6,903
Multi-Family	1,002
Commercial <sup>1</sup>	1,005
Industrial	334
Landscape	750
Other	854
Other <sup>2</sup>	65
Losses	803
Total	11,714

#### Notes

- Includes Commercial and institutional use Types
- 2. Constriction Billing

Figure 4-1 displays water use compared to population, which shows decreases in water use following droughts in 2007-2010 and 2013-2015 despite a rising population during the time period.

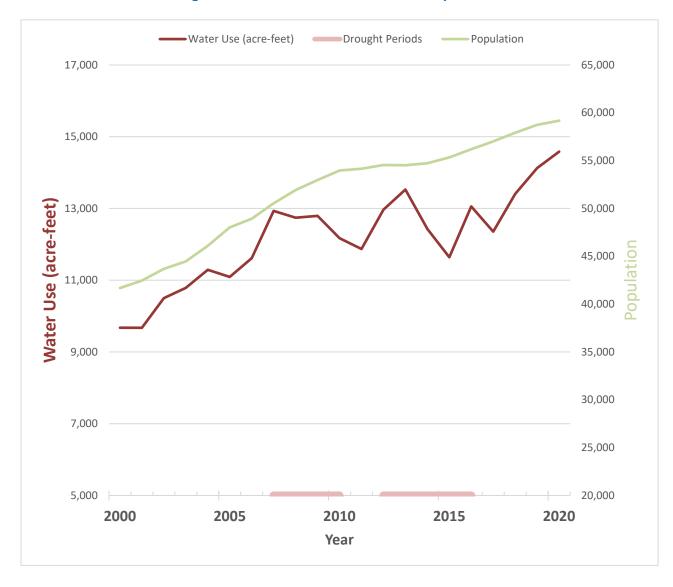


Figure 4-1 Historical Water Use and Population

#### 4.2.2 Projected Water Use

Table 4-2 and Table 4-3, found on the following page, summarize the potable water demand projection through the year 2045. To calculate the projected potable water demand through the UWMP planning horizon of 2045, the City's 2020 urban water use target of 179 gallons per capita per day (gpcd) was applied to the projected population set forth in the 2035 General Plan. The projected demands were then reduced by five percent to account for future water use reductions of up to five percent due to active water savings, as described in more detail in Section 4.4. For conservative planning purposes, the projected water loss amount was estimated as a percentage of other potable water uses based on historical water loss audit information. Table descriptions are as follows:

4-3

• Table 4-2 summarizes the projected City-wide water demand by water use type.

Table 4-3 summarizes the total projected water demand, which includes projected recycled water demand. The recycled water demand projections are discussed in detail in Chapter 6. Consistent with the 2015 UWMP, the projected recycled water demand is assumed equal to the projected annual flow at the City's Wastewater Treatment Facility (WWTF). This projected annual wastewater flow was calculated based on the projected water demand and a historical average of the city-wide return-to-sewer ratio, using available data between the years 2006 and 2020.

Table 4-2 Use for Potable and Non-Potable Water - Projected

	Projected Water Use				
Use Type	2025	2030	2035	2040	2045
	(AF)	(AF)	(AF)	(AF)	(AF)
Single Family	6,849	7,173	7,512	7,868	8,240
Multi-Family	994	1,041	1,090	1,142	1,196
Commercial <sup>1</sup>	997	1,044	1,093	1,145	1,199
Industrial	332	347	364	381	399
Landscape	744	780	817	855	896
Other	848	888	930	974	1,020
Other <sup>2</sup>	62	65	68	71	74
Losses	797	834	874	915	959
Total	11,623	12,172	12,748	13,351	13,982

#### Notes:

- 1. Includes Commercial and Institutional use types
- 2. Construction Billing

**Demand Demand Type** 2020 2025 2030 2035 2040 2045 (AF) (AF) (AF) (AF) (AF) (AF) Potable and Raw 11,714 11,623 12,172 12.748 13,351 13,982 Water **Recycled Water** 4,944 5,077 5,833 6,109 5,318 5,569 Total 16,658 16,700 17,490 18,317 19,183 20,091

**Table 4-3 Total Water Use (Potable and Non-Potable)** 

## 4.2.3 Maximum Day Demand

Maximum Day Demand is a significant demand condition on the water supply system. This condition is defined as the maximum 24-hour use period in the year. Peaking factors are commonly used as a way of simulating the maximum day demand for future demand scenarios. This multiplier is assessed to the average day demand, and is commonly in the order of 2 to 2.5 times greater than the average day demand. The September 2017 City Water System Master Plan specified a maximum day demand peaking factor of 1.75 for the main pressure zone and a factor of 2 for the industrial park pressure zone.

# 4.3 DISTRIBUTION SYSTEM WATER LOSSES

#### Law

10631 (d)(1) For an urban retail water supplier, quantify, to the extent records are available, past and current water use, over the same five-vear increments described in subdivision (a), and projected water use, based upon information developed pursuant to subdivision (a), identifying the uses among water use sectors, including, but not necessarily limited to, all of the following... (J) Distribution system water loss (3)(A)The distribution system water loss shall be quantified for each of the five years preceding the plan update, in accordance with rules adopted pursuant to Section (B) The distribution system water loss quantification shall be reported in accordance with a worksheet approved or developed by the department through a public process. The water loss quantification worksheet shall be based on the water system balance methodology developed by the American Water Works Association. (C) In the plan due July 1, 2021, and in each update thereafter, data shall be included to show whether the urban retail water supplier met the distribution loss standards enacted by the board pursuant to Section 10608.34.

As part of the 2020 UWMP update, urban water suppliers are required to quantify the previous five years' distribution system water losses in a manner consistent with the American Water

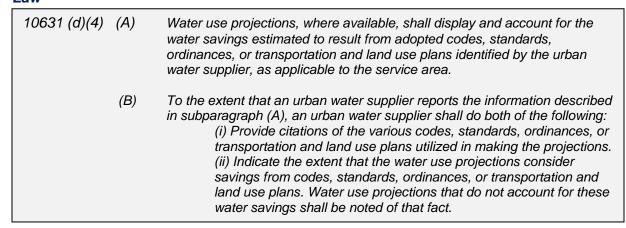
Works Association (AWWA) water system balance methodology. The City has completed the required water loss audit worksheet in accordance with the DWR guidelines for the years 2016-2019, while the audit for 2020 will be completed before the October 2021 deadline. Table 4-4 documents the estimated water loss volume for 2016-2020 based on submitted Water Loss Audits and a comparison of available production and consumption records.

Table 4-4 Last Five Years of Water Loss Audit Reporting

Reporting Period Start  Date	Volume of Water Loss (AF)
January 2016	1,144
January 2017	1,528
January 2018	1,742
January 2019	732
January 2020	803

# 4.4 ESTIMATING FUTURE WATER SAVINGS

#### Law



The City's projected water demands include estimated future water savings from active conservation activities (Table 4-5). These estimated water savings reflect future ongoing water use reductions and do not include short-term demand reductions achieved through the implementation of the City's Water Shortage Contingency Plan.

## 4.4.1 Active Conservation Program Savings

Active conservation is achieved through activities and programs the City implements as part of its water conservation program. The City's water conservation programs and demand management measures are discussed in detail in Chapter 9 – Demand Management Measures. For planning purposes, it is assumed that the City will achieve up to an additional five percent reduction in water use as a result of active water savings. This reduction is incorporated in the demand projections shown in Table 4-2 and Table 4-3.

# 4.4.2 Passive Water Savings

Passive water savings include water use reduction that results from codes, standards, ordinances, and other plans. These various sources of water savings typically result from state or regional requirements or guidelines, which are then implemented by the City. Examples of these codes and ordinances are as follows:

- Model Water Efficient Landscape Ordinance (MWELO): In 2015 DWR was tasked with updating the MWELO to increase water efficiency standards for new and retrofitted landscapes. This includes the encouragement the use of more efficient irrigation systems, graywater usage, and onsite storm water capture.
- California Energy Commission Title 20: This includes appliance standards for toilets, urinals, faucets, and showerheads. This standard impacts both new construction and replacement fixtures in existing homes.
- **CALGreen Building Code:** The code requires residential and non-residential water efficiency and conservation measures for new buildings and structures.

Passive water savings typically contribute less to water use reductions than active water conservation programs. Therefore, at this time, reductions from passive water savings are not included in the City's demand projections.

**Table 4-5 Inclusion in Water Use Projections** 

Are Future Water Savings Included in Projections?	Yes
Are Lower Income Residential Demands Included In Projections?	Yes

## 4.5 WATER USE FOR LOWER INCOME HOUSEHOLDS

#### Law

10631.1 (a) The water use projections required by Section 10631 shall include projected water use for single-family and multifamily residential housing needed for lower income households, as defined in Section 50079.5 of the Health and Safety Code, as identified in the housing element of any city, county, or city and county in the service area of the supplier.

California Health and Safety Code 50079.5

(a) "Lower income households" means persons and families whose income does not exceed the qualifying limits for lower income families...In the event the federal standards are discontinued, the department shall, by regulation, establish income limits for lower income households for all geographic areas of the state at 80 percent of area median income, adjusted for family size and revised annually.

SB 1087 (Florez, 2005) amended the UWMPA to require urban water suppliers to include single family and multi-family residential units for lower income households as identified by the City, County, or combination of both within the service area of the provider. In the 2015 UWMP, the low-income projected water demands were calculated based on the 2015 Draft Kings County 2016-2024 Housing Element, which identified approximately 35 percent of households as low income. According to the 2016 Adopted Kings County 2016-2024 Housing Element, approximately 35 percent of households are considered low income. As indicated by Table 4-5, the low-income water demands are included in the total water demand projection that is summarized in Table 4-2.

#### 4.6 CLIMATE CHANGE

Based on the City's location and current climate, the most likely changes in climate are related to increasing average temperature, intensifying storm events, and periods of extended drought. While the precise effects of climate change on water demand remain uncertain, it is expected that water demands will be affected by increased temperatures and periods of extended drought. Increases in outdoor water use are expected as temperatures increase.

## **CHAPTER 5 – BASELINES AND TARGETS**

Senate Bill X7-7 (SBX7-7) was approved by the Governor of California on November 10, 2009, This Senate Bill required urban water suppliers to set target goals for water conservation, which were to be achieved by the year 2020. These goals were referred to as the "20X2020" goals and included reducing per capita consumption by 20 percent by the year 2020. This chapter summarizes the methods used to estimate the target water use. As part of the 2020 UWMP update, this chapter evaluates if the City achieved the required water use reduction target.

Due to ongoing water conservation policies and practices within the City's service area the 2020 per capita water demand target has been achieved.

#### 5.1 2010 UWMP BASELINE AND TARGETS

The evaluation of a supply source or storage needs for future growth is commonly achieved by evaluating past water consumption on a per person basis. The future needs of the supply source can then be evaluated by applying the per capita consumption rate, expressed as gallons per capita per day (gpcd), to the projected population. Table 5-1 summarizes the baseline periods and per capita water use targets determined as part of the SBX7-7 calculations. The City had an average gpcd of 216 from 1995 to 2000, while the average from 2001 to 2010 remained relatively flat at approximately 214 gpcd. Conservation efforts were successful in lowering the water consumption to a per capita water consumption rate of 188 gpcd in the year 2015, and 171 gpcd in the year of 2020.

**Table 5-1 Baselines and Targets Summary** 

			Per Capita Water Use		
Baseline Period	Start Year	End Year	Average Baseline	Confirmed 2020 Target	
			(gpcd)	(gpcd)	
10-15 year	1995	2004	215	179	
5 Year	2006	2010	215		

#### 5.3 BASELINE PERIODS

This section discusses the baseline periods used in the UWMP. The baseline periods discussed in this section are consistent with the 2015 UWMP.

#### 5.3.1 Determination of the 10-15 Year Baseline Period (Baseline GPCD)

#### Law

10608.12 (b) "Base daily per capita water use" means any of the following:

- (1) The urban retail water supplier's estimate of its average gross water use, reported in gallons per capita per day and calculated over a continuous 10-year period ending no earlier than December 31, 2004, and no later than December 31, 2010.
- (2) For an urban retail water supplier that meets at least 10 percent of its measure retail water demand through recycled water that is delivered within the service area of an urban retail water supplier or its urban wholesale water supplier, the urban retail water supplier may extend the calculation described in paragraph (1) up to an additional five years to a maximum of a continuous 15-year period ending no earlier than December 31, 2004 and no later than December 31, 2010.

To adequately project future water use, SBX7-7 must be considered with the appropriate reductions. As part of the new requirements for reductions in water use, a range in years needs to be selected for calculating the base daily (historical) per capita water use.

SBX7-7 allows the selection of either 10 or 15 years as a base period for calculating the average consumption per capita. If the recycled water use exceeds 10 percent of potable water production, a 15-year base period is allowed. Otherwise, a 10-year base period should be used. Additionally, a 5-year base period is to be identified for interim target projections.

The 10- to 15-year base period must end between December 31, 2004 and December 31, 2010; and the 5-year base period must end between December 31, 2007 and December 31, 2010.

The City's calculations for the base periods are documented on the following page in SBX7-7 Table 1. Since the recycled water usage in 2008 did not account for more than 10 percent of the total potable water production, the City must use the 10-year baseline period. The 10-year base period is selected based on the highest average per capita water use in any 10-year period within the DWR guidelines. The 2020 UWMP uses baseline periods consistent with 2015 UWMP, where the 10-year baseline period is defined as 1995 to 2004.

## SBX7-7 Table 1 Baseline Period Ranges

Baseline	Parameter	Value	Units
10- to 15-year baseline period	2008 total water deliveries	12,741	AF
	2008 total volume of delivered recycled water	0	AF
	2008 recycled water as a percent of total deliveries	0.00%	%
	Number of years in baseline period	10	Years
	Year beginning baseline period range	1995	
	Year ending baseline period range	2004	
	Number of years in baseline period	5	Years
5-year baseline period	Year beginning baseline period range	2006	
	Year ending baseline period range	2010	

# 5.3.2 Determination of the 5-year Baseline Period (Target Confirmation)

#### Law

10608.12 (b).

(3) For the purposes of Section 10608.22, the urban retail water supplier's estimate of its average gross water use, reported in gallons per capita per day and calculated over a continuous five-year period ending no earlier than December 31, 2007, and no later than December 31, 2010.

In order to confirm that the calculated 2020 Urban Water Use target meets the minimum water use reduction requirements, water use must also be calculated over a 5-year baseline period. The 2010 and 2015 UWMP selected a 5-year range of 2006-2010, and this range is not updated as part of the 2020 UWMP.

## 5.4 SERVICE AREA POPULATION

#### Law

- 10608.20 (e) An urban retail water supplier shall include in its urban water management plan due in 2010...the baseline daily per capita water use, ...along with the bases for determining those estimates, including references to supporting data.
  - (f) When calculating per capita values for the purposes of this chapter, an urban retail water supplier shall determine population using federal, state, and local population reports and projections.
- 10644 (a)(2) The plan...shall include any standardized forms, tables, or displays specified by the department

California DOF population estimates were used to determine historical populations as part of the 10-year average per capita water use, as indicated on SBX7-7 Table 2. The baseline service area population is summarized on the following page in SBX7-7 Table 3. This population over the baseline period is used in the calculation of the baseline period average per capita water use. The City is a growing community with an estimated 2020 population of 59,178, according to the California Department of Finance (DOF). Additionally, the city also supplies domestic water to 651 accounts out of the City limit, which are equaled to 2,148 population. Therefore, the City's water system serves a total population of 61,326.

# **SBX7-7 Table 2** Method for Population Estimates

Method Used to Determine Population				
V	<b>1. Department of Finance (DOF)</b> DOF Table E-8 (1990 - 2000) and (2000-2010) and DOF Table E-5 (2011 - 2020)			
	2. Persons-per-Connection Method			
	3. DWR Population Tool 4. Other			

**SBX7-7 Table 3** Service Area Population

Year		Population			
10 to 1	10 to 15 Year Baseline Population				
Year 1	1995	37,362			
Year 2	1996	38,084			
Year 3	1997	39,233			
Year 4	1998	39,802			
Year 5	1999	40,253			
Year 6	2000	41,687			
Year 7	2001	42,462			
Year 8	2002	43,869			
Year 9	2003	44,466			
Year 10	2004	46,096			
5 Ye	ear Baseline	Population			
Year 1	2006	48,920			
Year 2	2007	50,534			
Year 3	2008	51,922			
Year 4	2009	52,970			
Year 5	2010	53,967			
2015 Compliance Year Population					
2015	5	55,337			
2020 Cd	2020 Compliance Year Population				
2020	)	61,326			

## 5.5 GROSS WATER USE

#### Law

10608.12 (g) "Gross Water Use" means the total volume of water, whether treated or untreated, entering the distribution system of an urban retail water supplier, excluding all of the following:

- (1) Recycled water that is delivered within the service area of an urban retail water supplier or its urban wholesale water supplier
- (2) The net volume of water that the urban retail water supplier places into long term storage
- (3) The volume of water the urban retail water supplier conveys for use by another urban water supplier
- (4) The volume of water delivered for agricultural use, except as otherwise provided in subdivision (f) of Section 10608.24.

California Code of Regulations Title 23 Division 2 Chapter 5.1 Article
Section 596 (a) An urban retail water supplier that has a substantial percentage of
industrial water use in its service area is eligible to exclude the process water
use of existing industrial water customers from the calculation of its gross
water use to avoid the disproportionate burden on another customer section.

In order to determine the baseline per capita water use, gross water use entering the distribution system of the supplier must be determined for each year within the baseline period. There are a number of exclusions taken into consideration when determining the annual gross water use, including recycled water delivered in the service area; water volume placed into long term storage; water conveyed for use by another urban water supplier; water delivered; with certain exceptions, for agricultural use, and industrial water use if the total industrial use is greater than or equal to 12% of gross water use.

Based on historical production reports, and consistent with the 2015 UWMP, there are no exceptions to be taken into consideration when calculating the City's gross water use. The City's historical gross water use is summarized on the following page in SBX7-7 Table 4, with the gross water use in the 2020 compliance year equal to 11,714 AF. The volume of water entering the distribution system from the City's groundwater source is summarized, following SBX7-7 Table 4, in SBX7-7 Table 4-A.

# SBX7-7 Table 4 Annual Gross Water Use

			Deductions					
Baseline	e Year	Volume Into Distribution System	Exported Water	Change in Dist. System Storage (+/-)	Indirect Recycled Water	Water Delivered for Agricultural Use	Process Water	Annual Gross Water Use
	(AF)			(AF)	(AF)	(AF)	(AF)	(AF)
			o 15 Year	Baselin	e - Gross	Water Use		
Year 1	1995	9,198						9,198
Year 2	1996	9,348						9,348
Year 3	1997	10,379						10,379
Year 4	1998	8,704						8,704
Year 5	1999	9,855						9,855
Year 6	2000	9,649						9,649
Year 7	2001	9,673						9,673
Year 8	2002	10,502						10,502
Year 9	2003	10,784						10,784
Year 10	2004	11,260						11,260
			10	- 15 year l	baseline av	verage gross v	water use	9,935
		5	Year Ba	seline - (	Gross Wa	ter Use		
Year 1	2006	11,613						11,613
Year 2	2007	12,930						12,930
Year 3	2008	12,742						12,742
Year 4	2009	12,792						12,792
Year 5	2010	12,172						12,172
				5 year l	baseline av	verage gross v	water use	12,450
		2015	Complia	nce Yea	r - Gross	Water Use		
201	5	11,640	2015 gross water use				11,640	
		2020	Complia	nce Yea	r - Gross	Water Use		
202	0	11,714				2020 gross v	water use	11,714

SBX7-7 Table 4-A Volume Entering Distribution System

System						
Name of Water Source: Tulare Lake Groundwater Subbasin						
☑ The suppli	<b>☑</b> The supplier's own water source					
		d water source				
		Volume Entering Distribution				
Baseline	Baseline Year					
10 to 15 Y	ear Baseline	- Water into				
Di	stribution Sy	stem				
Year 1	1995	9,198				
Year 2	1996	9,348				
Year 3	1997	10,379				
Year 4	1998	8,704				
Year 5	1999	9,855				
Year 6	2000	9,649				
Year 7	2001	9,673				
Year 8	2002	10,502				
Year 9	2003	10,784				
Year 10	2004	11,260				
5 Year Baseli		nto Distribution				
Vanu 1	System	11.612				
Year 1	2006	11,613				
Year 2	2007	12,930				
Year 3	2008	12,742				
Year 4	2009	12,792				
Year 5	2010	12,172				
	2015 Compliance Year - Water into Distribution System					
2015		11,640				
	pliance Year stribution Sy	- Water into stem				
2020		11,714				

## 5.6 BASELINE DAILY PER CAPITA WATER USE

The final baseline calculation is to determine the per capita water use in each baseline year and the average per capita water use over the entire baseline period. Using the baseline period and service area population as described in previous sections, the per capita water use for each year has been calculated as documented on the following page in SBX7-7 Table 5. The maximum and minimum per capita water use over the baseline period respectively are 236 gpcd in 1997 and 195 gpcd in 1998. The average per capita water use over the 10-year baseline period is 215 gpcd. In the following pages, SBX7-7 Table 6 summarizes the 10-year baseline per capita water use, the 5-year baseline per capita water use, and the 2020 compliance year per capita water use.

## 5.7 2020 FINAL TARGETS

Consistent with the 2015 UWMP, the 2020 Urban Water Use Target was calculated using Method 3, which is indicated on the following pages in SBX7-7 Table 7. Method 3, as defined by DWR, assigns a static 2020 urban water use target based on a water supplier's location within one of the ten regional urban water use target areas. Using Method 3, the City's 2020 urban water use target is documented as 95% of the hydrologic regional (Tulare Lake) target, as 179 gpcd; the water use targets for the ten water use regions are summarized in SBX7-7 Table 7-E on the following pages. The 179 gpcd target is intended to be maintained through the UWMP horizon of 2045.

SBX7-7 Table 5 Gallons Per Capita Per Day (GPCD)

Baseline Year		Service Area Population	Annual Gross Water Use	Per Capita Water Use
10 to	15 Ye	ar Baseline F	Per Capita W	/ater
		Use		
Year 1	1995	37,400	9,198	220
Year 2	1996	38,150	9,348	219
Year 3	1997	39,300	10,379	236
Year 4	1998	39,900	8,704	195
Year 5	1999	40,350	9,855	218
Year 6	2000	41,450	9,649	208
Year 7	2001	42,462	9,673	203
Year 8	2002	43,869	10,502	214
Year 9	2003	44,466	10,784	217
Year 10	2004	46,096	11,260	218
	10-15	Year Average E	Baseline GPCD	215
5 Ye	ear Bas	seline Per Ca	pita Water	Use
Year 1	2006	48,920	11,613	212
Year 2	2007	50,534	12,930	228
Year 3	2008	51,922	12,742	219
Year 4	2009	52,970	12,792	216
Year 5	2010	53,967	12,172	201
	5	Year Average E	Baseline GPCD	215
2015	Comp	liance Year I	Per Capita V	Vater
		Use		
201	5	55,337	11,640	188
20	20 Coi	mpliance Ye	ar Populatio	n
202	0	61,326	11,714	171

SBX7-7 Table 6 Gallons per Capita per Day Summary

	Per Capita Water Use (gpcd)
10-15 Year Baseline	215
5 Year Baseline	215
2020 Compliance Year	171

## SBX7-7 Table 7 2020 Target Method

Targe	t Method	Supporting Documentation
	Method 1	SB X7-7 Table 7A
	Method 2	SB X7-7 Tables 7B, 7C, and 7D
V	Method 3	SB X7-7 Table 7-E
	Method 4	Method 4 Calculator

## 5.7.1 5-Year Baseline – 2020 Target Confirmation

### Law

10608.22 Notwithstanding the method adopted by an urban retail water supplier pursuant to Section 10608.20, an urban retail water supplier's per capita daily water use reduction shall be no less than 5 percent of base daily per capita water use as defined in paragraph (3) of subdivision (b) of Section 10608.12. This section does not apply to an urban retail water supplier with a base daily per capita water use at or below 100 gallons per capita per day.

The 2020 Urban Water Use Target is required to reduce the City's 2020 water use by a minimum of 5 percent from the 5-year baseline period (2006-2010). As calculated in SB X7-7 Table 5, the average per capita water use for the 5-year baseline period is 215 gpcd. The 2020 urban water use target of 179 gpcd is an approximate 17 percent reduction from the 5-year average per capita water use, thereby confirming the 2020 Urban Water Use Target as documented in SBX7-7 Table 7-F.

# SBX7-7 Table 7-E Target Method 3

Agency May Select More Than One as Applicable	Percentage of Service Area in This Hydrological Region	Hydrologic Region	"2020 Plan" Regional Targets	Method 3 Regional Targets (95%)
		North Coast	137	130
		North Lahontan	173	164
		Sacramento River	176	167
		San Francisco Bay	131	124
		San Joaquin River	174	165
		Central Coast	123	117
V	100%	Tulare Lake	188	179
		South Lahontan	170	162
		South Coast	149	142
		Colorado River	211	200
			Target	179

SBX7-7 Table 7-F Confirm Minimum Reduction for 2020 Target

5 Year Baseline GPCD	Maximum 2020 Target <sup>1</sup>	Calculated 2020 Target	Confirmed 2020 Target
(gpcd)	(gpcd)	(gpcd)	(gpcd)
215	205	179	179

### Notes:

1. Maximum 2020 Target is 95% of the 5-year Baseline per capita water use

### 5.8 2020 COMPLIANCE DAILY PER CAPITA WATER USE

### Law

10608	8.12 (f)	"Compliance daily per-capita water use" means the gross water use during the final year of the reporting period
10608	8.20 (e)	An urban retail water supplier shall include in its urban water management plan due in 2010compliance daily per capita water use, along with the bases for determining those estimates, including references to supporting data.

Using the City population and gross water use for the 2020 compliance year, the per capita water use was calculated as 171 gpcd, meaning the City has met the 2020 target per capita water use of 179 gpcd. Table 5-2 and SBX7-7 Table 9 summarizes the City's compliance with the 2020 per capita water use targeted reduction.

SBX7-7 Table 9/Table 5-2 2020 Compliance

	2020 GPCD		Did Supplier	
Actual 2020 GPCD	2020 Total Adjustments	Adjusted 2020 GPCD	2020 Confirmed Target GPCD	Achieve Targeted Reduction for 2020?
171	-	171	179	Yes

# 5.9 REGIONAL ALLIANCE

The DWR allows water supply agencies to comply with SBX7-7 through a Regional Alliance, and the corresponding SBX7-7 compliance information must be reported in a Regional Alliance Report. The City is not part of a regional alliance and is not reporting any compliance information in a Regional Alliance Report.

## **CHAPTER 6 – SYSTEM SUPPLIES**

The purpose of this chapter is to summarize the City's current and planned water supply sources and volumes. This includes a description of the groundwater basins used by the City as a source of supply. Ongoing planning efforts for the potential use of recycled water within the City's service area are also summarized.

### 6.1 PURCHASED OR IMPORTED WATER

The City currently uses local groundwater as the sole source of water supply and does not purchase or import water from any other water suppliers or entities.

### 6.2 GROUNDWATER

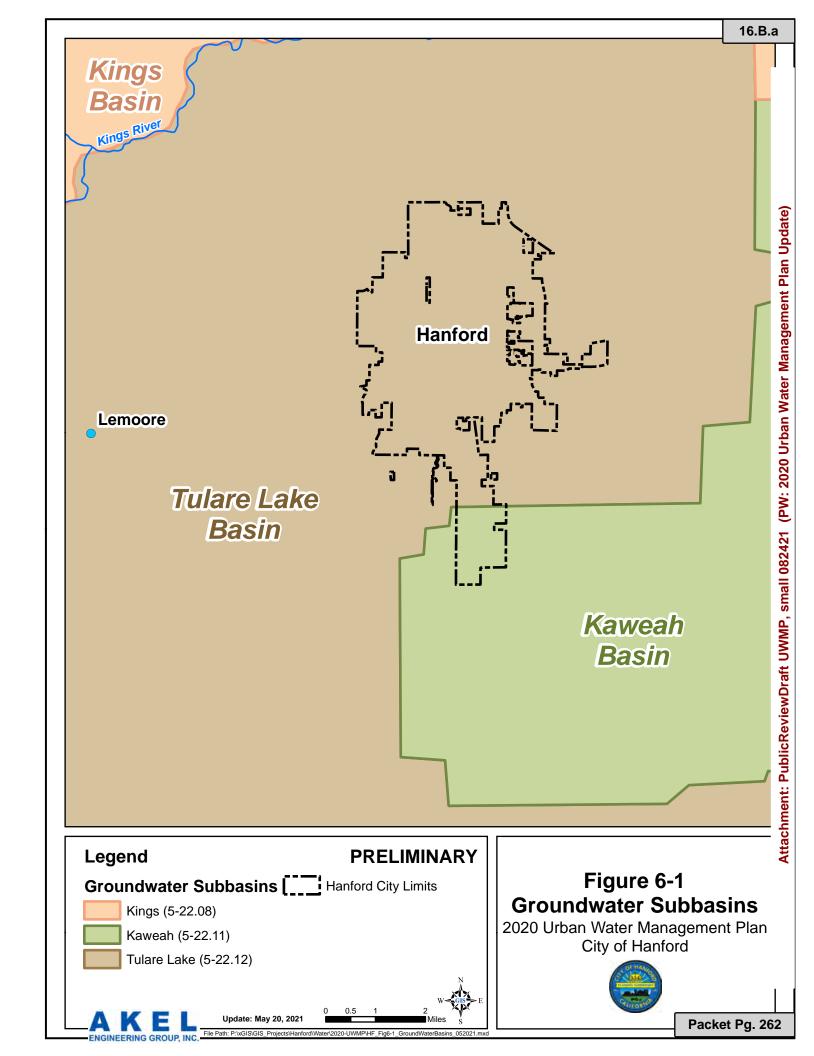
For planning purposes, the State of California has been divided into ten separate hydrologic regions by the DWR, based on the State's major drainage basins. According to the California Water Plan 2018 Update, the City is located in the Tulare Lake Hydrologic Region. Each hydrologic region is divided into distinct groundwater basins, each of which is typically divided further into smaller interconnected groundwater subbasins. The following section summarizes the groundwater basin and subbasin underlying the City.

### 6.2.1 Basin Description

### Law

10631. (b)(4) If groundwater is identified as an existing or planned source of water available to the supplier, all of the following information shall be included in the plan:
 (B) A description of any groundwater basin or basins from which the urban water supplier pumps groundwater.

The City is located above the San Joaquin Valley Groundwater Basin, for which the Kings County Water District (KCWD) is the principal groundwater management agency. This basin can further be divided into subbasins that help better define the aquifer below the city. These subbasins are interconnected and help filter, transmit, and store water. The subbasins that subdivide the San Joaquin Valley Groundwater Basin are the Kings, Kern County, Kaweah, Tulare Lake, Tule, Pleasant Valley, and Westside groundwater basin. The Tulare Lake subbasin is the specific groundwater subbasin in which the City resides and has a surface area of approximately 524,000 acres (Figure 6-1). It is bounded to the north by the Kings Groundwater Basin, to the south by the Kings-Kern County line, to the east by the Westside groundwater basin, and to the west by the California Aqueduct; the subbasin has a surface area of approximately 818 square miles.



The Tulare Lake Groundwater Subbasin is not an adjudicated groundwater basin. In characterizing the groundwater budget, the DWR has classified the subbasin as Type B, which means that enough data is available to estimate groundwater extraction to meet local needs, but not enough data is available to characterize the groundwater budget. Well yields in the Tulare Lake subbasin average between 300 and 1,000 gallons per minute (gpm), with a maximum of 3,000 gpm.

As of 1995, the DWR estimated the total water storage of the subbasin using an estimated specific yield of 8.5 percent and water levels collected by the DWR as well as other cooperators. Based on these calculations, the DWR estimates the total storage capacity of the subbasin to be 17,100,000 AF to a depth of 300 ft and 82,500,000 AF to the base of fresh groundwater.

The 2003 DWR Bulletin 118 describes the subbasin water level as declining from 1970 to 2000, with fluctuation in the intervening years. Fluctuations can range from a general increase of 24 feet to decrease of up to 23 feet, with an average decline of 17 feet. According to the DWR, fluctuations are most significant in the lakebed area of the subbasin, with the area experiencing some of the steepest decreases and increases in water levels.

According to 2020 Tulare Lake Groundwater Sustainability Plan, GSAs estimate the total annual change in storage in the Subbasin storage ranged from -392,280 AF (2015) to 361,230 AF (2011) and averaged approximately -85, 690 AF per year during the 1990-2016 period. Municipal pumping was assumed to increase slowly from about 25,060 AF (2017) to about 30,160 AF (2070).

## 6.2.2 Groundwater Management

### Law

10631. (b)(4)

...if groundwater is identified as an existing or planned source of water available to the supplier, all of the following information shall be included in the plan:

- (C) The current version of any groundwater sustainability plan or ... any groundwater management plan adopted by the urban water supplier...or any other specific authorization for groundwater management.
- (D) For basins that a court or the board has adjudicated the rights to pump groundwater, a copy of the order or decree adopted by the court or the board and a description of the amount of groundwater the urban water supplier has the legal right to pump under the order or decree.

The Tulare Lake Groundwater Sustainability Plan, adopted in January 2020, was developed for the Tulare Lake Subbasin pursuant to the Sustainable Groundwater Management Act. The Tulare Lake Subbasin is classified as a high-priority subbasin by DWR and is subdivided into five local GSAs. The Mid-Kings River GSA covers the portion of the Tulare Lake Subbasin from which the City extracts its groundwater supplies.

According to the Tulare Lake Subbasin GSP, the intent of the plan is to manage groundwater resources such that adequate water supplies are maintained for existing users and established management objectives maintain a sustainable groundwater yield. The sustainability goals for the Subbasin will be achieved by implementing the measures below, as extracted from the GSP.

- Understanding the interaction between existing and future conditions
- Analyzing and identifying the effects of exiting management actions on the Subbasin
- Implementing the GSP and its associated measures, including projects and management actions to halt and avoid future undesirable results
- Collaborating between agencies to achieve goals and protect beneficial uses
- Assessing at interim milestones the successes and challenges of the implemented projects and

### 6.2.3 Overdraft Conditions

The Tulare Lake subbasin has been identified by DWR as a high-priority groundwater basin and is one of multiple subbasins within the state listed as being in a condition of critical overdraft. The Tulare Lake Subbasin GSP indicates that the Mid-Kings Rivers GSA intends to coordinate with KCWD to implement ongoing basin management objectives and overdraft mitigation measures. Several efforts to mitigate overdraft were documented in the KCWD 2001 Groundwater Management Plan Update, which are briefly summarized below.

- Water Conservation Efforts: KCWD and the City of Hanford participate in several water
  conservation and education programs, contributing both funds and staff time. The
  agricultural users within the KCWD service area use the delivered water responsibly
  through various highly efficient irrigation systems. Additionally, water deliveries are
  metered and billed based on volume used and customers therefore have an incentive to
  minimize water usage.
- Increasing Surface Water Imports: KCWD currently delivers surface water to several
  water and canal companies. Utilization of surface water supplies decreases the demand
  on groundwater, serving as a form of in-lieu recharge. KCWD strives to provide surface
  water at a rate low enough to customers to encourage utilizing as much surface water as
  possible before resorting to groundwater pumping.
- Increasing Groundwater Recharge: KCWD operates 25 direct groundwater recharge
  basins and also leaves many earthen canals unlined for the purpose of recharge through
  seepage. The total recharge surface area, including both basins and unlined canals, is
  approximately 1,300 acres; the amount of recharge varies from year to year, and the most
  significant recharge effects occur during wet years.

## 6.2.4 Historical Groundwater Pumping

#### Law

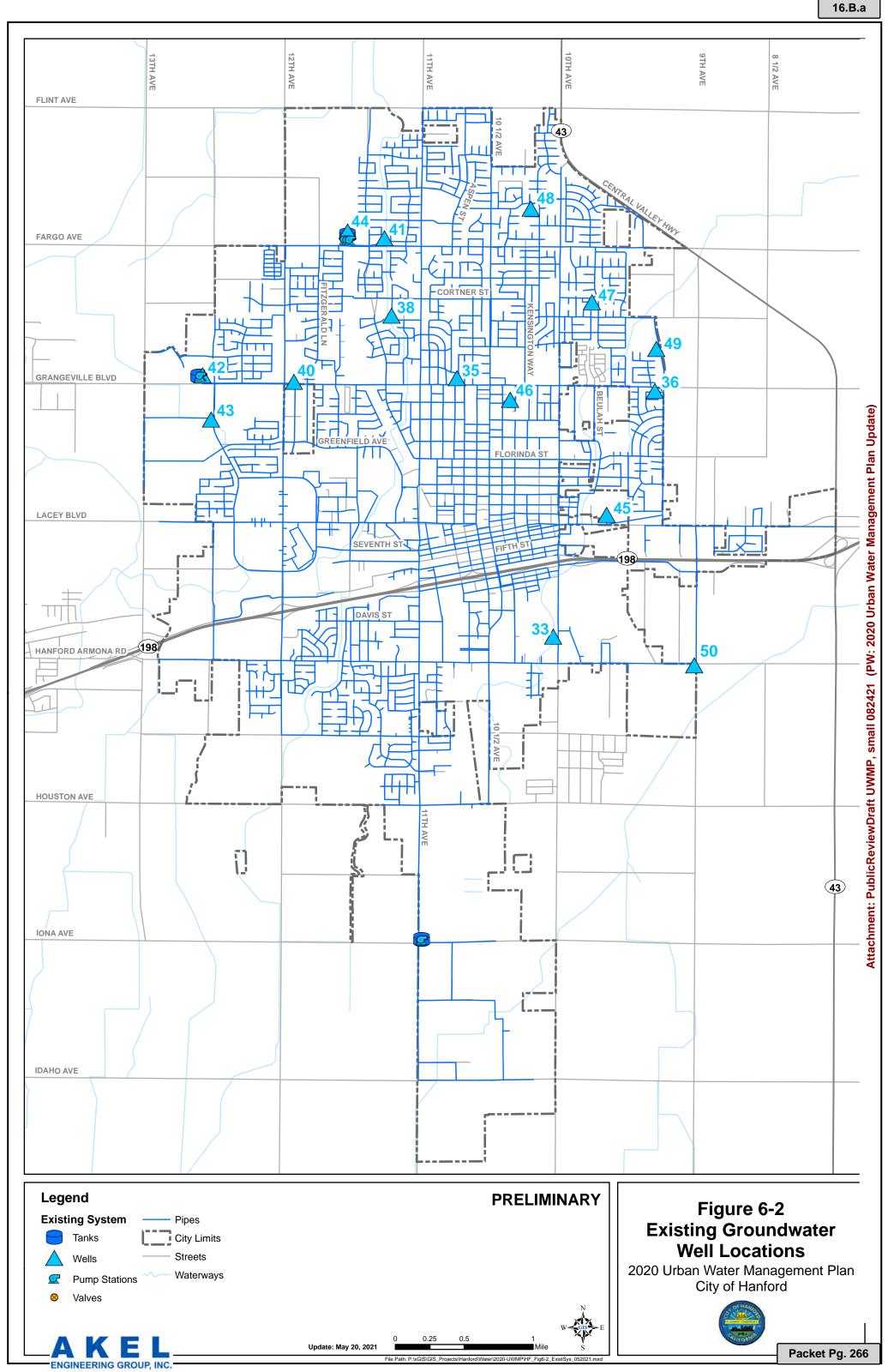
10631. (b)(4) ...if groundwater is identified as an existing or planned source of water available to the supplier, all of the following information shall be included in the plan:
 (C) A detailed description and analysis of the location, amount, and sufficiency of groundwater pumped by the urban water supplier for the past five years. The description and analysis shall be based on information that is reasonable available, including, but not limited to, historic use records.

According to the 2017 WSMP there are currently 14 active groundwater wells located throughout the City, as shown in Figure 6-2, with a combined supply capacity of approximately 34.5 million gallons per day (mgd). The firm capacity, designated as the total capacity less the largest unit out of service, of the City wells is 31.6 mgd.

The volume of groundwater pumped by the City over the past five years is summarized in Table 6-1. Historically, the Tulare Lake subbasin has adequately met the City's water demands, and it is anticipated that the subbasin will adequately meet the City's water demands in the future.

**Table 6-1 Groundwater Volume Pumped** 

		Volume					
Groundwater Type	Location or Basin Name	2016	2017	2018	2019	2020	
Турс	Bushir Hume	(AF)	(AF)	(AF)	(AF)	(AF)	
Alluvial Basin	San Joaquin Valley Groundwater Basin, Tulare Lake Subbasin	10,910	11,073	11,557	10,927	11,714	
	Total	10,910	11,073	11,557	10,927	11,714	



### 6.3 SURFACE WATER

At the time of preparation of the 2020 UWMP, the City does not use surface water as part of its water supply.

### 6.4 STORMWATER

At the time of preparation of the 2020 UWMP, the City does not use stormwater as part of its water supply.

### 6.5 WASTEWATER AND RECYCLED WATER

This section discusses the use of recycled water, and the characteristics of the wastewater treated at the City owned and operated treatment plant.

## 6.5.1 Recycled Water Coordination

#### Law

10633 The plan shall provide, to the extent available, information on recycled water and its potential for use as a water source in the service area of the urban water supplier. The preparation of the plan shall be coordinated with local water, wastewater, groundwater, and planning agencies that operate within the supplier's service area.

The City of Hanford is responsible for the collection, treatment, and disposal of wastewater within the City limits. The subsequent sections document information regarding the wastewater treatment facility, the use of reclaimed wastewater, and the coordination between agencies regarding the treated wastewater.

### 6.5.2 Wastewater Collection, Treatment, and Disposal

This section describes wastewater collection and disposal.

### Law

10633 (a) A description the wastewater collection and treatment systems in the supplier's service area, including a quantification of the amount of wastewater collected and treated and the methods of wastewater disposal

(b) A description the quantity of treated wastewater that meets recycled water standards, is being discharge, and is otherwise available for use in a recycled water project.

#### 6.5.2.1 Wastewater Collected Within Service Area

The City collects wastewater from residential, commercial, and industrial customers within the City limits and some unincorporated areas. The collected flows are conveyed through a trunk system to a Wastewater Treatment Facility (WWTF) in the south of the City. The City's large industrial area near the southern boundary of the City limits collect flows at a series of lift stations before

being pumped north to the WWTF. Based on available data received from City staff, the WWTF treated an average annual wastewater flow of approximately 4,944AF in 2020 (Table 6-2).

Table 6-2 Wastewater Collected Within Service Area in 2020

Wastewater Collection			Recipient of Collected Wastewater			
Name of Wastewater Collection Agency	Wastewater Volume Metered or Estimated?	Volume of Wastewater Collected from UWMP Service Area 2020	Name of Wastewater Treatment Agency Receiving Collected Wastewater	Treatment Plant Name	Is WWTP Located Within UWMP Area?	Is WWTP Operation Contracted to a Third Party?
City of Hanford	Metered	4,944	City of Hanford	City of Hanford WWTF	Yes	No

# 6.5.2.2 Wastewater Treatment and Discharge Within Service Area

The City's WWTF has an existing design capacity of 8.0 mgd and includes the following treatment components: a headworks, two primary clarifiers, two primary trickling filters, two secondary trickling filters, one oxidation ditch, four secondary clarifiers, three anaerobic digesters, one dissolved air flotation sludge thickener, sixteen sludge drying beds, one facultative sludge lagoon, one effluent equalization basin, six effluent disposal/percolation ponds, and two emergency effluent storage ponds. Treated wastewater is discharged to the facility's equalization basin and then pumped to evaporation/percolation ponds or farmlands for agricultural irrigation. The City's treatment and discharge of wastewater are summarized in Table 6-3.

Table 6-3 Wastewater Treatment and Discharge Within Service Area in 2020

			Does This		2020 Volume			
Wastewater Treatment Plant Name	Discharge Location Name and Description	Method of Disposal	Plant Treat Wastewater Generated Outside the Service Area?	Treatment Level	Wastewater Treated (AF)	Discharged Treated Wastewater (AF)	Recycled Within Service Area (AF)	Recycled Outside of Service Area (AF)
City of Hanford WWTF	Equalization basin storage of treated effluent	Land disposal	No	Secondary Disinfected – 23 MPN	4,944	0	0	4,944

## 6.5.3 Recycled Water System

#### Law

10633 (c) A description the recycled water currently being used in the supplier's service area, including, but not limited to, the type, place, and quantity of use.

The City currently distributes the chlorinated secondary-treated effluent wastewater to agriculture users, east and west of the WWTF, for crop irrigation. The irrigation of crops on privately owned land is permitted under the City's two monitoring report programs (MRP) from the Regional Water Quality Control Board (RWQCB). The first program, MRP 5-00-222, governs the use of recycled water on 11,500 acres of privately owned farmland within the Lakeside Irrigation Water Irrigation District (LIWD). In an agreement with LIWD, the City pays \$30 per acre-foot to dispose of its recycled wastewater effluent. The second program, MRP 5-00-223, governs the use of recycled water on a 1,600-acre site owned by the City as well as several small privately owned farms near the WWTF. Appendix B includes the City's Reclamation Project Agreement, which stipulates the City's use of recycled water.

The City's recycling of the disinfected secondary effluent on agricultural farmland does not directly offset potable water use. As such this recycled water use is not able to assist the City in meeting its 2020 Urban Water Use Target and is not used in the calculations set forth in Chapter 5. However, the City's recycled water use does offset groundwater and surface water that would otherwise be used by farmers in the area.

Delivery of the secondary treated effluent to permitted lands involves two separate pump stations, each with a 24-inch discharge pipeline. One pump station delivers recycled water from the WWTF to land west of the WWTF through a 24-inch diameter reinforced concrete pipe. Recycled water delivered to the east and south of the WWTF is pumped by the second pump station through a 24-inch diameter polyvinyl chloride (PVC) pipeline.

### 6.5.4 Recycled Water Beneficial Uses

This section documents the current uses of WWTF treated effluent.

### Law

(d) A description and quantification of the potential uses of recycled water, including, but not limited to, agricultural irrigation, landscape irrigation, wildlife habitat enhancement, wetlands, industrial reuse, groundwater recharge, indirect potable reuse, and other appropriate uses, and a determination with regard to the technical and economic feasibility of serving those uses.

(e) A description the projected use of recycled water within the supplier's service area at the end of 5, 10, 15, 20 years and a description of the actual use of recycled water in comparison to uses previously projected pursuant to this subdivision.

### 6.5.4.1 Current and Planned Uses of Recycled Water

According to the City's 2000 Recycled Water Engineering Report, irrigation demand for the LIWD lands alone are 27,103 acre-feet per year (afy). This demand will continue to exceed the amount of recycled water available from the WWTF and is the most economically and technically feasible method for the City's disposal of its treated effluent. Annual projections for the City's recycled water use are summarized on the following page in Table 6-4 and assume that the City will continue to use 100 percent of its recycled water for agricultural irrigation on LIWD permitted land, although a portion of the water will be lost to evaporation and percolation. Projected recycled water use was assumed to be equal to the projected annual wastewater flow of the WWTF. This projected wastewater flow was calculated based on the projected water demand and a historical average of the city-wide return-to-sewer ratio, using available data between the years 2006 and 2020.

Table 6-4 Current and Projected Recycled Water Direct Beneficial Uses Within Service Area

Donoficial Hea	General	Lovelof	Volume					
Beneficial Use	Description of Treatme	Level of	2020	2025	2030	2035	2040	2045
Туре		Heatment	(AF)	(AF)	(AF)	(AF)	(AF)	(AF)
Agricultural irrigation	Irrigation of agricultural lands surrounding WWTP	Secondary, Disinfected – 23 MPN	4,944	5,077	5,318	5,569	5,833	6,109
		Total	4,944	5,077	5,318	5,569	5,833	6,109

The City may decide in the future to reevaluate the need or desirability of expanding its recycled water use to serve municipal customers. This would involve constructing a recycled water distribution system throughout the City and would require an upgrade to the WWTF to provide tertiary treatment.

### 6.5.4.2 Planned Versus Actual Use of Recycled Water

### Law

10633 (e) .... (Provide) a description of the actual use of recycled water in comparison to uses previously projected pursuant to this subdivision.

Previous UWMP's have identified agricultural irrigation as the sole method of recycling the City's treated wastewater effluent, which is consistent with the method identified in this report. The projected recycled water use volume for 2020, as discussed in the 2015 UWMP, was 5,606 AF, while the actual recycled water use volume was 4,944 AF, as summarized in Table 6-5. The difference in the actual recycled water use in 2020 and the projected amount from the 2015

UWMP is due to the fact that the projected wastewater flows to the City's WWTF did not grow at the rate projected in the 2015 UWMP.

Table 6-5 2015 UWMP Recycled Water Use Projection Compared to 2020 Actual

Use Type		2015 Projection for 2020	2020 Actual Use
		(AF)	(AF)
Agricultural irrigation		5,606	4,944
	Total	5,606	4,944

## 6.5.5 Actions to Encourage and Optimize Future Recycled Water Use

### Law

- 10633 (f) A description of actions, including financial incentives, which may be taken to encourage the use of recycled water, and the projected results of these actions in terms of acre-feet of recycled water used per year.
  - (g) A plan for optimizing the use of recycled water in the supplier's service area, including actions to facilitate the installation of dual distribution systems, to promote recirculating uses, to facilitate the increased use of treated wastewater that meets recycled water standards, and to overcome any obstacles to achieving that increased use.

As previously discussed, the City's current method of recycling its WWTF effluent through agricultural irrigation on LIWD permitted farmland is the most economically and technically feasible method of disposal. Therefore, additional measures taken by the City to encourage recycled water use, such as financial incentives or informational programs, are not expected to result in additional recycled water use, as summarized in Table 6-6.

**Table 6-6 Methods to Expand Future Recycled Water Use** 

Name of Action	Description	Planned Implementation Year	Expected Increase in Recycled Water Use
TBD	The City currently does not have a plan to expand recycled water use.		

### 6.6 DESALINATED WATER OPPORTUNITIES

### Law

10631 (g) Describe the opportunities for development of desalinated water, including, but not limited to, ocean water, brackish water, and groundwater, as a long-term supply

The groundwater under the City is not brackish in nature and does not require desalination. However, the City could provide financial assistance to other water purveyors in exchange for water supplies; the City could consider this option should the need arise.

## 6.7 EXCHANGES OR TRANSFERS

#### Law

10631 (c) Describe the opportunities for exchanges or transfers of water on a short-term or long-term basis.

There are currently no known exchanges, transfers, or interties that exist between the City and any other water system.

### 6.8 FUTURE WATER PROJECTS

#### Law

10631 (f) ... The urban water supplier shall include a detailed description of expected future water projects and programs... that the urban water supplier may implement to increase the amount of the water supply available to the urban water supplier in normal and single dry water years and for a period of drought lasting five consecutive water years. The description shall identify specific projects and include a description of the increase in water supply that is expected to be available from each project. The description shall include an estimate with regard to the implementation timeline for each project or program.

As discussed in previous sections, the City's sole source of potable water is groundwater. As such, the only method available to provide additional supply capacity for growing demand is the construction of new wells, and there are no additional types of future water projects the City plans to implement.

The City's total supply capacity is approximately 38,600 afy (34.5 MGD); its firm capacity, designated as the total capacity less the largest unit out of service, is approximately 35,400 afy (31.6 MGD). The 2017 WSMP identified needs for additional groundwater wells as the City's demands increase, which are reflected in the City's capital improvement program. Previous planning efforts have identified two additional wells for construction. The rated capacity of these additional wells has yet to be determined, but for planning purposes is assumed equal to the average rated capacity of the City's 14 existing wells, which is approximately 2,700 afy. The City also plans to construct a new tank to serve the southern industrial park, which will improve the

reliability of the industrial park's distribution system. These improvements are summarized on the following page in Table 6-7.

**Table 6-7 Expected Future Water Supply Projects or Programs** 

Name of Future Projects or Programs	Joint Project with other agencies?	Description	Planned Implementation Year	Planned for Use in Year Type	Expected Increase in Water Supply to Supplier (AF)
Additional Wells	No	Two new wells planned for next 5 years as part of city's Capital Improvement Program	2020-2025	All Year Types	5,400
Industrial Park Tank	No	New tank to serve south Industrial Park	2020-2025	All Year Types	

#### Notes:

1. For planning purposes, the expected increase to the City's water supply for future wells with a capacity that is to be determined is equal to the average supply capacity of the City's existing wells. This average supply capacity is approximately equal to 2,700 afy per well site.

## 6.9 SUMMARY OF EXISTING AND PLANNED SOURCES OF WATER

#### Law

10631 (b) Identify and quantify, to the extent practicable, the existing and planned sources of water available to the supplier over the same five-year increments described in subdivision 10631(a).

(4) (Provide a) detailed description and analysis of the amount and location of groundwater that is projected to be pumped by the urban water supplier. The description and analysis shall be based on information that is reasonable available, including, but not limited to, historic use records.

Table 6-8 summarizes the total amount of groundwater pumped in 2020. In order to meet the growing demand, new groundwater wells will have to be constructed. The City intends to continue to use groundwater as the sole source of potable water supply. Consistent with the 2015 UWMP all treated wastewater effluent is expected to be used to irrigate agricultural lands. Table 6-9 summarizes the total projected water supply, including groundwater and recycled water sources, available through 2040.

**Table 6-8 Water Supplies – Actual** 

Water Supply	2020			
Source	Actual Volume (AF)	Water Quality		
Groundwater	11,714	Potable Water		
Recycled Water	4,944	Recycled Water		
Total	16,658			

Table 6-9 Water Supplies - Projected

Water Supply Source	Projected Water Supply						
	2025	2030	2035	2040	2045		
	(AF)	(AF)	(AF)	(AF)	(AF)		
Groundwater	11,623	12,172	12,748	13,351	13,982		
Recycled Water	5,077	5,318	5,569	5,833	6,109		
Total	16,700	17,490	18,317	19,183	20,091		

## **6.10 CLIMATE CHANGE CONSIDERATIONS**

Potential impacts of climate change may not only influence demand throughout the City's service area, but could alter the water supply availability. Based on the City's location and current climate, the most notable changes in climate would be related to increasing average temperature, intensifying storm events, and periods of extended drought. Other potential effects, such as decreasing snowpack or rising sea levels, would not have a direct impact on the City's water demand or supply. Changes in annual precipitation and temperature could have an impact on the City's overall water use as well as available supply volumes. The City, as well as other local water supply agencies, will continue to monitor available water supply volumes and year-on-year changes to determine actions necessary to mitigate potential supply shortages.

## **6.11 ENERGY INTENSITY**

#### Law

In addition to the requirements of Section 10631, an urban water management plan shall include any of the following information that the urban water supplier can readily obtain:

(1) An estimate of the amount of energy used to extract or divert water supplies.

(2) An estimate of the amount of energy used to convey water supplies to the water treatment plants or distribution systems.

(3) An estimate of the amount of energy used to treat water supplies.

(4) An estimate of the amount of energy used to distribute water supplies through its distribution systems.

(5) An estimate of the amount of energy used for treated water supplies in comparison to the amount used for nontreated water supplies.

(6) An estimate of the amount of energy used to place water into or withdraw from storage.

(7) Any other energy-related information the urban water supplier deems appropriate.

An urban water supplier's energy intensity (EI) is the amount of energy (kWh) consumed for the purpose of supplying water from the point that it enters the City's service area to the point at which it exits the system at the point of delivery. The 2020 Urban Water Management Plan Guidebook provides guidance for estimating energy intensity associated with the source of water used by an urban water supplier. The purpose of calculating the City's energy intensity is to:

- Develop a baseline energy use per acre-foot of treated water delivered by the water system.
- Aid in Identifying energy saving opportunities in the future.
- Allow for comparing energy use among similar agencies.

The estimate of energy intensity includes requirements for the purpose of water conveyance, extraction, treatment, placing water into and taking it from storage, and distribution. The City's water energy intensity only accounts for the water management processes occurring within its operational control. The following water management processes are accounted for in the City's energy intensity estimate, which is based on existing processes and available records.:

- Extraction of groundwater from Tulare Lake Subbasin.
- Delivery of treated water to end users.

Energy use data relating to the extraction, diversion, conveyance, treatment, distribution and placing into and taking from storage in the City's water supply system was acquired from Southern California Edison (SCE) meter data for year 2020. The City, therefore, utilized Table O-1B (Appendix A) for its EI calculations instead of Table O-1A or O1-C, since it is not possible to distinguish between energy used for treatment and conveyance at this time.

Total energy use and volume of water entering the City's water system for year 2020 were 9,259,222 kWh and 11,714 AF, respectively, resulting in an Energy Intensity of 790. kWh/AF (2425.8 kWh/MG).

## CHAPTER 7 – WATER SUPPLY RELIABILITY ASSESSMENT

This chapter assesses the reliability of the City's water supply under normal conditions, single year dry conditions, and five-year dry conditions. The reliability assessment includes a comparison of projected water use versus expected water supply for the next 20 years. This chapter also includes the newly required Drought Risk Assessment, which is a review of the capability of the City's water supplies to meet demands for the next five years, assuming a five-year drought occurs.

### 7.1 CONSTRAINTS ON WATER SOURCES

### Law

10631 (b)(1) A detailed discussion of anticipated supply availability under a normal water year, single dry year, and droughts lasting at least five years, as well as more frequent and severe periods of drought, as described in the drought risk assessment. For each source of water supply, consider any information pertinent to the reliability analysis conducted pursuant to Section 10635, including changes in supply due to climate change.

As discussed in previous sections, the City's only current and planned source of supply is groundwater. The potential constraints on the City's water supply are summarized as follows.

### 7.1.1 Legal Factors

Examples of legal factors that could impact the supply reliability of a water distribution system include pumping limitations in adjudicated groundwater basins and surface water contracts. As noted in Chapter 6 the Tulare Lake Groundwater Subbasin, the sole basin from which the City extracts groundwater, is not an adjudicated groundwater basin and there are no legal limitations on the amount of groundwater the City can extract under the Mid-Kings River Groundwater Sustainability Agency's (MKR GSA) groundwater sustainability plan (GSP).

### 7.1.2 Environmental Factors

Environmental concerns can arise during the water planning process when a project's impact on the ecosystem is taken into consideration. These concerns can subsequently cause a lack of supply due to the enforcement of environmental legislation. The City's groundwater source is not expected to be limited by environmental concerns.

## 7.1.3 Water Quality Factors

If a surface water or groundwater source has water quality constituents that exceed allowable levels, the amount of water a supplier can obtain from that source can be limited. The City's groundwater supply has one water quality constituent that has historically required mitigation measures in order to ensure the supply is not limited, which is arsenic. Arsenic is concentrated in the clay strata beneath the City, and hydrogen sulfide, which may cause discoloration, adverse taste, and a smell typically compared to rotten eggs. The City has implemented a chlorination program for the water supply, and hydrogen sulfide is no longer considered a water constituent of concern. The steps taken by the City to ensure the water supply is unaffected by arsenic are summarized in the following section.

### 7.1.3.1 Arsenic

Congress passed the Safe Drinking Water Act (SDWA) in 1975 to protect public health. In accordance with the SDWA, the Environmental Protection Agency (EPA) established a maximum contaminant level (MCL) of 0.050 mg/L for arsenic. Amendments to the SDWA in 1996 required the EPA to establish a new MCL of arsenic, which is the current MCL of 0.010 mg/L.

Through the preparation of several studies, the City has determined the best methods for reducing the levels of arsenic in their water supply. These studies include:

- 1989 Water Quality Study (Carollo Engineers)
- 1996 Water System Master Plan (Boyle Engineers)
- 2005 Arsenic Reduction Study (Carollo Engineers)
- 2005 Water Supply and Distribution Capacity Analysis for the Arsenic Reduction Study (Carollo Engineers)

The alternative methods considered by the City to reduce arsenic concentrations below the MCL are summarized as follows:

- Abandon high arsenic wells and drill replacement wells with lower concentrations
- Blend water from wells with higher concentrations with wells of lower concentrations
- Install well head treatment
- Rehabilitate wells that produce water with high arsenic concentrations to a block of strata with low concentrations, producing water low in arsenic.

A non-treatment based approach was determined to be the most cost effective for the City and was comprised of the following three improvement projects:

Abandon six shallow wells with low production and high arsenic concentration. Replace
the abandoned wells with two wells of a higher production capacity and lower arsenic
concentration.

- Abandon and replace three wells that could not be rehabilitated with new wells with higher production capacities and acceptable arsenic conditions.
- Three deep wells were rehabilitated to ensure they only extract groundwater from a zone with lower arsenic concentrations.

The City currently treats a groundwater well for Arsenic contamination. Upon the implementation of these arsenic improvement projects, the City's water supply is able to reliably produce water below the MCL for arsenic. Based on the current levels, the long-term reliability of the City's water supply is not restricted due to arsenic.

### 7.1.4 Climatic Factors

The primary climatic factors that affect the reliability of water supply system are precipitation and runoff characteristics, specifically the seasonal trend. Systems that rely heavily on surface water are most vulnerable to changes in water supply when a shift in precipitation and runoff amounts reduce the amount of surface water available. The City does not rely on surface water as a source of supply and is not vulnerable to these supply reductions.

### 7.2 RELIABILITY BY TYPE OF YEAR

This section discusses the yearly supply conditions, and the sources of data for supply evaluation.

## 7.2.1 Types of Years

This section discusses the type of years considered when evaluating water supply reliability. The conditions are as follows:

- Average Water Year The average water year is a year that represents the median runoff levels from precipitation. The supply quantities would be similar to historical average supplies.
- Single Dry Year The single dry year is defined as the individual year with the lowest usable water supply. This condition can be derived as the year with the lowest annual supply and is represented by the year 1984 (Table 7-1). It should be noted that under single dry year conditions the anticipated City-wide demand will increase slightly from a normal year as a response to reduced rainfall.
- Five-Consecutive-Year Drought The five-consecutive year drought is defined as the five consecutive years with the lowest usable water supply. The multiple dry years are detrimental to the water supply system because of their adverse effect on the levels of local and state-wide reservoirs, as well as groundwater levels. Available supply percentage for these conditions is based on an analysis of historical per capita water use described in a later section. Consistent with the 2015 UWMP the period between 1987 and 1991 was selected to represent the five-consecutive-year drought (Table 7-1).

Table 7-1 Basis of Water Data

Year Type	Base Year	Percent of Average Supply (%)
Average Year	2000	100%
Single-Dry Year	1984	84%
Consecutive Dry Years 1st Year	1987	93%
Consecutive Dry Years 2nd Year	1988	90%
Consecutive Dry Years 3rd Year	1989	88%
Consecutive Dry Years 4th Year	1990	86%
Consecutive Dry Years 5th Year	1991	87%

#### 7.2.2 Sources for Water Data

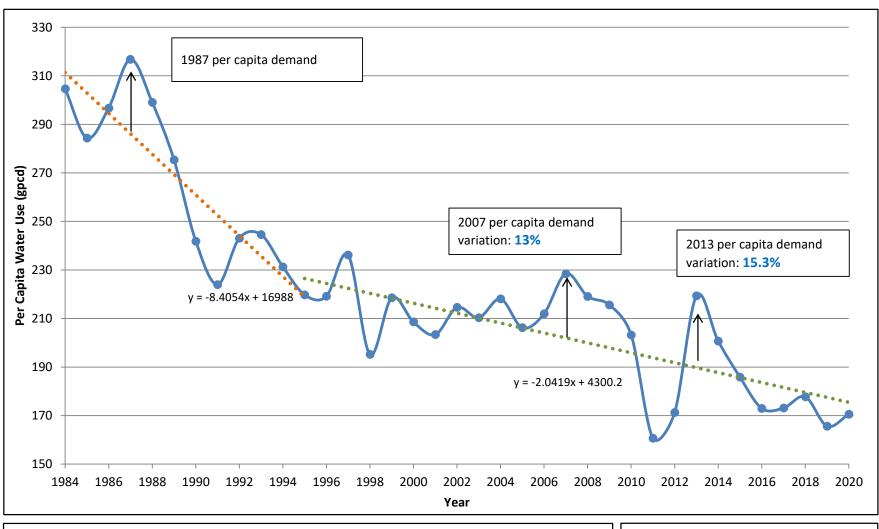
To establish a basis of normal year, single dry year, and five-consecutive-year drought's historical rainfall data available for the City of Hanford from the DWR California Data Exchange Center (CDEC) was analyzed.

## 7.3 SUPPLY AND DEMAND ASSESSMENT

### Law

10635 (a) Every urban water supplier shall include, as part of its urban water management plan, an assessment of the reliability of its water service to its customers during normal, dry, and multiple dry water years. This water supply and demand assessment shall compare the total water supply sources available to the water supplier with the total projected water use over the next 20 years, in five-year increments, for a normal water year, a single dry water year, and multiple dry water years. The water service reliability assessment shall be based upon the information compiled pursuant to Section 10631, including available data from state, regional or local agency population projections within the service area of the urban water supplier.

During prolonged years of drought, City-wide water use patterns are expected to change. Typically, outdoor water use will initially increase as irrigation is used to offset decreased rainfall. These potential water use increases can be offset, in part, by increasing water conservation measures. To characterize the City's water use during years of drought, the City's historical per capita water usage was analyzed. Analyzing per capita water usage, rather than total volume consumed, normalizes water consumption with population and eliminates the increase in demand due to growth. The 2020 UWMP expands on the analysis performed as part of the 2015 UWMP, and includes historical per capita consumption between the years 1984 and 2020, as summarized on Figure 7-1.



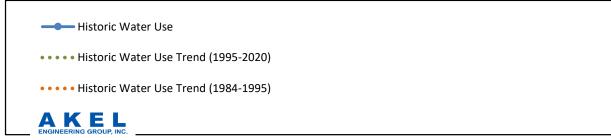


Figure 7-1
Historic Per Capita Demand Variation
2020 Urban Water Management Plan
City of Hanford

Figure 7-1 indicates a downward trend in per capita water consumption, with a sharp decrease between the 1980s and mid-1990s, and a more gradual decrease from the mid-1990s to present. To account for this downward trend in the analysis, two linear fit trend lines were developed, characterizing the trend from 1984 to 1995 and 1995 to 2020.

Table 7-1 summarizes the supply available for the various hydrologic water years. Because the City utilizes groundwater as its sole source of supply, the available "supply" drawn from the aquifer in any year is equal to the system-wide water demand for that particular year. The demand projections for the various hydrologic water years are summarized in Table 7-2, Table 7-3, and Table 7-4 and assume the projected supply will be equal to the projected demand as the City's sole source is groundwater.

Table 7-2 Normal Year Supply and Demand Comparison

	2025	2030	2035	2040	2045
	(AF)	(AF)	(AF)	(AF)	(AF)
Supply	16,700	17,490	18,317	19,183	20,091
Demand	16,700	17,490	18,317	19,183	20,091
Difference	0	0	0	0	0

Table 7-3 Single Dry Year Supply and Demand Comparison

	2025	2030	2035	2040	2045
	(AF)	(AF)	(AF)	(AF)	(AF)
Supply	19,377	19,426	20,345	21,307	22,315
Demand	19,377	19,426	20,345	21,307	22,315
Difference	0	0	0	0	0

**Table 7-4 Multiple Dry Years Supply and Demand Comparison** 

		2025	2030	2035	2040	2045
		(AF)	(AF)	(AF)	(AF)	(AF)
First voor	Supply	17,885	18,732	19,617	20,545	21,517
First year (1987)	Demand	17,885	18,732	19,617	20,545	21,517
(1307)	Difference	0	0	0	0	0
	Supply	18,389	19,259	20,170	21,124	22,123
Second year (1988)	Demand	18,389	19,259	20,170	21,124	22,123
(1566)	Difference	0	0	0	0	0
Thirdyon	Supply	18,740	19,627	20,555	21,527	22,546
Third year (1989)	Demand	18,740	19,627	20,555	21,527	22,546
(1303)	Difference	0	0	0	0	0
Fourth year	Supply	19,118	20,023	20,969	21,961	23,000
,	Demand	19,118	20,023	20,969	21,961	23,000
(1990)	Difference	0	0	0	0	0
Fifth year	Supply	18,857	19,749	20,683	21,661	22,685
Fifth year	Demand	18,857	19,749	20,683	21,661	22,685
(1991)	Difference	0	0	0	0	0

Historical production records indicate that during drought water years, water demands during the single dry and multiple dry periods vary from the normal year baseline. Figure 7-1 documents historical per capita water use between 1984 and 2020 and summarizes the City's historical response to periods of dry weather. 1987 is shown as the first year of the multiple dry water year period and reflects the most significant variation between the annual per capita water use and the historical trend; in 1987, the per capita water use was approximately 11% above the historical trend. While this year remains the most significant deviation between annual per capita water use and the historical trend, 2013 is another year of significant deviation. During California's recent drought, the City's per capita water use was approximately 15.3% above the historical trend. While the magnitude of the current drought is similar to that of the 1987 water year, increased water conservation measures put in place by the City have resulted in lower per capita water use, and therefore less deviation from the historical trend.

### 7.4 REGIONAL SUPPLY RELIABILITY

### Law

10620 (f) An urban water supplier shall describe in the plan water management tools and options used by that entity that will maximize resources and minimize the need to import water from other regions.

As discussed previously, the City uses groundwater as its sole source of supply and no known opportunities currently exist for diversifying sources of supply. In order to reduce the burden on groundwater resources during periods of prolonged drought, the City has an aggressive water conservation ordinance to prevent and prohibit the wasting of water, while also encouraging the community to conserve.

### 7.5 DROUGHT RISK ASSESSMENT

#### Law

10635 (b)

Every urban water supplier shall include, as part of its urban water management plan, a drought risk assessment for its water service to its customers as part of information considered in developing the demand management measures and water supply projects and programs to be included in the urban water management plan. The urban water supplier may conduct an interim update or updates to this drought risk assessment within the five-year cycle of its urban water management plan update. The drought risk assessment shall include each of the following:

- (1) A description of the data, methodology, and basis for one or more supply shortage conditions that are necessary to conduct a drought risk assessment for a drought period that lasts five consecutive water years, starting from the year following when the assessment is conducted.
- (2) A determination of the reliability of each source of supply under a variety of water shortage conditions. This may include a determination that a particular source of water supply is fully reliable under most, if not all, conditions.
- (3) A comparison of the total water supply sources available to the water supplier with the total projected water use for the drought period.
- (4) Considerations of the historical drought hydrology, plausible changes on projected supplies and demands under climate change conditions, anticipated regulatory changes, and other locally applicable criteria.

As part of the 2020 UWMP, the California Water Code now requires urban water suppliers to develop a drought risk assessment (DRA). The DRA is a planning exercise that considers the effects on available water supply sources should a five-year drought occur immediately following the preparation of the DRA. It is similar in nature to the supply and demand assessment described in a previous section, but only evaluates the effects of a five-year drought. The DRA also considers the effect of the City's Water Shortage Contingency Plan on available supply and total demand. Ultimately, the DRA is a proactive planning review that readies the City for the worst-case water supply condition should it occur in the immediate future.

### 7.5.1 DRA Data, Methods, and Basis for Water Shortage Conditions

The DRA evaluates the effect on available water supply during the course of a five-year drought. Currently, the City's sole water supply source is groundwater. As such, the same data and methodology used for preparing the supply and demand assessment through 2045, described in a previous section, can be used for the purposes of the DRA.

For conservative planning purposes, the DRA considers an unconstrained demand condition within the City's service area, which means no additional demand management measures or water use reduction methods are in place outside of the City's year-round prohibitions. This conservative planning condition allows the DRA to identify if additional water use reductions, documented in the Water Shortage Contingency Plan, should be implemented.

## 7.5.2 DRA Individual Water Source Reliability

The DRA water demand and supply comparisons are documented in **Table 7-5**, which assumes that the available groundwater supplies are equal to the projected unconstrained demand through 2025 should a five-year drought occur.

### 7.5.3 DRA Total Water Supply and Use Comparison

The City's DRA is summarized at the beginning of the following page in **Table 7-5**. Using assumptions for available supplies consistent with previous planning efforts, and accounting for an unconstrained demand condition, the DRA shows that the City will be able to meet projected water demands under a 5-consecutive-year drought starting in 2021. At this point in time no water shortage declarations or shortage response actions are required to be implemented.

## 7.5.4 Management Tools and Options

### Law

10620 (f) An urban water supplier shall describe in the plan water management tools and options used by that entity that will maximize resources and minimize the need to import water from other regions.

In order to reduce the burden on groundwater resources during periods of prolonged drought, the City has developed a Water Shortage Contingency Plan that can be implemented to prevent and prohibit the wasting of water while also encouraging the community to conserve.

The City's supply reliability is dependent on the rate of available recharge for the groundwater subbasins beneath the City. KCWD imports raw water for the purpose of recharging the groundwater subbasins they manage, which includes the Tulare Lake subbasin. During periods of drought, the imported water supplies available to KCWD can be reduced or not provided at all, which would reduce the amount of recharge available to the groundwater basins. In periods of

Table 7-5 Five-Year Drought Risk Assessment

Totals	2021	2022	2023	2024	2025
		Demands			
Total Water Use	17,239	17,891	18,402	18,945	18,857
		Supplies			
Groundwater Supplies	17,239	17,891	18,402	18,945	18,857
Surplus/Shortfall without WSCP Action	0	0	0	0	0
Planned WSCP Actions (use reduction and supply augmentation)					
WSCP - supply augmentation benefit	0	0	0	0	0
WSCP - use reduction savings benefit	0	0	0	0	0
Revised Surplus/(shortfall)	0	0	0	0	0
Resulting % Use Reduction from WSCP action	0%	0%	0%	0%	0%

water shortage, KCWD works closely with the water suppliers extracting water from groundwater subbasins they manage in order to minimize overdraft and subsidence. Typically, when KCWD identifies a risk to regional supply reliability, they call for urban water suppliers to reduce their water use through voluntary and mandatory water conservation measures.

Additionally, during a drought, KCWD anticipates the City to use groundwater reserves. Historical groundwater monitoring by KCWD in the Tulare Lake subbasin also indicates stable groundwater conditions during multiple-year droughts. Through KCWD's implementation of conjunctive use programs, the Tulare Lake groundwater subbasin has historically experienced well managed levels. As a result of this management, the Tulare Lake subbasin is considered a reliable source of supply during water shortages. While pumping may exceed recharge during a drought, basin management practices have prevented long-term adverse conditions.

## **CHAPTER 8 – WATER SHORTAGE CONTINGENCY PLANNING**

This chapter summarizes the City's Water Shortage Contingency Plan (WSCP). The WSCP is a separately adopted planning document that most notably outlines levels of water shortage conditions, demand reduction methods to be implemented in the event of a water shortage and the process the City will implement to perform an annual Supply and Demand assessment. The WSCP also includes discussion of the City's communication protocols during a water shortage, methods of determining compliance and enforcing water use prohibitions, estimating the financial consequences of a water shortage, and the methods the City has in place to monitor and report the effectiveness of any water demand reduction methods implemented.

### 8.1 WATER SUPPLY RELIABILITY ANALYSIS

The City currently uses groundwater as the sole source of water supply, with wells extracting water from the Tulare Lake Subbasin of the San Joaquin Valley Groundwater Basin. These groundwater basins are managed by the Mid-Kings River Groundwater Sustainability Agency and the 2020 Tulare Lake Subbasin Groundwater Sustainability Plan lists the rates of natural recharge for these groundwater supply sources. Consistent with previous planning efforts, the City's Water Supply Reliability Analysis and the available supply drawn from the aquifer in any year is equal to the system-wide water demand for that particular year.

### 8.2 ANNUAL WATER SUPPLY AND DEMAND ASSESSMENT

Updates to the California Water Code now require that urban water suppliers prepare an annual water supply and demand assessment (Annual Assessment) on an annual basis. The findings of this Annual Assessment will be summarized in a report submitted to the Department of Water Resources by July 1 of each calendar year, with the first report required for submission on July 1<sup>st</sup>, 2022. The purpose of this annual assessment is to ensure water suppliers are proactively considering the available water supplies and demand requirements, as well as identifying the potential need for implementing the Water Shortage Contingency Plan.

It should be noted that DWR is in the process of preparing a stand-alone guidance document that will outline general procedures to aid urban water suppliers in preparing the Annual Assessment. The decision-making process and Annual Assessment completion steps are preliminary at this point in time and will be further refined as the DWR guidance document is completed.

The City's Water Shortage Contingency Plan is provided in Appendix C and summarizes the decision-making process and methodology used to prepare the Annual Assessment. The reporting timeline is shown in Figure 8-1.

Following Year **Current Year** Sep Dec Feb Jun Oct Jan Мау <u>۸</u> Mar JII ONGOING MONITORING AND REVIEW **INITIATE ANNUAL ASSESSMENT EVALUATE SUPPLIES** CITY COUNCIL REVIEW OF ANNUAL ASSESSMENT FINALIZE ANNUAL ASSESSMENT SUBMIT ANNUAL ASSESSMENT

Figure 8-1 Annual Assessment Reporting Timeline

## 8.3 WATER SHORTAGE LEVELS

### Law

10632 (a)(1) Stages of action to be undertaken by the urban water supplier in response to water supply shortages, including up to a 50 percent reduction in water supply and an outline of specific water supply conditions which are applicable to each stage.

Water agencies that rely on groundwater as the sole source of supply are unlikely to experience water shortages like those agencies that rely on surface water. As the City is currently utilizing groundwater as its sole source of supply, it is not expected that the City will experience the water supply shortages that surface water dependent suppliers will.

As part of the City's efforts to conserve water, the City has permanent water use prohibitions in place. Additionally, the City's conservation ordinance describes a multiple stage water conservation plan. Each water rationing stage includes a water demand reduction percentage, which is to be applied to normal water demands. The plan is dependent on the cause, severity, and anticipated duration of the water shortage, and a combination of voluntary and mandatory water conservation measures can be put in place to reduce City-wide water usage. A comparison between the City's water shortage levels and the DWR recommended 6-level framework is documented in the WSCP. The water shortage levels are summarized in Table 8-1.

**Table 8-1 Water Shortage Contingency Plan Levels** 

Stage	Percent Supply Reduction	Water Supply Condition
1	10%-20%	Minor Shortage Potential  - Below average rainfall in the previous 12-24 months  - 10 percent or more of municipal wells out of service  - Warm weather patterns typical of summer months
2	20%-35%	Moderate Shortage Potential  - Below average rainfall in the previous 24-36 months  - Prolonged periods of low water pressure  - 10 percent or more of municipal wells out of service  - Warm weather patterns typical of summer months
Critical Shortage Potential  - Below average rainfall in the previous 36 mont  3 35%-50%+ - Prolonged periods of low water pressure  - 10 percent or more of municipal wells out of se		- Below average rainfall in the previous 36 months

The water shortage stages become effective when the City Manager declares that the City is unable to provide sufficient water supply to meet ordinary demands, to the extent that insufficient supplies would be available for human consumption, sanitation, and fire protection. The declared stage will be based on the City Manager's judgment and to the degree of the immediate or future supply deficiency.

#### 8.4 SHORTAGE RESPONSE ACTIONS

The City's WSCP includes shortage response actions that may be implemented during a water shortage. Additionally, the City's municipal code has multiple permanent water use restrictions in place year-round that minimize water waste. These shortage response actions and permanent water use restrictions are summarized in the WSCP, provided in **Appendix C**.

#### 8.5 PLAN ADOPTION, SUBMITTAL, AND AVAILABILITY

The WSCP adoption, submittal and availability process are the same as those for the City's UWMP. However, the WSCP may be periodically amended independently from the City's UWMP. Should an amendment to the WSCP be implemented, stakeholder and public notification methods consistent with the UWMP will be performed prior to the adoption of the amended plan.

#### CHAPTER 9 – DEMAND MANAGEMENT MEASURES

This chapter summarizes the demand management measures, which are additional measures the supplier plans on implementing to achieve its water use targets and maintain ongoing water conservation.

#### 9.1 DEMAND MANAGEMENT MEASURES AND IMPLEMENTATION

The following section summarizes the Demand Management Measures planned and implemented by the City to promote water conservation. This section includes, as applicable, discussions on both the historical implementation and planned implementation of various measures.

#### Law

August 2021

10631 (f)(A) ... The narrative shall describe the water demand management measure that the supplier plans to implement to achieve its water use targets pursuant to Section 10608.20.

- (B) The narrative pursuant to this paragraph shall include descriptions of the following water demand management measures:
  - (i) Water waste prevention ordinances.
  - (ii) Metering.
  - (iii) Conservation pricing.
  - (iv) Public education and outreach.
  - (v) Programs to assess and manage distribution system real loss.
  - (vi) Water conservation program coordination and staffing support.
  - (vii) Other demand management measures that have a significant impact on water use as measured in gallons per capita per day, including innovative measures, if implemented.

#### 9.1.1 Waste Water Prevention Ordinances

The City adopted a Water Waste Ordinance in 1976 requiring all new connections to the water system to have meters. Citations were issued for ordinance violations and a five dollar penalty was imposed after three violations; a water meter was installed after the fourth violation, with all installation costs being charged to the customer. In 1986 the Water Waste Ordinance was revised, increasing the penalty for the first violation to 15 dollars and every subsequent penalty to ten dollars. A flow restrictor is installed if the violations continue. In 2015, the Water Waste Ordinance was revised, increasing the penalty for the second violation to 50 dollars and the fourth violation to 200 dollars.

On August 4, 2014 the City Council adopted updated Water Supply Shortage Regulations and declared a Level 1 Water Supply Shortage, with the intent of reducing water use by 20% as compared to the previous year. Over the following 8-months, the City's customers achieved a 13.6% water use reduction compared to the same time period in the previous year, which was short of the 20% reduction goal. In May 2015, City staff recommended the implementation of additional water use reduction methods and the declaration of a Level 2 Water Supply Shortage,

which was adopted by the City Council. As part of this declaration, additional water reduction methods have been put in place, including but not limited to the prohibition of irrigating public medians with potable water, washing down sidewalks and driveways, and operating a decorative water feature without a recirculation system. The full summary of water use prohibitions and consumption reduction methods for each water supply shortage level is discussed in Chapter 8, as part of the City's Water Shortage Contingency Plan.

#### 9.1.2 Metering

#### Law

526

- (a) Notwithstanding any other provisions of law, an urban water supplier that, on or after January 1, 2004, receives water from the federal Central Valley Project under a water service contract or subcontract...shall do both of the following:
- (1) On or before January 1, 2013, install water meters on all service connections to residential and nonagricultural commercial buildings...located within its service area.

527

- (a) An urban water supplier that is not subject to Section 526 shall do both of the following:
- (1) Install water meters on all municipal and industrial service connections located within its service area on or before January 1, 2015.

Since the 1976 adoption of a Water Waste Ordinance, all new connections to the water system have been required to have meters. The City requires the installation of a water meter for any unmetered customer that installs a swimming pool or constructs an addition to an existing home valued in excess of 5,000 dollars. The City has also worked to convert previous unmetered and flat rate accounts to the new AMR metering system currently in use throughout the City.

#### 9.1.3 Conservation Pricing

Currently, the City bills customers at a monthly rate per 100 cubic feet. In December 2015, the City adopted a resolution (Appendix D) to increase the monthly water rate in order to provide sufficient funds to operate, maintain, and improve the water system and to pay debt service for bonds, maintain system facilities, and provide water quality compliance. The City currently does not utilize seasonal rates and has no declining rate structure.

#### 9.1.4 Public Outreach

The City has undertaken multiple public information programs to help reduce water consumption and raise public awareness of methods of water conservation.

#### 9.1.4.1 Public Information Programs

In order to raise awareness of water conservation, the City implements programs for the purpose of distributing water use information to the public through varying methods, which can include

brochures, radio or television broadcasts, or through school programs and videos. Additionally, information on water use conservation can be found on the City website.

The City currently distributes information about water-saving tips, outdoor water use restriction reminders, and water saving information in the local paper, in the monthly bill stuffers, at the City's seasonal farmers market, and at the Hanford Mall.

#### 9.1.4.2 School Education Program

As a member of the Kings County Water Education Committee (KCWEC), the City sends representatives to public schools throughout the county to give presentations on water safety and water conservation. KCWEC also provides book covers to schools detailing water conservation and water safety information.

#### 9.1.4.3 Residential Water Audits

In 2014, the City started providing residential water audits for members of the community who wished to have their system evaluated. In 2015, the City began auditing Commercial, Institutional, and Industrial users as part of a State Conservation Order.

#### 9.1.5 Programs to Assess and Manage Distribution System Real Loss

When water enters the transmission and distribution system, it is difficult to account for the end result of the water. As a means to better account for water use in the system, a water supplier may use a water audit. Unaccounted for water is the difference between the water supplied to the system and the cumulative total of metered water use. The City's ability to accurately determine the amount of unaccounted for water is complicated by the number of unmetered service connections, and the City has not conducted a formal water auditing and leak detection program at this time. However, the City has been implementing an automated meter reading (AMR) retrofit for its existing connections, allowing City staff to identify users with high consumption rates. Additionally, the new meters allow the City to identify connections with relatively constant consumption rates throughout both day and night, indicating the customer may have a leak. The City identifies these potential leak locations and advises potentially affected customers.

Currently, the City does not meter sewer and hydrant flushing, as well as street sweeping, and the City compares well production with water usage to determine these uses. Additionally, unaccounted for water can be an indicator of leaks, meter errors, water system repair or maintenance, or illegal connections.

The City's annual capital improvement budget currently allocates funds for system repairs, including transmission and distribution mains, as well as pump stations and storage tanks. Leaks within the system are immediately fixed upon detection. The City keeps a record of all repaired leaks in the Public Works Department.

#### 9.1.6 Water Conservation Program Coordination and Staffing Support

The Utilities Superintendent is responsible for coordinating and expanding the City's water conservation program as well as providing useful water conservation information to residents through the various public outreach programs. The City employs part-time staff to enforce water use prohibitions and write violations; the City recently hired a full-time water conservation technician to assist with the enforcement of the water conservation program.

#### 9.1.7 Other Demand Management Measures - Large Landscape Conservation Program

In accordance with Assembly Bill 325, the Water Conservation Landscaping Act, the City has adopted a Water Efficient Landscape Ordinance, which limits the amount of turf in landscaping, requires plant groupings according to water needs, and provides some flexibility to the landscape designer while promoting landscape water efficiency. The Parks Superintendent is responsible for reviewing all commercial landscaping plans for compliance before permits are issued.

To ensure that commercial landscape water use does not exceed allowable levels, the Water Efficient Landscape Ordinance establishes a method of breaking up landscaped areas into zones that have similar water use requirements, either none, low, medium, or high. Based on the water use requirements of each zone, a multiplier is applied to the square footage of the zone and the sum of these zone calculations must not exceed the project's total landscaped area

# CHAPTER 10 – PLAN ADOPTION, SUBMITTAL, AND IMPLEMENTATION

This section includes the process undertaken for adoption and submittal of the UWMP as well as the plan required to implement the UWMP. Ways in which the public can access the UWMP is also described in this section.

#### 10.1 INCLUSION OF 2015 DATA

The City is preparing the 2020 UWMP on the basis of a calendar year, and preparation of the plan was completed following the end of the calendar year 2020. Relevant data has been updated through December of 2020.

#### 10.2 NOTICE OF PUBLIC HEARING

This section documents the public notification process and when a notice was given.

#### 10.2.1 Notice to Cities and Counties

#### Law

10621 (b) Every urban water supplier required to prepare a plan shall...at least 60 days prior to the public hearing on the plan...notify any city or county within which the supplier provides water supplies that the urban water supplier will be reviewing the plan and considering amendments or changes to the plan.

10642 ... The urban water supplier shall provide notice of the time and place of hearing to any city or county within which the supplier provides water supplies. A privately owned water supplier shall provide an equivalent notice within its service area...

The City provided notice to relevant stakeholders, summarized in Table 10-1, on April 27<sup>th</sup>, 2021; this notification date was more than the required 60 days prior to the public hearing on the 2020 UWMP.

**Table 10-1 Notification to Cities and Counties** 

City or County Name	60 Day Notice	Notice of Public Hearing
Kings County	V	V
KCWD	<b>&gt;</b>	✓

#### 10.2.2 Notice to the Public

#### Law

10642 ... Prior to adopting a plan, the urban water supplier shall make the plan available for public inspection... Prior to the hearing, notice of the time and place of hearing shall be published within the jurisdiction of the publicly owned water supplier pursuant to Section 6066 of the Government Code...

#### Government Code 6066

Publication of notice pursuant to this section shall be once a week for two successive weeks. Two publications in a newspaper published once a week or oftener, with at least five days intervening between the respective publication dates not counting such publication dates, are sufficient. The period of notice commences upon the first day of publication and terminates at the end of the fourteenth day, including therein the first day.

A notice of the public hearing was published in the local newspaper in a manner pursuant to the stated Government Code 6066. Documentation of the notice provided to the public is included in **Appendix E**, and the draft 2020 UWMP and WSCP were available for review at various City facilities and on the City's web page.

#### 10.3 PUBLIC HEARING AND ADOPTION

Following the notification of relevant stakeholders, the City held a City Council meeting on September 7<sup>th</sup>, 2021, to address and review comments received from both stakeholders and members of the community. These comments were reviewed and addressed,a and the final 2020 UWMP was adopted by City Council on September 21<sup>st</sup>, 2021; Appendix E includes a copy of the adopting resolution.

#### **10.4 PLAN SUBMITTAL**

The UWMPA requires water agencies to submit a copy of the adopted 2020 UWMP to the DWR within 30 days of adoption and before July 1<sup>st</sup>, 2021. Additionally, water agencies are required to submit a copy of the adopted 2020 UWMP to all relevant stakeholders within 30 days of adoption. The adopted 2020 UWMP was submitted to the DWR on September 27<sup>th</sup>, 2021. The adopted 2020 UWMP was submitted to relevant stakeholders and the California State Library within 30 days of adoption.

#### 10.5 PUBLIC AVAILABILITY

Consistent with the UWMPA requirements, a copy of the 2020 UWMP was made available to the public in the office of the City Clerk at City Hall, located at 319 Douty St, and the Public Works Department, located at 900 S 10<sup>th</sup> Ave, within 30 days of adoption.

#### 10.6 AMENDING AND ADOPTED UWMP

Any amendments to the adopted 2020 UWMP will be adopted and filed in a manner consistent with the UWMPA requirements. Additionally, all adopted amendments will be submitted to DWR and any relevant stakeholders within 30 days of adoption.

#### **CHAPTER 11 – DWR CHECKLIST**

This report is organized in accordance with the outline suggested by DWR for the 2020 Urban Water Management Plans. This additional chapter is included to guide the reviewers to the chapters or sections in this report that address the items listed in the DWR Checklist, as published in the Final Guidebook (March 2021)

Table 11-1 DWR Checklist

No.	UWMP Requirement	Subject	California Water Code Reference	UWMP Location
1	A plan shall describe and evaluate sources of supply, reasonable and practical efficient uses, reclamation and demand management activities.	Introduction and Overview	10615	Chapter 4, 6
2	Each plan shall include a simple description of the supplier's plan including water availability, future requirements, a strategy for meeting needs, and other pertinent information. Additionally, a supplier may also choose to include a simple description at the beginning of each chapter.	Summary	10630.5	Chapter 1-10
3	Every person that becomes an urban water supplier shall adopt an urban water management plan within one year after it has become an urban water supplier.	Plan Preparation	10620(b)	-
4	Coordinate the preparation of its plan with other appropriate agencies in the area, including other water suppliers that share a common source, water management agencies, and relevant public agencies, to the extent practicable.	Plan Preparation	10620(d)(2)	Section 10.2

No.	UWMP Requirement	Subject	California Water Code Reference	UWMP Location
5	Provide supporting documentation that the water supplier has encouraged active involvement of diverse social, cultural, and economic elements of the population within the service area prior to and during the preparation of the plan and contingency plan.	Plan Preparation	10642	Section 10.2
6	Retail suppliers will include documentation that they have provided their wholesale supplier(s) - if any - with water use projections from that source.	System Supplies	10631(h)	Section 4.2.2, Section 6.1
7	Wholesale suppliers will include documentation that they have provided their urban water suppliers with identification and quantification of the existing and planned sources of water available from the wholesale to the urban supplier during various water year types.	System Supplies	10631(h)	-
8	Describe the water supplier service area.	System Description	10631(a)	Section 3.1,
9	Describe the climate of the service area of the supplier.	System Description	10631(a)	Section 3.2
10	Provide population projections for 2025, 2030, 2035, 2040 and optionally 2045.	System Description	10631(a)	Section 3.3
11	Describe other social, economic, and demographic factors affecting the supplier's water management planning.	System Description	10631(a)	Section 3.1.4 Section 3.3
12	Indicate the current population of the service area.	System Description and Baselines and Targets	10631(a)	Sections 3.3
13	Describe the land uses within the service area.	System Description	10631(a)	Section 3.1.3

No.	UWMP Requirement	Subject	California Water Code Reference	UWMP Location
14	Quantify past, current, and projected water use, identifying the uses among water use sectors.	System Water Use	10631(d)(1)	Section 4.2
15	Retail suppliers shall provide data to show the distribution loss standards were met.	System Water Use	10631(d)(3)(C)	Section 4.3
16	In projected water use, include estimates of water savings from adopted codes, plans, and other policies or laws.	System Water Use	10631(d)(4)(A)	Section 4.4
17	Provide citations of codes, standards, ordinances, or plans used to make water use projections.	System Water Use	10631(d)(4)(B)	-
18	Report the distribution system water loss for each of the 5 years preceding the plan update.	System Water Use	10631(d)(3)(A)	Section 4.3
19	Include projected water use needed for lower income housing projected in the service area of the supplier.	System Water Use	10631.1(a)	Section 4.5
20	Demands under climate change considerations must be included as part of the drought risk assessment.	System Water Use	10635(b)	Section 7.5
21	Retail suppliers shall provide baseline daily per capita water use, urban water use target, interim urban water use target, and compliance daily per capita water use, along with the bases for determining those estimates, including references to supporting data.	Baselines and Targets	10608.20(e)	Chapter 5
22	Retail suppliers shall meet their water use target by December 31, 2020.	Baselines and Targets	10608.24(a)	Chapter 5
23	Wholesale suppliers shall include an assessment of present and proposed future measures, programs, and policies to help their retail water suppliers achieve targeted water use reductions.	Baselines and Targets	10608.36	-

No.	UWMP Requirement	Subject	California Water Code Reference	UWMP Location
24	If the retail supplier adjusts its compliance GPCD using weather normalization, economic adjustment, or extraordinary events, it shall provide the basis for, and data supporting the adjustment.	Baselines and Targets	10608.24(d)(2)	-
25	Retail suppliers' per capita daily water use reduction shall be no less than 5 percent of base daily per capita water use of the 5-year baseline. This does not apply if the suppliers base GPCD is at or below 100.	Baselines and Targets	10608.22	Section 5.6
26	Retail suppliers shall report on their compliance in meeting their water use targets. The data shall be reported using a standardized form in the SBX7-7 2020 Compliance Form.	Baselines and Targets	10608.4	Section 5.8
27	Provide a discussion of anticipated supply availability under a normal, single dry year, and a drought lasting five years, as well as more frequent and severe periods of drought.	System Supplies	10631(b)(1)	Sections 7.2
28	Provide a discussion of anticipated supply availability under a normal, single dry year, and a drought lasting five years, as well as more frequent and severe periods of drought, including changes in supply due to climate change.	System Supplies	10631(b)(1)	Sections 7.2
29	When multiple sources of water supply are identified, describe the management of each supply in relationship to other identified supplies.	System Supplies	10631(b)(2)	Section 6.2
30	Describe measures taken to acquire and develop planned sources of water.	System Supplies	10631(b)(3)	Section 6.1
31	Identify and quantify the existing and planned sources of water available for 2020, 2025, 2030, 2035, 2040 and optionally 2045.	System Supplies	10631(b)	Section 6.9

No.	UWMP Requirement	Subject	California Water Code Reference	UWMP Location
32	Indicate whether groundwater is an existing or planned source of water available to the supplier.	System Supplies	10631(b)	Section 6.2
33	Indicate whether a groundwater sustainability plan or groundwater management plan has been adopted by the water supplier or if there is any other specific authorization for groundwater management. Include a copy of the plan or authorization.	System Supplies	10631(b)(4)(A)	Section 6.2.2
34	Describe the groundwater basin.	System Supplies	10631(b)(4)(B)	Section 6.2.1
35	Indicate if the basin has been adjudicated and include a copy of the court order or decree and a description of the amount of water the supplier has the legal right to pump.	System Supplies	10631(b)(4)(B)	Section 6.2
36	For unadjudicated basins, indicate whether or not the department has identified the basin as a high or medium priority. Describe efforts by the supplier to coordinate with sustainability or groundwater agencies to achieve sustainable groundwater conditions.	System Supplies	10631(b)(4)(B)	Section 6.2
37	Provide a detailed description and analysis of the location, amount, and sufficiency of groundwater pumped by the urban water supplier for the past five years.	System Supplies	10631(b)(4)(C)	Section 6.2.4
38	Provide a detailed description and analysis of the amount and location of groundwater that is projected to be pumped.	System Supplies	10631(b)(4)(D)	Section 6.9
39	Describe the opportunities for exchanges or transfers of water on a short-term or long-term basis.	System Supplies	10631(c)	Section 6.7

No.	UWMP Requirement	Subject	California Water Code Reference	UWMP Location
40	Describe the quantity of treated wastewater that meets recycled water standards, is being discharged, and is otherwise available for use in a recycled water project.	System Supplies (Recycled Water)	10633(b)	Section 6.5
41	Describe the recycled water currently being used in the supplier's service area.	System Supplies (Recycled Water)	10633(c)	Section 6.5.2
42	Describe and quantify the potential uses of recycled water and provide a determination of the technical and economic feasibility of those uses.	System Supplies (Recycled Water)	10633(d)	Section 6.5.4
43	Describe the projected use of recycled water within the supplier's service area at the end of 5, 10, 15, and 20 years, and a description of the actual use of recycled water in comparison to uses previously projected.	System Supplies (Recycled Water)	10633(e)	Section 6.5.4
44	Describe the actions which may be taken to encourage the use of recycled water and the projected results of these actions in terms of acre-feet of recycled water used per year.	System Supplies (Recycled Water)	10633(f)	Section 6.5.4
45	Provide a plan for optimizing the use of recycled water in the supplier's service area.	System Supplies (Recycled Water)	10633(g)	Section 6.5.4
46	Describe desalinated water project opportunities for long-term supply.	System Supplies	10631(g)	Section 6.6
47	Describe the wastewater collection and treatment systems in the supplier's service area with quantified amount of collection and treatment and the disposal methods.	System Supplies	10633(a)	Section 6.5.2

No.	UWMP Requirement	Subject	California Water Code Reference	UWMP Location
48	Describe the expected future water supply projects and programs that may be undertaken by the water supplier to address water supply reliability in average, single-dry, and for a period of drought lasting 5 consecutive water years.	System Supplies	10631(f)	Section 6.9
49	The UWMP must include energy information, as stated in the code, that a supplier can readily obtain.	System Suppliers, Energy Intensity	10631.2(a)	Section 6.11
50	Provide information on the quality of existing sources of water available to the supplier and the manner in which water quality affects water management strategies and supply reliability	Water Supply Reliability Assessment	10634	Section 7.1
51	Describe water management tools and options to maximize resources and minimize the need to import water from other regions.	Water Supply Reliability Assessment	10620(f)	Section 6.2.2 Section 7.5.1
52	Service Reliability Assessment: Assess the water supply reliability during normal, dry, and a drought lasting five consecutive water years by comparing the total water supply sources available to the water supplier with the total projected water use over the next 20 years.	Water Supply Reliability Assessment	10635(a)	Section 7.3
53	Provide a drought risk assessment as part of information considered in developing the demand management measures and water supply projects.	Water Supply Reliability Assessment	10635(b)	Section 7.5
54	Include a description of the data, methodology, and basis for one or more supply shortage conditions that are necessary to conduct a drought risk assessment for a drought period that lasts 5 consecutive years.	Water Supply Reliability Assessment	10635(b)(1)	Section 7.5
55	Include a determination of the reliability of each source of supply under a variety of water shortage conditions.	Water Supply Reliability Assessment	10635(b)(2)	Section 7.3

No.	UWMP Requirement	Subject	California Water Code Reference	UWMP Location
56	Include a comparison of the total water supply sources available to the water supplier with the total projected water use for the drought period.	Water Supply Reliability Assessment	10635(b)(3)	Section 7.3 Section 7.5
57	Include considerations of the historical drought hydrology, plausible changes on projected supplies and demands under climate change conditions, anticipated regulatory changes, and other locally applicable criteria.	Water Supply Reliability Assessment	10635(b)(4)	Section 7.3 Section 7.5
58	Provide a water shortage contingency plan (WSCP) with specified elements below.	Water Shortage Contingency Planning	10632(a)	Chapter 8, Appendix C
59	Provide the analysis of water supply reliability (from Chapter 7 of Guidebook) in the WSCP	Water Shortage Contingency Planning	10632(a)(1)	Chapter 8, Appendix C
60	Describe reevaluation and improvement procedures for monitoring and evaluation the water shortage contingency plan to ensure risk tolerance is adequate and appropriate water shortage mitigation strategies are implemented.	Water Shortage Contingency Planning	10632(a)(10)	Chapter 8, Appendix C
61	Provide the written decision- making process and other methods that the supplier will use each year to determine its water reliability.	Water Shortage Contingency Planning	10632(a)(2)(A)	Chapter 8, Appendix C
62	Provide data and methodology to evaluate the supplier's water reliability for the current year and one dry year pursuant to factors in the code.	Water Shortage Contingency Planning	10632(a)(2)(B)	Chapter 8, Appendix C

No.	UWMP Requirement	Subject	California Water Code Reference	UWMP Location
63	Define six standard water shortage levels of 10, 20, 30, 40, 50 percent shortage and greater than 50 percent shortage. These levels shall be based on supply conditions, including percent reductions in supply, changes in groundwater levels, changes in surface elevation, or other conditions. The shortage levels shall also apply to a catastrophic interruption of supply.	Water Shortage Contingency Planning	10632(a)(3)(A)	Chapter 8, Appendix C
64	Suppliers with an existing water shortage contingency plan that uses different water shortage levels must cross reference their categories with the six standard categories.	Water Shortage Contingency Planning	10632(a)(3)(B)	Chapter 8, Appendix C
65	Suppliers with water shortage contingency plans that align with the defined shortage levels must specify locally appropriate supply augmentation actions.	Water Shortage Contingency Planning	10632(a)(4)(A)	Chapter 8, Appendix C
66	Specify locally appropriate demand reduction actions to adequately respond to shortages.	Water Shortage Contingency Planning	10632(a)(4)(B)	Chapter 8, Appendix C
67	Specify locally appropriate operational changes.	Water Shortage Contingency Planning	10632(a)(4)(C)	Chapter 8, Appendix C
68	Specify additional mandatory prohibitions against specific water use practices that are in addition to state-mandated prohibitions are appropriate to local conditions.	Water Shortage Contingency Planning	10632(a)(4)(D)	Chapter 8, Appendix C
69	Estimate the extent to which the gap between supplies and demand will be reduced by implementation of the action.	Water Shortage Contingency Planning	10632(a)(4)(E)	Chapter 8, Appendix C
70	The plan shall include a seismic risk assessment and mitigation plan.	Water Shortage Contingency Plan	10632.5	Chapter 8, Appendix C

No.	UWMP Requirement	Subject	California Water Code Reference	UWMP Location
71	Suppliers must describe that they will inform customers, the public and others regarding any current or predicted water shortages.	Water Shortage Contingency Planning	10632(a)(5)(A)	Chapter 8, Appendix C
72	Suppliers must describe that they will inform customers, the public and others regarding any shortage response actions triggered or anticipated to be triggered and other relevant communications.	Water Shortage Contingency Planning	10632(a)(5)(B)106 32(a)(5)(C)	Chapter 8, Appendix C
73	Retail supplier must describe how it will ensure compliance with and enforce provisions of the WSCP.	Water Shortage Contingency Planning	10632(a)(6)	Chapter 8, Appendix C
74	Describe the legal authority that empowers the supplier to enforce shortage response actions.	Water Shortage Contingency Planning	10632(a)(7)(A)	Chapter 8, Appendix C
75	Provide a statement that the supplier will declare a water shortage emergency Water Code Chapter 3.	Water Shortage Contingency Planning	10632(a)(7)(B)	Chapter 8, Appendix C
76	Provide a statement that the supplier will coordinate with any city or county within which it provides water for the possible proclamation of a local emergency.	Water Shortage Contingency Planning	10632(a)(7)(C)	Chapter 8, Appendix C
77	Describe the potential revenue reductions and expense increases associated with activated shortage response actions.	Water Shortage Contingency Planning	10632(a)(8)(A)	Chapter 8, Appendix C
78	Provide a description of mitigation actions needed to address revenue reductions and expense increases associated with activated shortage response actions.	Water Shortage Contingency Planning	10632(a)(8)(B)	Chapter 8, Appendix C
79	Retail suppliers must describe the cost of compliance with Water Code Chapter 3.3: Excessive Residential Water Use During Drought	Water Shortage Contingency Planning	10632(a)(8)(C)	Chapter 8, Appendix C

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No.	UWMP Requirement	Subject	California Water Code Reference	UWMP Location
80	Retail suppliers must describe the monitoring and reporting requirements and procedures that ensure appropriate data is collected, tracked, and analyzed for purposes of monitoring customer compliance.	Water Shortage Contingency Planning	10632(a)(9)	Chapter 8, Appendix C
81	Analyze and define water features that are artificially supplied with water, including ponds, lakes, waterfalls, and fountains, separately from swimming pools and spas.	Water Shortage Contingency Planning	10632(b)	Chapter 8, Appendix C
82	Provide supporting documentation that Water Shortage Contingency Plan has been, or will be, provided to any city or county within which it provides water, no later than 30 days after the submission of the plan to DWR.	Plan Adoption, Submittal, and Implementation	10635(c)	Sections 8.12 and 10.4
83	Make available the Water Shortage Contingency Plan to customers and any city or county where it provides water within 30 days after adopted the plan.	Water Shortage Contingency Planning	10632(c)	Section 8.14
84	Wholesale suppliers shall describe specific demand management measures listed in code, their distribution system asset management program, and supplier assistance program.	Demand Management Measures	10631(e)(2)	Sections 9.1 and 9.3
85	Retail suppliers shall provide a description of the nature and extent of each demand management measure implemented over the past five years. The description will address specific measures listed in code.	Demand Management Measures	10631(e)(1)	Sections 9.2 and 9.3
86	Retail suppliers shall conduct a public hearing to discuss adoption, implementation, and economic impact of water use targets (recommended to discuss compliance).	Plan Adoption, Submittal, and Implementation	10608.26(a)	Chapter 10.3

No.	UWMP Requirement	Subject	California Water Code Reference	UWMP Location	
87	Notify, at least 60 days prior to the public hearing, any city or county within which the supplier provides water that the urban water supplier will be reviewing the plan and considering amendments or changes to the plan. Reported in Table 10-1.	ty or county within which the supplier provides water and the urban water supplier will be reviewing the an and considering amendments or changes to the			
88	Each urban water supplier shall update and submit its 2020 plan to the department by July 1, 2021.	ban water supplier shall update and submit its  Plan Adoption, Submittal, and 10621(f)		Section 10.4	
89	Provide supporting documentation that the urban water supplier made the plan and contingency plan available for public inspection, published notice of the public hearing, and held a public hearing about the plan and contingency plan.	Plan Adoption, Submittal, and Implementation	10642	Sections 10.2	
90	The water supplier is to provide the time and place of the hearing to any city or county within which the supplier provides water.	Plan Adoption, Submittal, and Implementation	10642	Section 10.2	
91	Provide supporting documentation that the plan and contingency plan has been adopted as prepared or modified.	Plan Adoption, Submittal, and Implementation	10642	Section 10.4	
92	Provide supporting documentation that the urban water supplier has submitted this UWMP to the California State Library.	Plan Adoption, Submittal, and Implementation	10644(a)	Section 10.4	
93	Provide supporting documentation that the urban water supplier has submitted this UWMP to any city or county within which the supplier provides water no later than 30 days after adoption.	Plan Adoption, Submittal, and 10644(a)(1) Implementation		Section 10.4	
94	The plan, or amendments to the plan, submitted to the department shall be submitted electronically.	Plan Adoption, Submittal, and Implementation	10644(a)(2)	Sections 10.4	

No.	UWMP Requirement	Subject	California Water Code Reference	UWMP Location
95	Provide supporting documentation that, not later than 30 days after filing a copy of its plan with the department, the supplier has or will make the plan available for public review during normal business hours.	Plan Adoption, Submittal, and Implementation	10645(a)	Section 10.5
96	Provide supporting documentation that, not later than 30 days after filing a copy of its water shortage contingency plan with the department, the supplier has or will make the plan available for public review during normal business hours.	Plan Adoption, Submittal, and Implementation	10645(b)	Section 10.5
97	If supplier is regulated by the Public Utilities Commission, include its plan and contingency plan as part of its general rate case filings.	Plan Adoption, Submittal, and Implementation	10621(c)	-
98	If revised, submit a copy of the water shortage contingency plan to DWR within 30 days of adoption.	Plan Adoption, Submittal, and Implementation	10644(b)	-

# City of Hanford

### **APPENDICES**

### **APPENDIX A**

**DWR Recommended Tables** 

Submittal Table 2-1 Retail Only: Public Water Systems								
Public Water System Number	Public Water System Name	Number of Municipal Connections 2020	Volume of Water Supplied 2020 *					
Add additional rows as need	ed							
1610003	City of Hanford	17,965	11,714					
	<b>TOTAL</b> 17,965 11,714							

<sup>\*</sup> Units of measure (AF, CCF, MG) must remain consistent throughout the UWMP as reported in Table 2-3.

Submittal '	ubmittal Table 2-2: Plan Identification							
Select Only One	Type of Plan		Name of RUWMP or Regional Alliance if applicable (select from drop down list)					
<b>√</b>	Individual	UWMP						
		Water Supplier is also a member of a RUWMP						
		Water Supplier is also a member of a Regional Alliance						
	Regional (RUWMP)	Jrban Water Management Plan						
NOTES:								

Submittal Table 2-3: Supplier Identification								
Type of Su	Type of Supplier (select one or both)							
	Supplier is a wholesaler							
>	Supplier is a retailer							
Fiscal or C	Calendar Year (select one)							
<b>&gt;</b>	UWMP Tables are in calendar years							
	UWMP Tables are in fiscal years							
If using fis	scal years provide month and date that the fiscal year begins (mm/dd)							
Units of m	neasure used in UWMP * (select							
from drop	o down)							
Unit	AF							
* Units of measure (AF, CCF, MG) must remain consistent throughout the UWMP as reported in Table 2-3.								
NOTES:								

Submittal Table 2-4 Retail: Water Supplier Information Exchange
The retail Supplier has informed the following wholesale supplier(s) of projected water use in accordance with Water Code Section 10631.
Wholesale Water Supplier Name
Add additional rows as needed
Kings County Water District
Kings County Water Commission
NOTES:

Submittal Table 3-1 Retail: Population - Current and Projected

Population	2020	2025	2030	2035	2040	2045(opt)
Served	61,326	64,227	67,264	70,444	73,776	77,265

- 1. Projected population assumes historical average annual growth of 0.9%.
- 2. Based on Department of Finance E-5 Table, City of Hanford's 2020 population was 59,178.
- 3. City of Hanford also supplied 651 accounts outside of the city limit, which included 2,148 residents.

Use Type		2020 Actual	
Drop down list  May select each use multiple times  These are the only Use Types that will be recognized by the WUEdata online submittal tool	Additional Description (as needed)	Volume <sup>2</sup>	
Add additional rows as needed			
Single Family		Drinking Water	6,903
Multi-Family		Drinking Water	1,002
Commercial	ommercial and Institutional Drinking Water		1,005
Industrial		Drinking Water	334
Landscape		Drinking Water	750
Other		Drinking Water	854
Other	Construction Billing	Drinking Water	62
Losses			803
		TOTAL	11,714
	T reported in this table. Recycled wa st remain consistent throughout the		

Submittal Table 4-2 Retail: Use for Potable	and Non-Potable 1 Water - P	rojected				
Use Type		Rep	Proj port To the Ext	ected Water lent that Reco		ıble
Drop down list  May select each use multiple times These are the only Use Types that will be recognized by the WUEdata online submittal tool  Additional Description (as needed)		2025	2030	2035	2040	2045 (opt)
Add additional rows as needed						
Single Family		6,849	7,173	7,512	7,868	8,240
Multi-Family		994	1,041	1,090	1,142	1,196
Commercial	Commercial and Institutional	997	1,044	1,093	1,145	1,199
Industrial		332	347	364	381	399
Landscape		744	780	817	855	896
Other		848	888	930	974	1,020
Other	Construction Billing	62	65	68	71	74
Losses		797	834	874	915	959
	TOTAL	11,623	12,172	12,748	13,351	13,982

Recycled water demands are NOT reported in this table. Recycled water demands are reported in Table 6-4. measure (AF, CCF, MG) must remain consistent throughout the UWMP as reported in Table 2-3.

<sup>2</sup> Units of

Submittal Table 4-3 Retail: Total Water Use (Potable and Non-Potable)								
	2020	2025	2030	2035	2040	2045 (opt)		
Potable Water, Raw, Other Non-potable From Tables 4-1R and 4-2 R	11,714	11,623	12,172	12,748	13,351	13,982		
Recycled Water Demand <sup>1</sup> From Table 6-4	4,944	5,077	5,318	5,569	5,833	6,109		
Optional Deduction of Recycled Water Put Into Long- Term Storage <sup>2</sup>								
TOTAL WATER USE	16,658	16,700	17,490	18,317	19,183	20,091		

<sup>1</sup> Recycled water demand fields will be blank until Table 6-4 is complete

Long term storage means water placed into groundwater or surface storage that is not removed from storage in the same year. Supplier **may** deduct recycled water placed in long-term storage from their reported demand. This value is manually entered into Table 4-3.

Submittal Table 4-4	Retail:	<b>Last Five</b>	Years of	Water	Loss
Audit Reporting					

Reporting Period Start Date (mm/yyyy)	Volume of Water Loss <sup>1,2</sup>
01/2016	1144
01/2017	1528
01/2018	1742
01/2019	732
01/2020	803

<sup>&</sup>lt;sup>1</sup> Taken from the field "Water Losses" (a combination of apparent losses and real losses) from the AWWA worksheet.

**Units of measure (AF, CCF, MG)** must remain consistent throughout the UWMP as reported in Table 2-3.

Submittal Table 4-5 Retail Only: Inclusion in Water Use Projections  Are Future Water Savings Included in Projections?	
(Refer to Appendix K of UWMP Guidebook)  Drop down list (y/n)	Yes
If "Yes" to above, state the section or page number, in the cell to the right, where citations of the codes, ordinances, or otherwise are utilized in demand projections are found.	4.3
Are Lower Income Residential Demands Included In Projections?  Drop down list (y/n)	Yes
NOTES:	

## Submittal Table 5-1 Baselines and Targets Summary From SB X7-7 Verification Form

Retail Supplier or Regional Alliance Only

Baseline Period	Start Year *	End Year *	Average Baseline GPCD*	Confirmed 2020 Target*	
10-15 year	1995	2004	215	170	
5 Year	2006	2010	215	179	

<sup>\*</sup>All cells in this table should be populated manually from the supplier's SBX7-7 Verification Form and reported in Gallons per Capita per Day (GPCD)

# Submittal Table 5-2: 2020 Compliance SB X7-7 2020 Compliance Form

From

Retail Supplier or Regional Alliance Only

	2020 GPCD			Did Supplier	
Actual 2020 GPCD*	2020 TOTAL Adjustments*	Adjusted 2020 GPCD* (Adjusted if applicable)	2020 Confirmed Target GPCD*	Achieve Targeted Reduction for 2020? Y/N	
171	-	171	179	YES	

<sup>\*</sup>All cells in this table should be populated manually from the supplier's SBX7-7 2020 Compliance Form and reported in Gallons per Capita per Day (GPCD)

Submittal Table 6-1 Retail: Groundwater Volume Pumped							
	Supplier does not pump groundwater. The supplier will not complete the table below.						
	All or part of the groundwater described below is desalinated.						
Groundwater Type <b>Drop Down List</b> May use each category  multiple times	Location or Basin Name	2016*	2017*	2018*	2019*	2020*	
Add additional rows as need	Add additional rows as needed						
Alluvial Basin	San Joaquin Valley Groundwater Basin, Tulare Lake Subbasin	10910	11073	11557	10927	11714	
	TOTAL	10,910	11,073	11,557	10,927	11,714	
* Units of measure (AF, CCF, MG) must remain consistent throughout the UWMP as reported in Table 2-3.							
NOTES:							

Submittal Table	6-2 Retail: Wast	ewater Collected	d Within Service A	Area in 2020			
	There is no waster	water collection sy	stem. The supplier	r will not complete	the table below.		
	Percentage of 202	.0 service area cov	ered by wastewate	r collection system	n (optional)		
	Percentage of 202	.0 service area pop	ulation covered by	wastewater collec	ction system <i>(optioi</i>	nal)	
W	astewater Collection	on		Recipient of Colle	ected Wastewater		
Name of Wastewater Collection Agency	Wastewater Volume Metered or Estimated? Drop Down List	Volume of Wastewater Collected from UWMP Service Area 2020 *	Agency Receiving   Name   Area2   Third Da				
City of Hanford	Metered	4,944	City of Hanford	City of Hanford WWTF	Yes	No	
	Total Wastewater Collected from Service Area in 2020:						
* Units of measure	( <b>AF, CCF, MG)</b> must i	remain consistent th	roughout the UWMP	as reported in Table	2-3.		
NOTES:							

Submittal Table (	o-s Relaii: Wa	stewater frea	iment and Disc	tharge within :	Service Area in	1 2020					
	No wastewater	r is treated or di	sposed of withi	n the UWMP se	rvice area. The s	supplier will not	complete the ta	ble below.			
					Does This				2020 volumes	1	
Wastewater Treatment Plant Name	Discharge Location Name or Identifier	Discharge Location Description	Wastewater Discharge ID Number (optional) <sup>2</sup>	Method of Disposal Drop down list	Plant Treat Wastewater Generated Outside the Service Area? Drop down list	Treatment Level Drop down list	Wastewater Treated	Discharged Treated Wastewater	Recycled Within Service Area	Recycled Outside of Service Area	Instream Flow Permit Requirement
City of Hanford		Equalization		Land disposal	No	Secondary,	4,944			4,944	
			ļ	ļ	ļ.	Total	4,944	0	0	4,944	0
1							,				
Units of measure (AF, CCF, MG) must remain consistent throughout the UWMP as reported in Table 2-3.  If the Wastewater Discharge ID Number is not available to the UWMP preparer, access the SWRCB CIWQS regulated facility website at https://ciwqs.waterboards.ca.gov/ciwqs/readOnly/CiwqsReportServlet?inCommand=reset&reportName=RegulatedFacility											
NOTES:											

Submittal Tab	le 6-4 Retail: Recycled Water Di	rect Beneficial Uses W	ithin Service Area								
	Recycled water is not used and is no The supplier will not complete the t		the service area of the su	pplier.							
Name of Supplie	er Producing (Treating) the Recycled	Water:	Cuty of Hanford WWTF								
Name of Supplie	er Operating the Recycled Water Dist	ribution System:									
Supplemental W	Vater Added in 2020 (volume) Includ	e units									
Source of 2020	Supplemental Water										
Beneficial Use 7	Type Insert ditional rows if needed.	Potential Beneficial Uses of Recycled Water (Describe)	Amount of <b>Potential</b> Uses of Recycled Water (Quantity) Include volume units <sup>1</sup>	General Description of 2020 Uses	Level of Treatment Drop down list	2020 <sup>1</sup>	2025 <sup>1</sup>	2030 <sup>1</sup>	2035 <sup>1</sup>	2040 <sup>1</sup>	2045 <sup>1</sup> (opt)
Agricultural irri	~	Irrigation of agricultural lands surrrounding WWTP			Secondary, Disinfected - 23	4,944	5,077	5,318	5,569	5,833	6,109
Landscape irri	gation (exc golf courses)										
Golf course irri	igation										
Commercial us	se										
Industrial use											
Geothermal ar	nd other energy production										
Seawater intru	sion barrier										
Recreational in	mpoundment										
Wetlands or w											
Groundwater r	<b>0</b> ( )										
	er augmentation (IPR)										
Direct potable											
Other (Descrip	etion Required)										
					Total:	4,944	5,077	5,318	5,569	5,833	6,109
				202	0 Internal Reuse						
<sup>1</sup> Units of meas	ure (AF, CCF, MG) must remain cons	istent throughout the UW	/MP as reported in Table .	2-3.							
NOTES: For the water demand.	planning purposes, projected recycle	ed water flows assumed to	o equal projected wastew	vater flows. Projected v	wastewater flows	based on city	v-wide historio	cal avarage re	turn-to-sewer	ratio applied	to projected

Submittal Table 6-5 Retail: 2015 UWMP Red Actual	cycled Water Use Projec	tion Compared to 2020
Recycled water was not us. The supplier will not comp 2020, and was not predicted table.	lete the table below. If rec	
Beneficial Use Type	2015 Projection for 2020 <sup>1</sup>	2020 Actual Use <sup>1</sup>
Insert additional rows as needed.		
Agricultural irrigation	5,606	4,944
Landscape irrigation (exc golf courses)		
Golf course irrigation		
Commercial use		
Industrial use		
Geothermal and other energy production		
Seawater intrusion barrier		
Recreational impoundment		
Wetlands or wildlife habitat		
Groundwater recharge (IPR)		
Reservoir water augmentation (IPR)		
Direct potable reuse		
Other (Description Required)		
Total	5,606	4,944
<sup>1</sup> Units of measure (AF, CCF, MG) must remain consist	ent throughout the UWMP a	s reported in Table 2-3.
NOTE:		

Submittal Table 6-6 Re	etail: Methods to Expand Future Recycled	d Water Use						
Supplier does not plan to expand recycled water use in the future. Supplier will not complete the table below but will provide narrative explanation.								
	Provide page location of narrative in UWMP							
Name of Action	Description	Planned Implementation Year	Expected Increase in Recycled Water Use *					
Add additional rows as needed								
TBD	The City currently does not have a plan to expand recycled water use.							
		Total	0					
*Units of measure (AF, CCF	<b>F, MG)</b> must remain consistent throughout the UW	/MP as reported in Table	2-3.					
NOTES:								

Submittal Table 6-7 Ret	tail: Expected Futu	re Water Supply	Projects or Prograi	ms				
<b>√</b>		No expected future water supply projects or programs that provide a quantifiable increase to the agency's water upply. Supplier will not complete the table below.						
		ome or all of the supplier's future water supply projects or programs are not compatible with this table and are escribed in a narrative format.						
	Provide page location	rovide page location of narrative in the UWMP						
Name of Future Projects or Programs			Description (if needed)	Planned Implementation Year	Planned for Use in Year Type Drop Down List	Expected Increase in Water Supply to Supplier*		
	Drop Down List (y/n)	If Yes, Supplier Name				This may be a range		
Add additional rows as need	ed							
*Units of measure (AF, CO	C <b>F, MG)</b> must remai	n consistent througl	hout the UWMP as r	eported in Table 2-3.				
NOTES:								

Submittal Table 6-8 Retail: V	Submittal Table 6-8 Retail: Water Supplies — Actual							
Water Supply		2020						
Drop down list  May use each category multiple times. These are the only water supply categories that will be recognized by the WUEdata online submittal tool	Additional Detail on Water Supply	Actual Volume*	Water Quality Drop Down List	Total Right or Safe Yield* (optional)				
Add additional rows as needed								
Groundwater (not desalinated)		11,714	Drinking Water					
Recycled Water		4,944	Recycled Water					
	Total	16,658		0				
*Units of measure (AF, CCF, MG) must remain consistent throughout the UWMP as reported in Table 2-3.								
NOTES:								

Water Supply		Projected Water Supply *  Report To the Extent Practicable									
Drop down list  May use each category multiple times. These are the only water supply categories that will be recognized by the WUEdata online submittal tool	Additional Detail on Water Supply	20	)25	20	)30	20	35	20	140	<b>2045</b> (opt)	
		Reasonably Available Volume	Total Right or Safe Yield (optional)	Reasonably Available Volume	Total Right or Safe Yield (optional)	Reasonably Available Volume	Total Right or Safe Yield (optional)	Reasonably Available Volume	Total Right or Safe Yield (optional)	Reasonably Available Volume	Total Right or Safe Yield (optional)
Add additional rows as needed			<u> </u>		<u> </u>		<u> </u>		<u> </u>		
Groundwater (not desalinated)		11,623		12,172		12,748		13,351		13,982	
Recycled Water		5,077		5,318		5,569		5,833		6,109	
	Total	16,700	0	17,490	0	18,317	0	19,183	0	20,091	0

Urban Water Supplier:	City of Hanford
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Water Delivery Product (If delivering more than one type of product use Table O-1C)

Retail Potable Deliveries

Table O-1B: Recommended Energy Reportion	ng - Total Utility	Approach				
Enter Start Date for Reporting Period  End Date	1/1/2020	Urban Water Supplier Operational Control				
Is upstream embedded in the values reported?	12/31/2020	Sum of All Water Management Processes	Non-Consequential Hydropowe			
Water Volume Units Used	AF	Total Utility	Hydropower	Net Utility		
Volume of Water Entering Proces	ss (volume unit)	11714		11714		
Energy Co	onsumed (kWh)	9259222		9259222		
Energy Intensity (kWh/vol. co	nverted to MG)	2425.8	#DIV/0!	2425.8		
Quantity of Self-Generated Renewable Energy  kWh  Data Quality (Estimate, Metered Data, Combination of Estimates and Metered Data)  Metered Data  Data Quality Narrative:						
Narrative:						

Submittal Table 7-1 Retail: Basis o	f Water Year Da	ıta (R	eliability Assessment)			
			Available Sup Year Type Ro			
Year Type	Base Year  If not using a calendar year, type in the last year of the fiscal, water year, or range of years, for example,		Quantification of available compatible with this table elsewhere in the UWMP. Location	• •		
	water year 2019- 2020, use 2020	<b>√</b>	Quantification of available this table as either volum both.			
			Volume Available *	% of Average Supply		
Average Year	2000			100%		
Single-Dry Year	1984			84%		
Consecutive Dry Years 1st Year	1987			93%		
Consecutive Dry Years 2nd Year	1988			90%		
Consecutive Dry Years 3rd Year	1989			88%		
Consecutive Dry Years 4th Year	1990			86%		
Consecutive Dry Years 5th Year	1991			87%		
Supplier may use multiple versions of Table 7-1 if different water sources have different base years and the supplier chooses to report the base years for each water source separately. If a Supplier uses multiple versions of Table 7-1, in the "Note" section of each table, state that multiple versions of Table 7-1 are being used and identify the particular water source that is being reported in each table.						
*Units of measure (AF, CCF, MG) must re	emain consistent th	rough	out the UWMP as reported in	n Table 2-3.		
NOTES:						

Submittal Table 7-2 Retail: Normal Year Supply and Demand Comparison								
	2025	2030	2035	2040	2045 (Opt)			
Supply totals (autofill from Table 6-9)	16,700	17,490	18,317	19,183	20,091			
Demand totals (autofill from Table 4-3)	16,700	17,490	18,317	19,183	20,091			
Difference	0	0	0	0	0			

Submittal Table 7-3 Retail: Single Dry Year Supply and Demand Comparison						
	2025	2030	2035	2040	2045 (Opt)	
Supply totals*	19,377	19,426	20,345	21,307	22,315	
Demand totals*	19,377	19,426	20,345	21,307	22,315	
Difference	0	0	0	0	0	

\*Units of measure (AF, CCF, MG) must remain consistent throughout the UWMP as reported in Table 2-3.

Submittal Table 7-4 Retail: Multiple Dry Years Supply and Demand Comparison						
		2025*	2030*	2035*	2040*	2045* (Opt)
	Supply totals	17,885	18,732	19,617	20,545	21,517
First year	Demand totals	17,885	18,732	19,617	20,545	21,517
	Difference	0	0	0	0	0
	Supply totals	18,389	19,259	20,170	21,124	22,123
Second year	Demand totals	18,389	19,259	20,170	21,124	22,123
	Difference	0	0	0	0	0
	Supply totals	18,740	19,627	20,555	21,527	22,546
Third year	Demand totals	18,740	19,627	20,555	21,527	22,546
	Difference	0	0	0	0	0
	Supply totals	19,118	20,023	20,969	21,961	23,000
Fourth year	Demand totals	19,118	20,023	20,969	21,961	23,000
	Difference	0	0	0	0	0
	Supply totals	18,857	19,749	20,683	21,661	22,685
Fifth year	Demand totals	18,857	19,749	20,683	21,661	22,685
	Difference	0	0	0	0	0
	Supply totals					
Sixth year (optional)	Demand totals					
,	Difference	0	0	0	0	0

\*Units of measure (AF, CCF, MG) must remain consistent throughout the UWMP as reported in Table 2-3.

## Submittal Table 7-5: Five-Year Drought Risk Assessment Tables to address Water Code Section 10635(b)

2021	Total
Total Water Use	17,239
Total Supplies	17,239
Surplus/Shortfall w/o WSCP Action	0
Planned WSCP Actions (use reduction and supply augmentation)	
WSCP - supply augmentation benefit	
WSCP - use reduction savings benefit	
Revised Surplus/(shortfall)	0
Resulting % Use Reduction from WSCP action	0%

2022	Total
Total Water Use	17,891
Total Supplies	17,891
Surplus/Shortfall w/o WSCP Action	0
Planned WSCP Actions (use reduction and supply augmentation)	
WSCP - supply augmentation benefit	
WSCP - use reduction savings benefit	
Revised Surplus/(shortfall)	0
Resulting % Use Reduction from WSCP action	0%

2023	Total
Total Water Use	18,402
Total Supplies	18,402
Surplus/Shortfall w/o WSCP Action	0
Planned WSCP Actions (use reduction and supply augmentation)	
WSCP - supply augmentation benefit	
WSCP - use reduction savings benefit	
Revised Surplus/(shortfall)	0
Resulting % Use Reduction from WSCP action	0%

2024	Total
Total Water Use	18,945
Total Supplies	18,945
Surplus/Shortfall w/o WSCP Action	0
Planned WSCP Actions (use reduction and supply augmentation)	
WSCP - supply augmentation benefit	
WSCP - use reduction savings benefit	
Revised Surplus/(shortfall)	0
Resulting % Use Reduction from WSCP action	0%

2025	Total
Total Water Use	18,857
Total Supplies	18,857
Surplus/Shortfall w/o WSCP Action	0
Planned WSCP Actions (use reduction and supply augmentation)	
WSCP - supply augmentation benefit	
WSCP - use reduction savings benefit	
Revised Surplus/(shortfall)	0
Resulting % Use Reduction from WSCP action	0%

Submittal	Submittal Table 8-1 Water Shortage Contingency Plan Levels			
Stage	Percent Supply Reduction	Water Supply Condition		
		Minor Shortage Potential		
1	10%-20%	- Below average rainfall in the previous 12-24 months		
_	10/0-20/0	- 10 percent or more of municipal wells out of service		
		- Warm weather patterns typical of summer months		
	20%-35%	Moderate Shortage Potential		
		- Below average rainfall in the previous 24-36 months		
2		- Prolonged periods of low water pressure		
		- 10 percent or more of municipal wells out of service		
		- Warm weather patterns typical of summer months		
		Critical Shortage Potential		
		- Below average rainfall in the previous 36 months		
3	35%-50%	- Prolonged periods of low water pressure		
		- 10 percent or more of municipal wells out of service		
		- Warm weather patterns typical of summer months		

Stage	2020 Hanford WSCP  Precent Supply Stage Reduction  Water Supply		Corresponding Relationship ("crosswalk")	Stage	DWR 6 Standard Water Shortage Levels
1	0-20%	Minor Shortage Potential  - Below average rainfall in the previous 12-24 months  - 10 percent or more of municipal wells out of service		1	Up to 10%
		- Warm weather patterns typical of summer months	•	2	10 to 20%
2	20%_25%	Moderate Shortage Potential - Below average rainfall in the previous 24-36 months - Prolonged periods of low water pressure		3	20 to 30%
2 20%-35%	- 10 percent or more of municipal wells out of service - Warm weather patterns typical of summer months		4	30 to 40%	
3	35%+	Critical Shortage Potential  - Below average rainfall in the previous 36 months  35%+  - Prolonged periods of low water pressure		5 40 to 50	40 to 50%
3	33%+	- 10 percent or more of municipal wells out of service - Warm weather patterns typical of summer months		6	Greater than 50%

Submittal Table 8-2: Demand Reduction Actions						
Shortage Level	Demand Reduction Actions  Drop down list  These are the only categories that will be accepted by the WUEdata online submittal tool. Select those that apply.	How much is this going to reduce the shortage gap?  Include units used (volume type or percentage)	Additional Explanation or Reference (optional)	Penalty, Charge, or Other Enforcement? For Retail Suppliers Only Drop Down List		
Add additional	rows as needed					
1	Landscape - Limit landscape irrigation to specific days	Prohibit sprinkling, irrigating, or otherwise applying water to any yard, ground, premises or vegetation except on the following designated days: - Properties ending with even-numbered addresses: Tuesday and Saturday - Properties ending with odd-numbered addresses: Wednesday and Sunday.		Yes		
1	Landscape - Limit landscape irrigation to specific days	Prohibit sprinkling, irrigating, or otherwise applying water to any yard, ground, premises or vegetation on any day of the week between the hoursof 10 a.m. and 6 p.m. during periods designated as "daylight savings time" (generally occurring between March and November).		Yes		
1	Landscape - Other landscape restriction or prohibition	Prohibit sprinkling, irrigating, or otherwise applying water to any yard, ground, premises, or vegetation except by the use of a hand-held hose, a sprinkling device or an approved sprinkler system controlled by an automatic shut-off device or a person who is in immediate attendance of the sprinkling device or system.		Yes		
1	Landscape - Other landscape restriction or prohibition	Prohibit sprinkling, irrigating, or otherwise applying water to any yard, ground, landscaping or vegetation during and up to 48 hours after measurable rainfall.		Yes		
1	Landscape - Prohibit certain types of landscape irrigation	Prohibit sprinkling, irrigating, or otherwise applying water to any ornamental turf or public street medians.		Yes		

1	Landscape - Other landscape restriction or prohibition	Prohibit sprinkling, irrigating, or otherwise applying water to any yard, ground, landscaping or vegetation outside of a newly constructed home or a building in a manner inconsistent with regulations or other requirements established by the California Building Standards Commission and the California Department of Housing and Community Development.	Yes
1	Landscape - Restrict or prohibit runoff from landscape irrigation	Prohibit water used to irrigate any yard, ground, landscaping or vegetation to run or waste onto non-irrigated areas, private or public walkways, sidewalks, driveways, streets or adjoining or adjacent property.	Yes
1	Other - Customers must repair leaks, breaks, and malfunctions in a timely manner	Prohibit keeping, maintaining, operating, or using any water connection, hose, faucet, hydrant, pipe, outlet, or plumbing fixture which is not tight and free from leakage and dripping.	Yes
1	Other	Prohibit washing any type of vehicle, boat or trailer with water supplied by a hose unless the hose is fitted with a shut-off nozzle or device attached to it that causes it to cease dispensing water immediately when not in use.	Yes
1	Other - Prohibit use of potable water for washing hard surfaces	Prohibit use of water for sidewalk, driveway, or walkway washing cleaning, except as required to address an immediate public health or safety need.	Yes
1	Water Features - Restrict water use for decorative water features, such as fountains	Prohibit operation of water fountains or other decorative water fixtures without recirculation pumps.	Yes
1	Other water feature or swimming pool restriction	Prohibit draining and filling of a swimming pool or similar water feature more than once during a one year period (all pool drainage must occur pursuant to a permit issued by the City's public works department.	Yes
1	Other	Prohibit willful of negligent waste of water in any manner.	Yes

1	CII - Lodging establishment must offer opt out of linen service	Require operators of hotels and motels to provide guests with the option of choosing not to have towels and linens laundered daily. Each hotel and motel shall prominently display notice of this option in each bathroom using clear and easily understood language.	Yes
1	Landscape - Prohibit certain types of landscape irrigation	Prohibit the planting of rye grass on any property that is serviced by the city's water system.	Yes
1	Other	The city may issue Conditional Water Permits that allow the watering of new landscaping planted outside of newly-constructed buildings on days and/or times other than those consistent with the current use restrictions.	Yes
1	Other - Prohibit vehicle washing except at facilities using recycled or recirculating water	Prohibit charity and community vehicle wash events, including any event at which an individual or a group, which is not a commercial washing business operating legally in the city, offers to the general public or portion thereof the service of washing, with water, any type of vehicle, boat, or trailer in exchange for a fee, donation, other form of compensation, or for no compensation.	Yes
1	Landscape - Prohibit certain types of landscape irrigation	Eliminate watering of ornamental turf areas. Water only actively used turf areas no more than twice per week. Trees and shrubs may be water only twice per week using a handheld hose with a positive shutoff nozzle or drip irrigation. Use of reclaimed water (if available), is exempt.	Yes
1	Landscape - Limit landscape irrigation to specific days	Water no more than twice per week using only hand- held hoses with positive shutoff nozzle or drip irrigation systems. Eliminate sprinkler use.	Yes
1	CII - Restaurants may only serve water upon request	Prohibit the serving of drinking water, other than upon request, in eating or drinking establishments.	Yes

	1	T	·
1	Other - Customers must repair leaks, breaks, and malfunctions in a timely manner	When a leak is discovered by a customer in a customer's water system and a customer is charged for water that it has not used, as a result of the leakage, it shall be policy of the city to aid the customer in locating the leak. If the leak is repaired by the customer within a period of ten days of the date the leak was discovered and the customer can establish that a portion of the charges identified in its water bill are in excess of the amount normally charged to the customer, that excess amount of water use caused by the leakage shall be charged to the customer at the standard water rate. If the leak is not repaired by the customer within the 10 day period, the portion of the excess water usage which results from the leakage will be billed at two times the standard water rate until the leak is repaired by the customer. The city shall give prompt notice to a customer if the city obtains information indicating that a leak may exist in the customer's exclusive control.	Yes
1	Other - Prohibit use of potable water for construction and dust control	All construction water must be reclaimed or non-potable. Issuance of construction meters will be only for testing and disinfection of potable water lines.	Yes
NOTES:	•	•	•

Submittal Table	Submittal Table 8-3: Supply Augmentation and Other Actions				
Shortage Level	Supply Augmentation Methods and Other Actions by Water Supplier  Drop down list  These are the only categories that will be accepted by the WUEdata online submittal tool	How much is this going to reduce the shortage gap? Include units used (volume type or percentage)	Additional Explanation or Reference (optional)		
Add additional row	s as needed				
NOTES:					

Submittal Table 10-1 Retail: Notification to Cities and Counties				
City Name	60 Day Notice	Notice of Public Hearing		
A	dd additional rows as need	led		
County Name  Drop Down List	60 Day Notice	Notice of Public Hearing		
Α	dd additional rows as need	led		
Kings County	Yes	Yes		
NOTES:				

SB X7-7 Table 0: Units of Measure Used in UWMP* one from the drop down list)	(select
Acre Feet	
*The unit of measure must be consistent with Submittal Table	2-3
NOTES:	

SB X7-7 Table-1: Baseline Period Ranges					
Baseline	Parameter	Value	Units		
	2008 total water deliveries	12,741	Acre Feet		
	2008 total volume of delivered recycled water	-	Acre Feet		
10- to 15-year	2008 recycled water as a percent of total deliveries	0%	See Note 1		
baseline period	Number of years in baseline period 1, 2	10	Years		
	Year beginning baseline period range	1995			
	Year ending baseline period range <sup>3</sup>	2004			
F	Number of years in baseline period	5	Years		
5-year	Year beginning baseline period range	2006			
baseline period	Year ending baseline period range <sup>4</sup>	2010			

<sup>&</sup>lt;sup>1</sup> If the 2008 recycled water delivery is less than 10 percent of total water deliveries, then the 10-15year baseline period is a continuous 10-year period. If the amount of recycled water delivered in 2008 is 10 percent or greater of total deliveries, the 10-15 year baseline period is a continuous 10- to 15-year period.

<sup>&</sup>lt;sup>2</sup> The Water Code requires that the baseline period is between 10 and 15 years. However, DWR recognizes that some water suppliers may not have the minimum 10 years of baseline data.

 $<sup>^3</sup>$  The ending year for the 10-15 year baseline period must be between December 31, 2004 and December 31, 2010.

<sup>&</sup>lt;sup>4</sup> The ending year for the 5 year baseline period must be between December 31, 2007 and December 31, 2010.

SB X7-7 Table 2: Method for Population Estimates						
	Method Used to Determine Population (may check more than one)					
< >	1. Department of Finance (DOF) or American Community Survey (ACS)					
	2. Persons-per-Connection Method					
	3. DWR Population Tool					
	<b>4. Other</b> DWR recommends pre-review					
NOTES:						

SB X7-7 Table 3: Service Area Population					
Υ	Year Population				
10 to 15 Ye	ar Baseline Po	opulation			
Year 1	1995	37,400			
Year 2	1996	38,150			
Year 3	1997	39,300			
Year 4	1998	39,900			
Year 5	1999	40,350			
Year 6	2000	41,450			
Year 7	2001	42,462			
Year 8	2002	43,869			
Year 9	2003	44,466			
Year 10	2004	46,096			
Year 11					
Year 12					
Year 13					
Year 14					
Year 15					
5 Year Base	eline Population	on			
Year 1	2006	48,920			
Year 2	2007	50,534			
Year 3	2008	51,922			
Year 4	2009	52,970			
Year 5	2010	53,967			
NOTES:					

SB X7-7 Ta	able 4: Annua	al Gross Water Use *						
					Deductions			Acre Feet
Fm SB X	ine Year 7-7 Table 3	Volume Into Distribution System This column will remain blank until SB X7-7 Table 4-A is completed.	Exported Water	Change in Dist. System Storage (+/-)	Indirect Recycled Water This column will remain blank until SB X7-7 Table 4-B is completed.	Water Delivered for Agricultural Use	Process Water This column will remain blank until SB X7-7 Table 4-D is completed.	Annual Gross Water Use
10 to 15 Ye	ear Baseline - (	Gross Water Use						
Year 1	1995	9,198			-		-	9,198
Year 2	1996	9,348			-		-	9,348
Year 3	1997	10,379			-		-	10,379
Year 4	1998	8,704			1		-	8,704
Year 5	1999	9,855			-		-	9,855
Year 6	2000	9,649			-		-	9,649
Year 7	2001	9,673			-		-	9,673
Year 8	2002	10,502			-		-	10,502
Year 9	2003	10,784			•		-	10,784
Year 10	2004	11,260			1		-	11,260
Year 11	0	-			1		-	ı
Year 12	0	-			-		-	-
Year 13	0	-			1		-	ı
Year 14	0	-			-		-	-
Year 15	0	-			-		-	
10 - 15 yea	r baseline ave	rage gross water use						9,935
5 Year Baseline - Gross Water Use								
Year 1	2006	11,613			-		-	11,613
Year 2	2007	12,930			-		-	12,930
Year 3	2008	12,742			-		-	12,742
Year 4	2009	12,792			-		-	12,792
Year 5	2010	12,172			-		-	12,172
5 year base	eline average (	gross water use						12,450

<sup>\*</sup> Units of measure (AF, MG, or CCF) must remain consistent throughout the UWMP, as reported in Table 2-3.

Name of S	ource	Tulare Lake Groundw	ater Subbasin	
This water	source is:			
<b>V</b>	The supplier'	s own water source		
	A purchased	or imported source		
Baseline Year Fm SB X7-7 Table 3		Volume Entering Distribution System <sup>1</sup>	Meter Error Adjustment <sup>2</sup> <i>Optional</i> (+/-)	Corrected Volume Entering Distribution System
10 to 15 Ye	ear Baseline -	Water into Distribu	tion System	
Year 1	1995	9,198		9,198
Year 2	1996	9,348		9,348
Year 3	1997	10,379		10,379
Year 4	1998	8,704		8,704
Year 5	1999	9,855		9,855
Year 6	2000	9,649		9,649
Year 7	2001	9,673		9,673
Year 8	2002	10,502		10,502
Year 9	2003	10,784		10,784
Year 10	2004	11,260		11,260
Year 11	0			-
Year 12	0			-
Year 13	0			-
Year 14	0			-
Year 15	0			-
5 Year Bas	eline - Water	into Distribution Sy	stem	
Year 1	2006	11,613		11,613
Year 2	2007	12,930		12,930
Year 3	2008	12,742		12,742
Year 4	2009	12,792		12,792
Year 5	2010	12,172		12,172
reported in T	able 2-3.	or CCF) must remain con	-	

SB X7-7 Ta	able 5: Baseli	ine Gallons Per	Capita Per Day (GI	PCD)
Baseline Year Fm SB X7-7 Table 3  10 to 15 Year Baseline GF		Service Area Population Fm SB X7-7 Table 3 PCD	Annual Gross Water Use Fm SB X7-7 Table 4	Daily Per Capita Water Use (GPCD)
Year 1	1995	37,400	9,198	220
Year 2	1996	38,150	9,348	219
Year 3	1997	39,300	10,379	236
Year 4	1998	39,900	8,704	195
Year 5	1999	40,350	9,855	218
Year 6	2000	41,450	9,649	208
Year 7	2001	42,462	9,673	203
Year 8	2002	43,869	10,502	214
Year 9	2003	44,466	10,784	217
Year 10	2004	46,096	11,260	218
Year 11	0	-	-	
Year 12	0	-	-	
Year 13	0	-	-	
Year 14	0	-	-	
Year 15	0	-	-	
10-15 Year	Average Base	eline GPCD		215
5 Year Bas	eline GPCD			
Baseline Year Fm SB X7-7 Table 3		Service Area Population Fm SB X7-7 Table 3	Gross Water Use Fm SB X7-7 Table 4	Daily Per Capita Water Use
Year 1	2006	48,920	11,613	212
Year 2	2007	50,534	12,930	228
Year 3	2008	51,922	12,742	219
Year 4	2009	52,970	12,792	216
Year 5	2010	53,967	12,172	201
5 Year Ave	rage Baseline	GPCD		215
NOTES:				

SB X7-7 Table 6: Baseline GPCD From Table SB X7-7 Table 5	<b>S</b> ummary
10-15 Year Baseline GPCD	215
5 Year Baseline GPCD	215
NOTES:	

	SB X7-7 Table 7: 2020 Target Method Select Only One			
Tar	get Method	Supporting Tables		
	Method 1	SB X7-7 Table 7A		
	Method 2	SB X7-7 Tables 7B, 7C, and 7D		
7	Method 3	SB X7-7 Table 7-E		
	Method 4	Method 4 Calculator Located in the WUE Data Portal at wuedata.water.ca.gov Resources button		
NOTES	:			

SB X7-7 Table 7-E: Target Method 3						
Agency May Select More Than One as Applicable	Percentage of Service Area in This Hydrological Region	Hydrologic Region	"2020 Plan" Regional Targets	Method 3 Regional Targets (95%)		
		North Coast	137	130		
		North Lahontan	173	164		
		Sacramento River	176	167		
		San Francisco Bay	131	124		
		San Joaquin River	174	165		
		Central Coast	123	117		
<b>V</b>	100%	Tulare Lake	188	179		
		South Lahontan	170	162		
		South Coast	149	142		
		Colorado River	211	200		
	(If more than o	one region is selected, this value	<b>2020 Target</b> is calculated.)	179		
NOTES:						

SB X7-7 Table 7-F: Confirm Minimum Reduction for 2020 Target						
5 Year Baseline GPCD From SB X7-7 Table 5	Maximum 2020 Target <sup>1</sup>	Calculated 2020 Target <sup>2</sup>				
		As calculated by supplier in this SB X7-7 Verification Form	Prorated 2020 Weighted Target Average		Confirmed 2020 Target <sup>4</sup>	
			raiget	2020 Target		
215	205	179			179	

 $<sup>^{1}</sup>$  Maximum 2020 Target  $\,$  is 95% of the 5 Year Baseline GPCD except for suppliers at or below 100 GPCD.

Confirmed Target is the lesser of the Calculated 2020 Target (C5, D5, or E5) or the Maximum 2020 Target (Cell B5)

<sup>&</sup>lt;sup>2</sup> Calculated 2020 Target is the target calculated by the Supplier based on the selected Target Method, see SB X7-7 Table 7 and corresponding tables for agency's calculated target. Supplier may only enter one calculated target.

<sup>&</sup>lt;sup>3</sup> Prorated targets and population weighted target are allowed for special situations only. These situations are described in Appendix P, Section P.3

SB X7-7 Table 0: Units of Measure Used in 2020 UWMP* (select one from the drop down list)
Acre Feet
*The unit of measure must be consistent throughout the UWMP, as reported in Submittal Table 2-3.
NOTES:

SB X7-7 Table 2: Method for 2020 Population Estimate				
Method Used to Determine 2020 Population (may check more than one)				
>	1. Department of Finance (DOF) or American Community Survey (ACS)			
	2. Persons-per-Connection Method			
	3. DWR Population Tool			
	<b>4. Other</b> DWR recommends pre-review			
NOTES: City of Hanford also supplied water to 651 accounts outside of the City Limit, which included 2,148 population.				

## 2020 Compliance Year Population

2020

61,326

NOTES: City of Hanford also supplied water to 651 accounts outside of the City Limit, which included 2,148 population.

Compliance Year 2020	2020 Volume Into Distribution System This column will remain blank until SB X7-7 Table 4-A is completed.	Exported Water *	Change in Dist. System Storage* (+/-)	Indirect Recycled Water This column will remain blank until SB X7-7 Table 4-B is completed.	Water Delivered for Agricultural Use*	Process Water This column will remain blank until SB X7-7 Table 4-D is completed.	2020 Gross Water Use
	11,713			-		-	11,71

<sup>\*</sup> Units of measure (AF, MG, or CCF) must remain consistent throughout the UWMP, as reported in SB X7-7 Table 0 and Submittal Table 2-3.

NOTES:

Error Adju	ıstment	2020 Volume Entering to reach source.	he Distribution	System(s), Meter	
Name of So	ource	Tulare Lake Groundwater S	ubbasin		
This water	source is (c	heck one):			
<b>✓</b>	The supplie	er's own water source			
	A purchase	d or imported source			
Compliance Year 2020		Volume Entering Distribution System <sup>1</sup>	Meter Error Adjustment <sup>2</sup> Optional (+/-)	Corrected Volume Entering Distribution System	
		11,713	-	11,713	
1 Units of measure (AF, MG , or CCF) must remain consistent throughout the UWMP, as reported in SB X7-7 Table 0 and Submittal Table 2-3.  2 Meter Error Adjustment - See guidance in Methodology 1, Step 3 of Methodologies Document  NOTES					

SB X7-7 Table 5: 2020 Gallons Per Capita Per Day (GPCD)				
2020 Gross Water Fm SB X7-7 Table 4	2020 Population Fm SB X7-7 Table 3	2020 GPCD		
11,713	61,326	171		
NOTES:				

SB X7-7 Table 9: 2020 Compliance								
		Optional Ad		Did Complian				
	Enter "0" if Adjustment Not Used				A 41 - 1 - 1 2020		Did Supplier	
Actual 2020 GPCD <sup>1</sup>	Extraordinary Events <sup>1</sup>	Weather Normalization <sup>1</sup>	Economic Adjustment <sup>1</sup>	TOTAL Adjustments <sup>1</sup>	Adjusted 2020 GPCD <sup>1</sup> (Adjusted if applicable)	2020 Confirmed Target GPCD <sup>1, 2</sup>	Achieve Targeted Reduction for 2020?	
171	1	1	-	-	171	179	YES	

<sup>&</sup>lt;sup>1</sup> All values are reported in GPCD

NOTES:

<sup>&</sup>lt;sup>2</sup> **2020 Confirmed Target GPCD** is taken from the Supplier's SB X7-7 Verification Form Table SB X7-7, 7-F.

# **APPENDIX B**

Reclamation Project Agreement

#### RECLAMATION PROJECT AGREEMENT

This Reclamation Project Agreement ("Agreement") is made and entered into the 6th day of August, 2001, by and between the LAKESIDE IRRIGATION WATER DISTRICT, a California Water District ("Lakeside"), and the CITY OF HANFORD, a municipal corporation ("City").

WHEREAS, the City is in need of access to the Lakeside Ditch for the purpose of discharging disinfected secondary treated effluent from the City of Hanford Wastewater Treatment Facility and its holding ponds ("Treated Effluent"), and

WHEREAS, Lakeside owns water conveyance and distribution facilities and utilizes other such facilities owned by the Lakeside Ditch Company pursuant to a master agreement with the Company, and

WHEREAS, Lakeside has demand for additional water for crop irrigation and other beneficial uses throughout its service area, and

WHEREAS, the City and Lakeside jointly and cooperatively prepared and submitted an application for issuance of a Master Reclamation Permit by the California Regional Water Quality Control Board, Central Valley Region ("Regional Board") for the Lakeside and City Reclamation Project, and

WHEREAS, on October 27, 2000, the Regional Board approved and issued Order Number 5-00-222, Waste Discharge Requirements Master Reclamation Permit for Lakeside and City Reclamation Project ("Reclamation Permit") and

WHEREAS, the City and Lakeside wish to enter into this Agreement in order to implement the Lakeside and City Reclamation Project in accordance with the provisions of the Reclamation Permit.

NOW THEREFORE, in consideration of the mutual covenants herein contained and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged by the parties hereto, it is agreed as follows:

- 1. City, as the producer under the Reclamation Permit and Lakeside as the Distributor under the Reclamation Permit each agree to comply with their respective obligations, conditions and requirements identified in the Reclamation Permit. A true and correct copy of the Reclamation Permit is attached to this Agreement as Exhibit "A".
- 2. Lakeside shall construct, at its sole cost and expense, all the mitigation projects required and approved by the Regional Board as identified in the Reclamation Permit attached to this Agreement as Exhibit "A" (collectively "Mitigation Projects").

- 3. In consideration of the City's right to discharge Treated Effluent into the Lakeside Ditch in accordance with the provisions of the Reclamation Permit, City shall pay to Lakeside a one-time mitigation fee ("Mitigation Fee"). The Mitigation Fee shall be equal to 50% of the actual costs paid by Lakeside for the construction of the Mitigation Projects. Upon the completion of construction of the Mitigation Projects, Lakeside shall submit certified invoices/contracts identifying all of the actual costs paid by Lakeside for the construction of the Mitigation Projects. The City shall pay the Mitigation Fee to Lakeside within 60 days of receipt and validation of such invoices/contracts by the City.
- 4. The initial term of this Agreement shall be five (5) years, commencing on the date of this Agreement as set forth above. This Agreement shall automatically renew for successive terms of two (2) years each, unless terminated as provided in Paragraph 5 of this Agreement.
- 5. This Agreement may not be terminated during the initial five (5) year term. Thereafter, either party may terminate this Agreement by delivering written notice of termination to the other party two (2) years prior to the effective date of the termination.
- 6. The right of the City to discharge Treated Effluent into the Ditch shall be subject to all of the following conditions:
  - a. Subject to any legal obligations of the City regarding the delivery, use or storage of the Treated Effluent existing on the effective date of this Agreement, Lakeside shall have the first right to receive any available Treated Effluent.
  - b. The City shall make no discharge of Treated Effluent into the Ditch, which would violate any term, or condition of Waste Discharge Order No. 91-164 or future orders as may be issued by the Regional Board for operation of the City's Wastewater Treatment Facility or any term or condition contained in the Reclamation Permit which relates to the discharge of the Treated Effluent into the Ditch.
  - c. The City shall cease all discharges of Treated Effluent into the Ditch at any time there is evidence that such discharge is in violation of the provisions of Paragraph 6.b. of this Agreement, including without limitation, receipt of written notice from the Regional Board of such violation(s). Upon curing any such violation, the City may again commence discharging Treated Effluent into the Ditch.
  - d. The City shall develop facilities enabling discharge into the Ditch at the maximum capacity of the conveyance pipeline existing on the effective date of this Agreement. Except as provided herein, the rate of discharge into the Ditch shall be determined by Lakeside. Upon at least seventy-two hours notice to Lakeside, the City shall have the right to discharge up to twenty (20) cubic feet per second into the Ditch when the City's Treated Effluent storage basins are at or near capacity.

e. The City shall pay Lakeside a "Discharge Fee" of thirty dollars (\$30.00) per acre foot of discharge into the Ditch. .

Payment of the Discharge Fee shall be made to Lakeside on or before the 25th of each month for all Treated Effluent discharged into the Ditch the previous month.

- f. The maximum Discharge Fee paid by the City during any one-year period of the initial five-year term of this Agreement shall not exceed \$125,000.00. After the expiration of the initial five-year term, the maximum Discharge Fee paid by the City for any one-year period during subsequent two-year renewal periods, shall not exceed \$150,000.00 per year. For renewal periods beyond the third two-year renewal period (i.e. six years) the maximum Discharge Fee paid by the City for each year during each successive two-year renewal period shall not exceed an amount mutually agreed to by the Parties.
- 7. Subject to the rate of discharge limitation contained in 6(d) hereof, City shall have the right to discharge into the Ditch each year during the initial term and any successive term of this Agreement a minimum of 70% of the City's annual production of Treated Effluent. The City's annual production of Treated Effluent is currently estimated to be approximately 5000 acre-feet. Each January the City will provide written notification to Lakeside of the estimated volume of Treated Effluent to be delivered to the Ditch for that year.
- 8. Lakeside shall take immediate action to correct and/or eliminate any violation of the Reclamation Permit, Waste Discharge Order No. 91-164 or any other permit or order issued by the Regional Board and regarding the Treated Effluent, by Lakeside, its officers, directors, employees, agents, contractors, or landowners within the Lakeside service area. The City shall take immediate action to correct and or eliminate any violation of the Reclamation Permit, Waste Discharge Order No. 91-164 or any other permit or order issued by the Regional Board and regarding the Treated Effluent, by the City, its officers, directors, employees, agents, or contractors.
- 9. To provide for effective and efficient storage of the increasing production of Treated Effluent by the City and the use thereof for crop irrigation and other beneficial uses by Lakeside and the landowners within the Lakeside Service Area, Lakeside and the City will develop/construct projects to store, transport and distribute such Treated Effluent pursuant to mutually satisfactory agreements.
- 10. Lakeside and the City shall each designate a person who shall represent that party regarding its responsibilities under this Agreement. The representatives shall meet at least annually to review the user permit, irrigation water use, discharge needs, schedules, and anticipated capital improvements needs. The representatives shall also meet when necessary to address problems or complaints that may arise during the course of the year.

- 11. The City shall provide Lakeside a copy of all reports required by the monitoring and reporting requirements included in Waste Discharge Order No. 90-164. Notwithstanding the frequency of reporting requirements contained therein, the City shall provide Lakeside a general mineral constituent analysis of Treated Effluent discharged into the Ditch at least monthly. Such analysis shall conform to the constituents and testing methods specified in Exhibit "B".
- 12. City agrees to defend, indemnify and hold Lakeside, its officers, directors, employees and agents and landowners within the Lakeside water service area completely free and harmless from any and all claims, suits, losses, injuries, damages and costs, including attorney's fees occasioned or arising out of or in any way related to delivery of the Treated Effluent to the Lakeside Ditch System or any violation by the City of the provisions of the Reclamation Permit, Waste Discharge Order 91-164 or any other permit or order issued by the Regional Board and regarding Treated Effluent delivered to the Lakeside Ditch System.
- 13. Lakeside agrees to defend, indemnify and hold the City, its officials, employees and agents, completely free and harmless from any and all claims, suits, losses, injuries, damages and costs, including attorney's fees, occasioned or arising out of or in any way related to transportation of the Treated Effluent through the Lakeside Ditch System, maintenance of the Lakeside Ditch System and appurtenances thereto, and any violation by Lakeside or landowners within the Lakeside water service area of the provisions of the Reclamation Permit, Waste Discharge Order 91-164 or any other permit or order issued by the Regional Board and regarding Treated Effluent delivered to the Lakeside Ditch System.
- of this Agreement pursuant to Paragraph 15 hereof, a party shall notify the other party in writing of any alleged breach or default of any obligation arising under this Agreement ("Notice of Default"). The other party shall have 15 days to respond in writing to the Notice of Default ("Default Response") or to cure the alleged breach or default identified in the Notice of Default. If the other party fails to provide a Default Response to the other party within said 15 day period, the alleged breach or default identified in the Notice of Default shall be deemed admitted by the non-responding party. If the Default Response disputes the allegations in the Notice of Default, the parties shall meet and confer in good faith to attempt resolve the dispute. Such meeting shall take place within 15 days of the date of the Default Response. An alleged breach or default of any provision of this Agreement which would support a request for a temporary restraining order and preliminary injunction may be initiated without first complying with the provisions of this paragraph 14.
- 15. If, after meeting and conferring in good faith pursuant to Paragraph 14 hereof, the parties are unable to resolve the dispute, either party may initiate any action at law or in equity necessary to enforce or interpret the terms of this Agreement. If such action is initiated, the prevailing party shall be entitled to reasonable attorneys' fees, costs and necessary disbursements in addition to any other reasonable relief to which he may be entitled. With respect to any

suit, action or proceeding arising out of or related to this Agreement, or the documentation related hereto, the parties hereby submit to the jurisdiction and venue of the Superior Court, whichever is applicable, in the County of Kings, State of California for any proceeding arising hereunder.

- 16. This Agreement shall be binding on the successors and assigns of the parties.
- 17. This Agreement and the Exhibits attached hereto supersedes any and all other agreements, either oral or in writing, between the parties hereto with respect to the matters set forth herein and contains all of the covenants and agreements between the parties regarding said matters. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, orally or in writing, have been made by any party or anyone acting on behalf of any party which are not embodied in this Agreement and no other agreement, statement or promise shall be valid or binding.
- 18. Except as otherwise expressly provided herein, any notice, consent, authorization or other communication to be given hereunder shall be in writing and shall be deemed duly given and received when delivered personally, when transmitted by facsimile or e-mail if receipt is acknowledged by the addressee, one business day after being deposited for next-day delivery with a nationally recognized overnight delivery service, or three business days after being mailed by first class mail, charges and postage prepaid, properly addressed to the party to receive such notice at the last address furnished for such purpose by the party to whom notice is directed and addressed as follows:

Lakeside Irrigation Water District 9304 Houston Avenue Hanford, CA 93230 City of Hanford Attn: Director of Public Works 900 S. 10th Avenue Hanford, CA 93230

- 19. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force and effect without being impaired or invalidated in any way.
- 20. No change, amendment or modification of this Agreement shall be valid unless the same is in writing and signed by the parties hereto.
- 21. No waiver or any breach of any terms, condition or provision of this Agreement shall constitute a waiver of any other breach of any other term, condition or provision and no consent of one party to any departures by the other shall be effective unless such waiver shall be in writing and shall be signed by the non-waiving party or a duly authorized agent thereof and the same shall be effective only for a period, on the conditions and for the specific instances and purposes specified in such writing. No notice to or demand on the non-waiver party in any case shall entitle the non-waiving party to any other or further notice or demand in similar or other circumstances.

22. This Agreement shall be construed and governed pursuant to the laws of the State of California.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date and year first above written.

CITY OF HANFORD

BY: L. Reynolds, City Manager

LAKESIDE IRRIGATION WATER DISTRICT

Den Mille President

1 Char

Ken Cartwright, Secretary

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# **APPENDIX C**

Water Shortage Contingency Plan



# DRAFT



City of Hanford

**AUGUST 2021** 

# 2020 Water Shortage Contingency Plan

A K E L
Packet Pg. 373

Attachment: PublicReviewDraft UWMP, small 082421 (PW: 2020 Urban Water Management Plan Update)



# 2020 WATER SHORTAGE CONTINGENCY PLAN

**Draft** 

August 2021





Smart Planning Our Water Resources

July 19, 2021

City of Hanford 319 Douty Street Hanford California, 93230

Attention: James Ross, Deputy Public Works Director

**Subject: Water Shortage Contingency Plan** 

Dear Jim,

We are pleased to submit the City of Hanford 2020 Water Shortage Contingency Plan (2020 WSCP) which is intended to address the Urban Water Management Planning Act (UWMPA) of 1983 and amendments thereof.

The City's Water Shortage Contingency Plan (WSCP) was originally included in the 2015 UWMP, which received letters of review and completeness from the Department of Water Resources. As part of amendments to the UWMPA the WSCP is now required to be prepared and adopted separately from the UWMP. The 2020 WSCP builds upon previous water shortage contingency planning efforts completed by the City and reflects updates to the City's water shortage levels and water conservation measures for consistency with state-wide requirements provided by the Department of Water Resources.

We extend our thanks to you; John Doyel, Public Works Director; Christine Baca, Regulatory Compliance Analyst; Bob Williams, Utilities Supervisor, and other City staff whose courtesy and cooperation were valuable in reviewing and completing this study.

Sincerely,

AKEL ENGINEERING GROUP, INC.

Tony Akel, P.E. Principal

Enclosure: 2020 Water Shortage Contingency Plan



# **Acknowledgements**

## City Council

Francisco Ramirez, Mayor

Diane Sharp, Vice Mayor

Amanda Saltray

Kalish Morrow

Art Brieno

## Management Personnel

John Doyel, Director of Public Works

Jim Ross, Deputy Public Works Director

Christine Baca, Regulatory Compliance Analyst

Bob Williams, Utilities Supervisor

# City of Hanford 2020 Water Shortage Contingency Plan

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# City of Hanford 2020 Water Shortage Contingency Plan

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#### Section 1 INTRODUCTION

This report documents the City of Hanford's Water Shortage Contingency Plan (WSCP). This 2020 WSCP document builds upon previous water shortage contingency planning efforts completed by the City and documented in the 2010 and 2015 Urban Water Management Plans (UWMP). This WSCP reflects updates to the City's water shortage levels and water conservation measures for consistency with state-wide requirements provided by the Department of Water Resources. As part of the 2020 UWMP update, the Department of Water Resources requires urban water suppliers to prepare a stand-alone 2020 WSCP, that is separate from the 2020 UWMP, and intended to manage a water shortage. As the City continues to monitor the effectiveness of the WSCP, this document can be updated and adopted separately from the UWMP.

Though it is a stand-alone document, the 2020 WSCP is still considered one of the elements of the 2020 UWMP, as required by the State Law.

Based on Department of Water Resources (DWR) requirements, and consistent with previous planning efforts, this WSCP includes the following sections:

- Water Supply Reliability Analysis
- Annual Water Supply and Demand Assessment
- Shortage Response Actions
- Communication Protocols
- Compliance and Enforcement
- Legal Authorities
- Financial Consequences of WSCP Activation
- Monitoring and Reporting
- Special Water Feature Distinction
- Plan Adoption, Submittal, and Availability

#### Section 2 WATER SUPPLY RELIABILITY ANALYSIS

#### Law

10632 (a)(1) The analysis of water supply reliability conducted pursuant to Section 10635.

The City currently uses groundwater as the sole source of water supply, with wells extracting water from the Tulare Lake Subbasin of the San Joaquin Valley Groundwater Basin. These groundwater basins are managed by Mid-Kings River Groundwater Sustainability Agency, and the 2020 Tulare Lake Subbasin Groundwater Sustainability Plan lists the rates of natural recharge for these groundwater supply sources. Consistent with previous planning efforts, the City's Water

Supply Reliability Analysis, the available supply drawn from the aquifer in any year is equal to the system-wide water demand for that particular year.

As part of the 2020 UWMP the City has also prepared a Drought Risk Assessment (DRA), which is a proactive planning review that readies the City for worst-case water supply conditions should they occur in the immediate future. The DRA compares the City's projected demands over the next five years to estimated available supplies should a five-year dry period occur. The results of the DRA prepared as part of the 2020 UWMP indicate that the City has sufficient supplies to meet projected demands over the next five years.

# Section 3 ANNUAL WATER SUPPLY AND DEMAND ASSESSMENT PROCEDURES

#### Law

10632 (a)(2) The procedures used in conducting an annual water supply and demand assessment that include, at a minimum, both of the following:

- (A) The written decision-making process that an urban water supplier will use each year to determine its water supply reliability.
- (B) The key data inputs and assessment methodology used to evaluate the urban water supplier's water supply reliability for the current year and one dry year, including all of the following:
- (i) Current year unconstrained demand, considering weather, growth, and other influencing factors, such as policies to manage current supplies to meet demand objectives in future years, as applicable.
- (ii) Current year available supply, considering hydrological and regulatory conditions in the current year and one dry year. The annual supply and demand assessment may consider more than one dry year solely at the discretion of the urban water supplier.
- (iii) Existing infrastructure capabilities and plausible constraints.
- (iv) A defined set of locally applicable evaluation criteria that are consistently relied upon for each annual water supply and demand assessment.
- (v) A description and quantification of each source of water supply.

10632.1

An urban water supplier shall conduct an annual water supply and demand assessment pursuant to subdivision (a) of Section 10632 and, on or before July 1 of each year, submit an annual water shortage assessment report to the department with information for anticipated shortage, triggered shortage response actions, compliance and enforcement actions, and communication actions consistent with the supplier's water shortage contingency plan. An urban water supplier that relies on imported water from the State Water Project or the Bureau of Reclamation shall submit its annual water supply and demand assessment within 14 days of receiving its final allocations, or by July 1 of each year, whichever is later.

Updates to the California Water Code now require that urban water suppliers prepare a water supply and demand assessment on an annual basis (Annual Assessment). The findings of this Annual Assessment will be summarized in a report submitted to the DWR by July 1<sup>st</sup> of each calendar year, with the first report required for submission on July 1<sup>st</sup>, 2022. The purpose of this annual assessment is to ensure water suppliers are proactively considering the available water

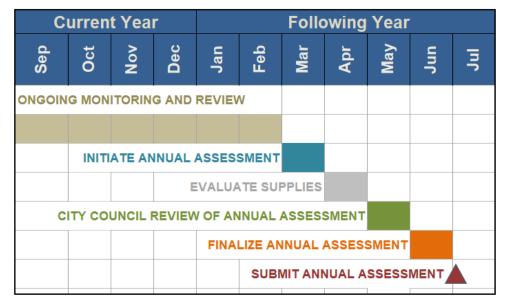
City of Hanford Water Shortage Contingency Plan

supplies and service area demand requirements, as well as identifying the potential need for implementing the Water Shortage Contingency Plan.

It should be noted that DWR is in the process of preparing a stand-alone guidance document that will outline general procedures to aid urban water suppliers in preparing the Annual Assessment. The decision-making process and Annual Assessment completion steps are preliminary at this point in time and will be further refined as the guidance document by DWR is completed.

#### 3.1 Decision Making Process

This section describes the decision-making process to prepare and approve the Annual Assessment each year. It should be noted that the Annual Assessment and decision-making process will rely on the findings of the Tulare Lake Subbasin Annual Report, which will include documentation of available water supply information and any subbasin-wide required water shortage actions to be implemented.



**Figure 3-1 Annual Assessment Report Timeline** 

#### September to February – Ongoing Monitoring and Review

For the majority of the year, City staff will continue to monitor and report monthly water consumption and production. This information will be used when the Annual Assessment is initiated to prepare a year-to-year comparison of system-wide water demands for the purpose of projecting demands for the following year.

#### March - Initiate WSCP Annual Assessment

City staff will initiate the Annual Assessment process by gathering the collected demand and production data. Other relevant information includes but is not limited to the following:

- <u>Land Use/Planning:</u> Changes in land use or number of building permits will be used in estimating the next year's demands.
- <u>Hydrologic Year Review:</u> The City's wet year typically ends in April and rainfall information over the past year can be gathered and reviewed.
- Climate Forecast: Any available climate projection information

The purpose of gathering this information will be to compare the various factors that affect water demand throughout the City's service area. This comparison will guide the City's projection for water demand in the upcoming year.

#### **April** – Review Available Supply Information

According to the Tulare Lake Groundwater Sustainability Plan, a Groundwater Annual Report will be completed by the month of April. City staff will review this document once available and use it as a basis for estimating the available supply in the upcoming year. If required, City staff will also prepare to initiate any water shortage response actions noted by Mid-Kings River Groundwater Sustainability Agency.

#### May - City Council Review of Annual Assessment

The draft of Annual Assessment will be presented to City Council for their information and discussion. If water shortage actions are recommended by the Annual Assessment, the City Council will be asked to begin the implementation of the recommended actions.

#### June - Finalize Annual Assessment

The Annual Assessment is finalized based on any feedback received during the City Council review process.

#### July - Submit Annual Assessment

The Annual Assessment will be submitted to DWR on or before July 1st.

#### 3.2 Data and Methodologies

This section describes the key data and methodologies used in the preparation of the Annual Assessment. This includes historical water supply information, historical and projected water demand, demand and projected water supply demand, which city uses to evaluate their water supply reliability for a normal and a dry subsequent year.

#### 3.2.1 Evaluation Criteria

The primary criteria used in preparing the City's Annual Assessment are the projected water demand and available supply. The supply information will be based on any available subarea-

wide review of available water supplies prepared by Mid-Kings River Groundwater Sustainability Agency, Kings County Water District, or other local groundwater planning agencies. The demand projections will be prepared using a combination of factors, including a comparison to historical demand, land use changes, building permits, and historical rainfall. The City will continue to review its Annual Assessment preparation process, and additional criteria may be added if considered appropriate.

#### 3.2.2 Water Supply

The City currently relies on groundwater as the sole source of supply. There are numerous groundwater wells used by the City, each of which is monitored and has production reported on a monthly basis. These monthly production records will be used to characterize the City's current water production requirement and compared to previous years to estimate production requirements for the upcoming year.

As the Groundwater Sustainability Agency, Mid-Kings River GSA manages water supplies within the Tulare Lake Subbasin; this also includes the Mid-Kings River Subarea, which is used by the City for supply. The water supply analysis prepared by each GSAs within the Tulare Lake Subbasin in preparation of their Annual Report will provide a critical basis for water supply assumptions, regarding available water supply volumes and any pumping restrictions required to be implemented if any.

#### 3.2.3 Current Year Unconstrained Customer Demand

Billed water consumption is reported on a monthly basis and will be used to characterize the current water consumption requirements for the City. The monthly records will be compared to corresponding months of the previous year to identify any significant changes in water use behavior throughout the City's service area. In addition to consumption records, known recent developments or current building permits will enable City staff to estimate changes to water demand in the upcoming year.

#### 3.2.4 Current Year Available Supply

The Annual Assessment estimates the current year available supply for current hydrological conditions as well as a possible subsequent dry year. The supply estimate will be based on the Drought Risk Assessment supply estimation methodology documented in the 2020 UWMP and it will also incorporate information from the Tulare Lake Groundwater Annual Report and Mid-Kings Groundwater Sustainability Agency.

#### 3.2.5 Infrastructure Considerations

The annual assessment will include a review of any ongoing capital projects that are expected to affect the demands and supply projections. Examples of such capital projects include water loss reductions, distribution expansion to serve the growth, or new groundwater wells.

#### Section 4 WATER SHORTAGE LEVELS

#### Law

10632 (a)(1) Stages of action to be undertaken by the urban water supplier in response to water supply shortages, including up to a 50 percent reduction in water supply and an outline of specific water supply conditions which are applicable to each stage.

10632 (a)(3)

- (A) Six standard water shortage levels corresponding to progressive ranges of up to 10, 20, 30, 40, and 50 percent shortages and greater than 50 percent shortage. Urban water suppliers shall define these shortage levels based on the suppliers' water supply conditions, including groundwater levels, changes in surface elevation or level of subsidence, or other changes in hydrological or other local conditions indicative of the water supply available for use. Shortage levels shall also apply to catastrophic interruption of water supplies, including but not limited to, a regional power outrage, an earthquake, and other potential emergency events.
- (B) An urban water supplier with an existing water shortage contingency plan that uses different water shortage levels may comply with the requirement in subparagraph (A) by developing and including a cross-reference relating its existing categories to the six standard water shortage

The City's current water shortage contingency plan includes three water shortage levels. These water shortage stages reflect potential supply reductions due to reductions in average rainfall, groundwater well issues, or extended periods of summer weather. The City's water shortage levels are documented in Table 4-1. The comparison between the City's water shortage levels and the DWR recommended 6-level framework is provided in Appendix A.

Identifying the appropriate shortage level will be in accordance with the procedures outlined in Section 3 – Annual Water Supply and Demand Assessment Procedures. With recommendations from City staff, the City Council has the authority to declare the appropriate conservation level considered necessary to manage the system demands and mitigate the water shortage. The City Council can also downgrade, upgrade, or terminate a shortage response level based on City staff recommendations.

The City's groundwater supply is dependent on recharge from surface water sources as well as deep percolation of applied irrigation water. In periods of drought when the natural recharge sources are less than in typical years, the basin is at risk of overdraft. In order to reduce water consumption city-wide, the City's water conservation ordinance will be amended as necessary to respond to severe, prolonged drought

As part of the City's efforts to conserve water, the City has permanent water use prohibitions in place. Additionally, the City's conservation ordinance describes a multiple-stage water conservation plan. Each water rationing stage includes a water demand reduction percentage, which is to be applied to normal water demands. The plan is dependent on the cause, severity, and anticipated duration of the water shortage, and a combination of voluntary and mandatory water conservation measures, which can be put in place to reduce City-wide water usage. City manager and Council have the authority to implement additional conservation measures as needed.

**Table 4-1 Water Shortage Contingency Plan Levels** 

Stage	Percent Supply Reduction	Water Supply Condition
1	10%-20%	Minor Shortage Potential  - Below average rainfall in the previous 12-24 months  - 10 percent or more of municipal wells out of service  - Warm weather patterns typical of summer months
2	20%-35%	Moderate Shortage Potential  - Below average rainfall in the previous 24-36 months  - Prolonged periods of low water pressure  - 10 percent or more of municipal wells out of service  - Warm weather patterns typical of summer months
3	35%-50%	Critical Shortage Potential  - Below average rainfall in the previous 36 months  - Prolonged periods of low water pressure  - 10 percent or more of municipal wells out of service  - Warm weather patterns typical of summer months

#### Section 5 SHORTAGE RESPONSE ACTIONS

#### Law

10632 (a)(4) Shortage response actions that align with the defined shortage levels and include, at a minimum, all of the following:

- (F) Locally appropriate supply augmentation actions.
- (G) Locally appropriate demand reduction actions to adequately respond to shortages.
- (H) Locally appropriate operational changes
- (I) Additional, mandatory prohibitions against specific water use practices that are in addition to state-mandated prohibitions and appropriate to the local conditions.
- (J) For each action, an estimate of the extent to which the gap between supplies and demand will be reduced by implementation of the action.

Pursuant to the CWC 10632 (a) (4), this section documented the detailed shortage response actions which align with the shortage levels into different categories.

#### 5.1 Demand Reduction

There are a number of demand reduction measures an urban water supplier can implement as response actions to corresponded water shortage levels. Some of these may include watering and outdoor water usage prohibitions, water rate structure changes, public educations or water supply service adjustments. Other demand reduction such as infrastructure improvement or replacing, water-efficient assets installation are considered as long-term water demand reductions will not be listed in this water shortage contingency plan.

Consumption reduction actions are methods taken by a water supplier to reduce demand within the service area, whereas prohibitions are specific limitations on water use; the City's consumption reduction actions are summarized in **Table 5-1**. The permanent water use restrictions enforced year-round are also documented in the table.

#### 5.2 Supply Augmentation

As noted in previous sections, groundwater is the City's sole source of potable water supply, and there are no known opportunities for water supply augmentation through actions such as exchanges, transfers, or purchase programs. Therefore, supply augmentation actions are excluded from the City's Water Shortage Contingency Plan at this time.

#### 5.3 Operation Changes

During a water shortage, changes to water system operations may be considered. These operational changes may include improving water usage consumption and tracking, changes to fire hydrant testing frequencies, alteration in maintenance cycles, and expedited water leak repairs.

#### 5.4 Additional Mandatory Restrictions

Additional mandatory restrictions have been reported in a previous section.

#### 5.5 Emergency Response Plan

The City has a Local Hazard Mitigation Plan, most recently updated in 2012, that provides a framework for the City to address a catastrophic supply interruption due to various hazards, including seismic, geological, wildfire, and flooding hazards. The plan is intended to define the actions required of the City before, during, and after an emergency. It also guides the City's response to major emergencies and disasters.

**Table 5-1 Demand Reduction Actions** 

Level	Restrictions and Prohibitions on End Users Category	Additional Explanation or Reference	Penalty, Charge, or Other Enforcement?
1-3	Landscape - Limit landscape irrigation to specific days	Prohibit sprinkling, irrigating, or otherwise applying water to any yard, ground, premises or vegetation except on the following designated days: - Properties ending with even-numbered addresses: Tuesday and Saturday - Properties ending with odd-numbered addresses: Wednesday and Sunday.	Yes
1-3	Landscape - Limit landscape irrigation to specific days	Prohibit sprinkling, irrigating, or otherwise applying water to any yard, ground, premises or vegetation on any day of the week between the hours of 10 a.m. and 6 p.m. during periods designated as "daylight savings time" (generally occurring between March and November).	Yes
1-3	Landscape - Other landscape restriction or prohibition	Prohibit sprinkling, irrigating, or otherwise applying water to any yard, ground, premises, or vegetation except by the use of a hand-held hose, a sprinkling device or an approved sprinkler system controlled by an automatic shut-off device or a person who is in immediate attendance of the sprinkling device or system.	Yes
1-3	Landscape - Other landscape restriction or prohibition	Prohibit sprinkling, irrigating, or otherwise applying water to any yard, ground, landscaping or vegetation during and up to 48 hours after measurable rainfall.	Yes
1-3	Landscape - Prohibit certain types of landscape irrigation	Prohibit sprinkling, irrigating, or otherwise applying water to any ornamental turf or public street medians.	Yes

**Table 5-1 Demand Reduction Actions** 

Level	Restrictions and Prohibitions on End Users Category	Additional Explanation or Reference	Penalty, Charge, or Other Enforcement?
1-3	Landscape - Other landscape restriction or prohibition	Prohibit sprinkling, irrigating, or otherwise applying water to any yard, ground, landscaping or vegetation outside of a newly constructed home or a building in a manner inconsistent with regulations or other requirements established by the California Building Standards Commission and the California Department of Housing and Community Development.	Yes
1-3	Landscape - Restrict or prohibit runoff from landscape irrigation	Prohibit water used to irrigate any yard, ground, landscaping or vegetation to run or waste onto non-irrigated areas, private or public walkways, sidewalks, driveways, streets or adjoining or adjacent property.	Yes
1-3	Other - Customers must repair leaks, breaks, and malfunctions in a timely manner	Prohibit keeping, maintaining, operating, or using any water connection, hose, faucet, hydrant, pipe, outlet, or plumbing fixture which is not tight and free from leakage and dripping.	Yes
1-3	Other	Prohibit washing any type of vehicle, boat or trailer with water supplied by a hose unless the hose is fitted with a shut-off nozzle or device attached to it that causes it to cease dispensing water immediately when not in use.	Yes
1-3	Other - Prohibit use of potable water for washing hard surfaces	Prohibit use of water for sidewalk, driveway, or walkway washing cleaning, except as required to address an immediate public health or safety need.	Yes
1-3	Water Features - Restrict water use for decorative water features, such as fountains	Prohibit operation of water fountains or other decorative water fixtures without recirculation pumps.	Yes
1-3	Other water feature or swimming pool restriction	Prohibit draining and filling of a swimming pool or similar water feature more than once during a one year period (all pool drainage must occur pursuant to a permit issued by the City's public works department.	Yes

**Table 5-1 Demand Reduction Actions** 

Level	Restrictions and Prohibitions on End Users Category	Additional Explanation or Reference	Penalty, Charge, or Other Enforcement?
1-3	Other	Prohibit willful of negligent waste of water in any manner.	Yes
1-3	CII - Lodging establishment must offer opt out of linen service	Require operators of hotels and motels to provide guests with the option of choosing not to have towels and linens laundered daily. Each hotel and motel shall prominently display notice of this option in each bathroom using clear and easily understood language.	Yes
1-3	Landscape - Prohibit certain types of landscape irrigation	Prohibit the planting of rye grass on any property that is serviced by the city's water system.	Yes
1-3	Other	The city may issue Conditional Water Permits that allow the watering of new landscaping planted outside of newly-constructed buildings on days and/or times other than those consistent with the current use restrictions.	Yes
1-3	Other - Prohibit vehicle washing except at facilities using recycled or recirculating water	Prohibit charity and community vehicle wash events, including any event at which an individual or a group, which is not a commercial washing business operating legally in the city, offers to the general public or portion thereof the service of washing, with water, any type of vehicle, boat, or trailer in exchange for a fee, donation, other form of compensation, or for no compensation.	Yes

**Table 5-1 Demand Reduction Actions** 

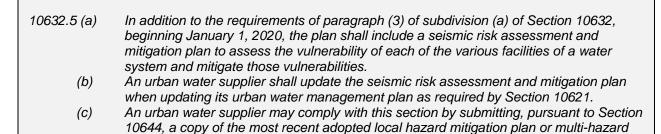
Level	Restrictions and Prohibitions on End Users Category	Additional Explanation or Reference	Penalty, Charge, or Other Enforcement?
1-3	Landscape - Prohibit certain types of landscape irrigation	Eliminate watering of ornamental turf areas. Water only actively used turf areas no more than twice per week. Trees and shrubs may be water only twice per week using a handheld hose with a positive shutoff nozzle or drip irrigation. Use of reclaimed water (if available), is exempt.	Yes
1-3	Landscape - Limit landscape irrigation to specific days	Water no more than twice per week using only hand-held hoses with positive shutoff nozzle or drip irrigation systems. Eliminate sprinkler use.	Yes
1-3	CII - Restaurants may only serve water upon request	Prohibit the serving of drinking water, other than upon request, in eating or drinking establishments.	Yes

**Table 5-1 Demand Reduction Actions** 

Level	Restrictions and Prohibitions on End Users Category	Additional Explanation or Reference	Penalty, Charge, or Other Enforcement?
1-3	Other - Customers must repair leaks, breaks, and malfunctions in a timely manner	When a leak is discovered by a customer in a customer's water system and a customer is charged for water that it has not used, as a result of the leakage, it shall be policy of the city to aid the customer in locating the leak. If the leak is repaired by the customer within a period of ten days of the date the leak was discovered and the customer can establish that a portion of the charges identified in its water bill are in excess of the amount normally charged to the customer, that excess amount of water use caused by the leakage shall be charged to the customer at the standard water rate. If the leak is not repaired by the customer within the 10 day period, the portion of the excess water usage which results from the leakage will be billed at two times the standard water rate until the leak is repaired by the customer. The city shall give prompt notice to a customer if the city obtains information indicating that a leak may exist in the customer's exclusive control.	Yes
1-3	Other - Prohibit use of potable water for construction and dust control	All construction water must be reclaimed or non-potable. Issuance of construction meters will be only for testing and disinfection of potable water lines.	Yes

#### 5.6 Seismic Risk Assessment and Mitigation Plan

#### Law



mitigation plan under the federal Disaster Mitigation Act of 2000 (Public Law 106-390) if the local hazard mitigation plan or multi-hazard mitigation plan addresses seismic risk.

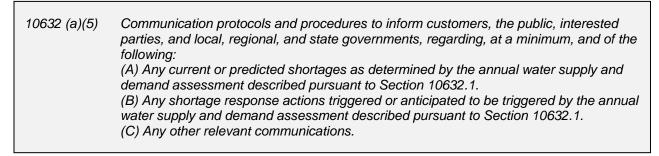
In addition to the emergency response plan described in a previous section, the California Water Code now requires urban water suppliers to document a locally appropriate multi-hazard mitigation plan, as developed under the federal Disaster Mitigation Act of 2000, that includes documentation of seismic risk assessment. Kings County developed such a hazard mitigation plan in December 2012. The City's service area is included in the boundaries reviewed as part of this mitigation plan.

#### 5.7 Shortage Response Action Effectiveness

In addition to documenting demand reduction actions the 2020 UWMP also estimates the effectiveness of these actions on reducing system-wide demand. The City records water consumption and production on a monthly basis, and this data can be used to estimate the effect of any demand reduction actions implemented.

#### Section 6 COMMUNICATION PROTOCOLS

#### Law



When the City identifies the need for short-term water use reductions as directed by the Water Shortage Contingency Plan or Annual Assessment, clear and effective communication will be critical to achieve the necessary demand reductions. Methods of public notification include newspaper publications, bill inserts, City website announcements, social media posts, and press

releases or informational campaigns. These public notification methods would be implemented in the event of a Level 2 Water Shortage and would increase in frequency in the event of a Level 3 Water Shortage.

#### Section 7 COMPLIANCE AND ENFORCEMENT

#### Law

10632 (a) (6) For an urban retail water supplier, customer compliance, enforcement, appeal, and exemption procedures for triggered shortage response actions as determined pursuant to Section 10632.2.

Customers who violate the provisions noted in the water code for water shortage conditions shall receive, in accordance with the Amended Hanford Municipal Code Section 13.04.150, the following:

- The first violation shall result in a written notice of the violation from Public Works Department personnel or police department.
- The second violation shall result in a written notice of the violation and a penalty of fifty dollars imposed on the customer's water bill.
- The third violation shall result in a written notice of the violation. Additionally, for unmetered customers, a water meter shall be installed by the city to monitor all water usage on the property. Water meter purchasing cost and installation fees shall be billed to the customer and are due within thirty days of the billing. Metered customers shall have a penalty of one hundred dollars imposed on their water bill.
- The fourth violation shall result in a written notice of the violation and a penalty of two hundred dollar penalty shall be imposed on the customer's water bill.

#### Section 8 LEGAL AUTHORITIES

#### Law

10632 (a) (7)

- (A) A description of the legal authorities that empower the urban water supplier to implement and enforce its shortage response actions specified in paragraph (4) that may include, but are not limited to, statutory authorities, ordinances, resolutions, and contract provisions.
- (B) A statement that an urban water supplier shall declare a water shortage emergency in accordance with Chapter 3 (commencing with Section 350) of Division 1. [see below] (C) A statement that an urban water supplier shall coordinate with any city or county within which it provides water supply services for the possible proclamation of a local emergency, as defined in Section 8558 of the Government Code.

Water Code Section Division 1, Section 350

Declaration of water shortage emergency condition. The governing body of a distributor of a public water supply, whether publicly or privately owned and including a mutual water company, shall declare a water shortage emergency condition to prevail within the area served by such distributor whenever it finds and determines that the ordinary demands and requirements of water consumers cannot be satisfied without depleting the water supply of the distributor to the extent that there would be insufficient water for human consumption, sanitation, and fire protection.

This City has the legal authority to implement and enforce its water shortage response actions and relative penalties, water charge adjustments, and water service alteration or prohibition. City Urgency Ordinance 15-06, which amended the water supply shortage regulations for the City in June 2015, documents the demand reduction measures as well as enforcement protocols.

#### Section 9 FINANCIAL CONSEQUENCES OF WSCP ACTIVATION

#### Law

- 10632 (a) (8) A description of the financial consequences of, and responses for, drought conditions, including, but not limited to, all of the following:
  - (A) A description of potential revenue reductions and expense increases associated with activated shortage response actions described in paragraph (4).
  - (B) A description of mitigation actions needed to address revenue reductions and expense increases associated with activated shortage response actions described in paragraph (4).
  - (C) A description of the cost of compliance with Chapter 3.3 (commencing with Section 365) of Division 1. [retail urban suppliers only]

The activation of the Water Shortage Contingency Plan and related Water Shortage Levels have financial consequences for the City. Reduced water consumption will contribute to reduced revenue, while proactive operational practices will contribute to higher operational and maintenance costs. Currently, the City maintains some funds as rate stabilization reserves as well as approximately 60 days of operating reserves. In addition, the City Council has the authority to increase water rates to offset reduced revenues. These reserve funds or rate modifications have the ability to mitigate financial consequences of the Water Shortage Contingency Plan.

Additionally, potential mitigation actions are documented in Table 9-1. These are preliminary actions and would be evaluated in more detail should a water shortage occur.

Table 9-1 Financial Consequences of WSCP

Stage	Supply Reduction	Financial Consequences	Anticipated Mitigation Actions
0	None	None	Funding provided for supplemental water supply reserve.
1-	10%-20%	Potential increase in O&M expenses and mild reduction in revenue.	Reduce O&M costs and identify supplemental funding sources.
3	21%-35%	Moderate increase to O&M expenses and decrease in revenue.	Defer capital expenditures and consider use of reserves.
2	35%-50%+	Significant increases to O&M and decreases in revenue.	Implement long-term O&M budget reductions.

#### Section 10 MONITORING AND REPORTING

#### Law

10632 (a) (9) For an urban retail water supplier, monitoring and reporting requirements and procedures that ensure appropriate data is collected, tracked, and analyzed for purposes of monitoring customer compliance and to meet state reporting requirements.

Monitoring and reporting as part of the Water Shortage Contingency Plan and Annual Assessment will be based on the metered production and consumption data. Ongoing review of this information, and comparisons to historical data for similar months, will enable the City to monitor the effectiveness of the WSCP measures. Additionally, due to implemented shortage response actions and water shortage levels, the City's Water Department may increase the frequency of reading meters in order to collect, track, and analyze the water use.

#### Section 11 WSCP REFINEMENT PROCEDURES

#### Law

10632 (a) (10) Reevaluation and improvement procedures for systematically monitoring and evaluating the functionality of the water shortage contingency plan in order to ensure shortage risk tolerance is adequate and appropriate water shortage mitigation strategies are implemented as needed

While the WSCP is a standalone document adopted separately from the 2020 UWMP it should be considered a dynamic planning tool and be subject to ongoing refinement efforts as necessary. Following the declaration of a water shortage and implementation of the WSCP, the monitoring and reporting steps described in a previous section will provide valuable insight into the effectiveness of the WSCP. City staff will evaluate the effectiveness of communication protocols, demand reduction actions, operational changes, or financial consequence mitigation. If this review reveals opportunities for procedural refinements or new WSCP actions, City staff may elect to incorporate these items into an amended version of the WSCP.

#### Section 12 SPECIAL WATER FEATURE DISTINCTION

#### Law

For purposes of developing the water shortage contingency plan pursuant to subdivision (a), an urban water supplier shall analyze and define water features that are artificially supplied with water, including ponds, lakes, waterfalls, and fountains, separately from swimming pools and spas, as defined in subdivision (a) of Section 115921 of the Health and Safety Code.

The California Water Code requires urban water suppliers to distinguish between water features that are artificially supplied with water as opposed to swimming pools and spas. The City's current demand reduction actions include this distinction, as documented in a previous section.

#### Section 13 PLAN ADOPTION, SUBMITTAL, AND AVAILABILITY

#### Law

10632 (c) The urban water supplier shall make available the water shortage contingency plan prepared pursuant to this article to its customers and any city or county within which it provides water supplies no later than 30 days after adoption of the water shortage contingency plan.

The WSCP adoption and submittal process, as well as the public availability, are the same as those for the City's UWMP. However, the WSCP may be periodically amended independently from the City's UWMP. Should an amendment to the WSCP be implemented, stakeholder and public notification methods consistent with the UWMP will be performed prior to the adoption of the amended plan

# **APPENDIX A**

Water Shortage Level Comparison

Stage	Precent Supply Reduction	2020 Hanford WSCP  Water Supply	Corresponding Relationship ("crosswalk")	Stage	DWR 6 Standard Water Shortage Levels
1	0-20%	Minor Shortage Potential - Below average rainfall in the previous 12-24 months		1	Up to 10%
		<ul><li>- 10 percent or more of municipal wells out of service</li><li>- Warm weather patterns typical of summer months</li></ul>	•	2	10 to 20%
		Moderate Shortage Potential - Below average rainfall in the previous 24-36 months	<b>*</b>	3	20 to 30%
2	20%-35%	<ul> <li>Prolonged periods of low water pressure</li> <li>10 percent or more of municipal wells out of service</li> <li>Warm weather patterns typical of summer months</li> </ul>		4	30 to 40%
3	35%+	Critical Shortage Potential  - Below average rainfall in the previous 36 months  - Bralanged periods of law water pressure		5	40 to 50%
3	33%∓	<ul> <li>Prolonged periods of low water pressure</li> <li>10 percent or more of municipal wells out of service</li> <li>Warm weather patterns typical of summer months</li> </ul>		6	Greater than 50%

# **APPENDIX D**

Water Rate Structure

#### **RESOLUTION NO. 15-60-R**

# RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HANFORD MODIFYING WATER CHARGES AND RATES FOR THE CITY OF HANFORD WATER SYSTEM

At a regular meeting of the City Council of the City of Hanford duly called and held on the 15<sup>th</sup> day of December, 2015, at 7:00 P.M., and on a motion made by Council Member

Corry, and seconded by Council Member Ayers, and duly carried that the following Resolution be adopted:

WHEREAS, in connection with the providing of water service to the citizens of Hanford and in order to provide sufficient funding for the adequate operation, maintenance and improvement of such water service system, the City of Hanford has established water charges and rates for water services in the City of Hanford Water System (collectively" Charges and Rates"); and

WHEREAS, it has been determined by the City of Hanford that the current Charges and Rates do not provide sufficient funds in order to adequately operate, maintain, and improve the water service system and provide adequate funds to pay debt service for bonds, maintain system facilities, and provide water quality in compliance with the State Water Resources Control Board requirements; and

WHEREAS, the following schedule of new Charges and Rates has been determined to be necessary to provide sufficient funding for the adequate operation, maintenance and improvement of the City of Hanford water service system, such funding to be used to pay the costs of operation, maintenance and improvement of the water system, including but not limited to, operations, personnel and funds to be placed on reserve for future repair, improvements, and replacement of the water service system of the City of Hanford.

WHEREAS, due to the drought conditions affecting the state and the conservation order issued by the state to the City of Hanford, the Council is requiring that all water services served by the City of Hanford be metered and a charge on all flat rate account equivalent to \$13.33 per month for 60 months be added to pay for the installation of a meter and appurtenances to convert all flat rate services to metered services; and

WHEREAS, all notices of the public hearing were published and served by mail as required by law, and the City Council held a public hearing and received written and oral evidence regarding the increase of the Charges and Rates as identified in this Resolution. At the conclusion of the public hearing, all written protests to the increase in the Charges and Rates were counted, and it was determined that the protests submitted were insufficient to prohibit the increase of the Charges and Rates as identified in this resolution.

WHEREAS, the City Council has determined that pursuant to Section 15273(a) of the California Environmental Quality Act Guidelines, modifying water rates for the purposes identified in Section 15273(a) is statutorily exempt from the requirements of the California Environmental Quality Act.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Hanford hereby establishes the following Charges and Rates for the Hanford water service system and shall become effective as identified below. The Charges and Rates that become effective January 1, 2016 shall remain in effect until changed by resolution of the City Council.

# Current and Proposed Water Rates for Metered Water Service Connections Inside the City Limits

	Sep. 1, 2007 (current)	Jan. 1, 2016	July 1, 2016	July 1, 2017	July 1, 2018
	CON	NECTION CHA (per month)	RGES		
All Service Connections	\$6.14	\$2.25	\$2.32	\$2.39	\$2.46
	MET	ER SIZE CHAP (per month)	RGES		
5/8", 3/4", & 1" meter		\$10.00	\$10.90	\$11.88	\$12.95
1-1/2" & 2" meter	_	\$15.00	\$16.35	\$17.82	\$19.42
3" & 4" meter	_	\$25.00	\$27.25	\$29.70	\$32.37
6" meter	" <u>-</u>	\$40.00	\$43.60	\$47.52	\$51.80
8" meter	-	\$60.00	\$65.40	\$71.29	\$77.71
		ONSUMPTION ubic foot "unit			
Rate per 100 cf	\$0.69	\$1.04	\$1.13	\$1.23	\$1.34

# Current and Proposed Water Rates for Flat Rate Water Service Connections Inside the City Limits

	Sep. 1, 2007 (current)	Jan. 1, 2016	July 1, 2016	July 1, 2017	July 1, 2018
	CONN	ECTION CHAR (per month)	GES		
All Service Connections	-	\$2.25	\$2.32	\$2.39	\$2.46
		RATE CHARG			
Rate per gross square foot	\$0.0035	\$0.0058	\$0.0063	\$0.0069	\$0.0075
Flat Rate to Meter Conversion Charge (\$800 over 60 months)		\$13.33			

# Current and Proposed Water Rates for Metered Service Connections Outside the City Limits

	Sep. 1, 2007 (current)	Jan. 1, 2016	July 1, 2016	July 1, 2017	July 1, 2018
		ECTION CHAP			
		1.1× Inside the			
All Service Connections	\$9.21	\$2.48	\$2.55	\$2.63	\$2.71
		ER SIZE CHAR 1.1× Inside the			
5/8", 3/4", & 1" meter	_	\$11.00	\$11.99	\$13.07	\$14.25
1-1/2" & 2" meter	_	\$16.50	\$17.99	\$19.60	\$21.36
3" & 4" meter	_	\$27.50	\$29.98	\$32.67	\$35.61
6" meter	_	\$44.00	\$47.96	\$52.27	\$56.98
8" meter	_	\$66.00	\$71.94	\$78.42	\$85.48
(per 100	WATER CO	ONSUMPTION of water"; 1.1		ity Limits)	
Rate per 100 cf	\$1.04	\$1.14	\$1.24	\$1.35	\$1.47
	PRIVATE FIF	RE PROTECTION (per month)	ON SERVICE		
1-1/2" connection	\$9.10	\$13.50	\$14.72	\$16.04	\$17.48
2" connection	\$11.95	\$18.00	\$19.62	\$21.39	\$23.32
3" connection	\$16.55	\$27.00	\$29.43	\$32.08	\$34.97
4" connection	\$21.00	\$36.00	\$37.24	\$42.77	\$46.62
6" connection	\$33.15	\$54.00	\$58.86	\$64.16	\$69.93
8" connection	\$42.10	\$72.00	\$78.48	\$85.54	\$93.24
10" connection	\$54.10	\$90.00	\$98.10	\$106.93	\$116.55
12" connection	\$69.90	\$108.00	\$117.72	\$128.31	\$139.86
for Flat Rate	Current and Water Service Sep. 1, 2007 (current)	Proposed We Connection  Jan. 1, 2016		e City Limits July 1, 2017	July 1, 2018
	CONN	ECTION CHAR			
All Service Connections	-	\$2.48	\$2.55	\$2.63	\$2.71
		RATE CHARG			
Rate per gross square foot	\$0.0053	\$0.0064	\$0.0069	\$0.0076	\$0.0083
Flat Rate to Meter Conversion (\$800 over 60 months)	Charge	\$13.33			

**BE IT FURTHER RESOLVED** that all other system charges and rates identified in resolution 07-03-R are not modified by this resolution and remain in effect.

PASSED, ADOPTED AND APPROVED this 15 day of December, 2015 by
the following vote:
AYES: Kuss Curry, David Ayers, Juston Mendes
NOES: Gary Pannerty, Francisco Raminez
ABSTAIN:
ABSENT:
JUSTIN MENDES MAYOR of the City of Hanford
Attest:
JENNIFER GOMEZ CITY CLERK
STATE OF CALIFORNIA) COUNTY OF KINGS ) ss CITY OF HANFORD )
I, Jennifer Gomez, City Clerk of the City of Hanford, do hereby certify the foregoing Resolution was duly passed and adopted at a regular meeting of the City Council of the City of Hanford held on the _/
Date:

## **APPENDIX E**

Urban Water Management Plan Adoption Resolution and Notifications

THE SENTINEL
P O BOX 9

HANFORD CA 93232
(559)582-0471

Fax (559)582-2431

#### ORDER CONFIRMATION

Printed at 09/16/21 09:15 by jmora-bk Salesperson: JUAN MORALES Ad #: 46328 Acct #: 7650 Status: New Start: 09/17/2021 Stop: 09/28/2021 CITY OF HANFORD - LEGALS Times Run: \*\*\* ACCOUNTS PAYABLE Times Ord: 2 3STD 2.00 X 4.73 Words: 367 315 N DOUTY ST HANFORD CA 93230 Total 3STD 9.46 Class: H0986 LEGALS Rate: LD Cost: 296.71 # Affidavits: 1 Ad Descrpt: AD# 46328 PUBLIC NOTICE N Contact: Phone: (559)585-2500 Given by: \* Fax#: P.O. #: Email: billing@cityofhanfordca.com Created: jmora 09/15/21 08:07 Last Changed: jmora 09/16/21 09:15 Agency: PUB ZONE EDT TP RUN DATES HSP A 95 S 09/17,25 HSO A 95 S 09/17,28 AUTHORIZATION Under this agreement rates are subject to change with 30 days notice. In th event of a cancellation before schedule completion, I understand that the rate charged will be based upon the rate for the number of insertions used. Name (print or type) Name (signature)

(CONTINUED ON NEXT PAGE)

Status: New

THE SENTINEL
P O BOX 9
HANFORD CA 93232
(559)582-0471
Fax (559)582-2431

#### ORDER CONFIRMATION (CONTINUED)

Salesperson: JUAN MORALES Printed at 09/16/21 09:15 by jmora-bk

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Ad #: 46328

AD# 46328

Acct #: 7650

#### **Public Notice**

#### **Notice of Public Hearing**

NOTICE IS HEREBY GIVEN that the City Council of the City of Hanford, California, will hold an informational session on October 5, 2021 at 5:00 p.m. followed by a Public Hearing on October 5, at 7:00 p.m. or as soon as possible thereafter, in the City of Council Chambers located at 400 Douty Street, Hanford, California to consider the following matter:

PUBLIC HEARING ON URBAN WATER MANAGEMENT PLAN & WATER SHORTAGE CONTINGENCY PLAN FOR 2020

The Hanford City Council will hold a Public Hearing to receive comments from the public on the final draft of the City of Hanford 2020 Urban Water Management Plan (UWMP) and 2020 Water Shortage Contingency Plan (WSCP). The City is preparing its 2020 UWMP to continue to provide adequate water supplies to meet existing and future water demands within Citys Urban Growth Boundary. The 2020 UWMP updates the information in the existing 2015 UWMP and provides an overview of the Citys efficient water uses, water supplies, and demand management measures. Additionally, the 2020 WSCP builds upon previous planning efforts and outlines the Citys plan to address potential future water shortages. At the conclusion of receipt of comments by the public, the Public Hearing will be closed.

Written communications may be filed prior to the Public Hearing. Questions or comments regarding the plans should be emailed to jross@cityofhanfordca.com. The final draft plans are available for review at the City Clerks office at 319 N. Douty Street, Hanford CA, Monday through Friday between the hours of 8:00 a.m. and 4:00 p.m. Further detail may be obtained from the City of Hanford Public Works department at (559) 585-2550. The final draft plan can be viewed and downloaded at: https://www.cityofhanfordca.com

ADOPTION OF THE 2020 URBAN WATER MANAGEMENT PLAN and 2020 WATER SHORTAGE CONTINGENCY PLAN

At the regularly scheduled meeting of the Hanford City Council on October 19, 2021, the City Council will also consider adoption of a resolution approving the City of Hanford 2020 UWMP and 2020 WSCP and directing staff to submit the plan to the State Department of Water Resources.

BY ORDER OF THE CITY COUNCIL OF THE CITY OF HANFORD.

Publish September 17, 25, 2021



#### AGENDA STAFF REPORT

MEETING DATE: 10/5/2021 AGENDA SECTION: A

#### SUBJECT:

Public Works: Authorization to purchase the property located on the north east corner of 8 3/4 Ave. and SJVRR Tracks 600' north of Lacey Boulevard from Harvey Green, in the amount of \$377,000.00 plus escrow fees, Approval of an additional appropriation of \$286,000 from the Storm Drainage Operations Reserves, Approve acceptance of the Grant Deed and Authorization for the City Manager to execute and the City Clerk to attest and file said deeds with the Kings County Recorder's Office, and Approve acceptance of the Right of Way Agreement and Authorization for City staff to execute said agreement. (APN 014-230-017).

#### **RECOMMENDATION:**

That the City Council, by motion:

- 1. Authorize the purchase of property located on the north east corner of 8 3/4 Ave and SJVRR Tracks 600' north of Lacey Boulevard from Harvey Green, as shown on the attached map, in the amount of \$377,000.00 plus escrow fees. A Property appraisal is attached for council review.
- 2. Approve an additional appropriation of \$286,000 from the Storm Drainage Operations Reserves .
- 3. Accept the attached Grant Deed and authorize the City Manager to execute and the City Clerk to attest and file said deeds with the Kings County Recorder's Office.
- 4. Accept the attached Right of Way Agreement and authorize City staff to execute said agreement.

#### **BACKGROUND:**

The City intends to use this property to build a drainage basin for upcoming improvement projects on Lacey. This project is a part of a large improvement project to East Lacey Boulevard. The project will involve the widening and reconstruction of East Lacey Boulevard, between 10th Avenue and Sierra Drive, to facilitate two lanes in each direction of travel plus turn lanes. Improvements will include the reconstruction of existing pavement sections, installation of a new drainage collection/disposal system, installation of curbs, gutters, sidewalks, drive approaches

and ADA ramps, and the installation of a traffic signal system at East Lacey Boulevard / Ninth Avenue.

#### **FISCAL IMPACT:**

The FY 20/21 Transportation Capital Improvement Program Budget provided \$420,000 for land acquisition for this project. An additional appropriation of \$286,000 from Storm Drainage Operations Reserves is required to complete property purchase. A copy of the budget page and Storm Drainage Operations Reserves fund balance is attached for Council review.

#### **ATTACHMENTS:**

APN 014-230-017 AGREEMENT PACKET SIGNED Grant Deed 014-230-017 Harvey Green Packet Appraisal APN 014-230-017 TRIAL BALANCE FOR FUND 0358 PARCEL NO.: 014-230-017

PROJECT: City of Hanford - Lacey Drainage Basin in East Hanford

OWNER: Harvey L. Green, as Trustee of the Harvey L. Green Living Trust

#### PURCHASE AND SALE AGREEMENT

THIS AGREEMENT is made and entered into by and between

Harvey L. Green, as Trustee of the Harvey L. Green Living Trust

(hereinafter called "Grantor"), and

The City of Hanford, a Municipal Corporation,

(hereinafter called "City").

Instruments in the form of a Grant Deed ("Deed") covering the property particularly described in Exhibit "A" which is attached hereto and made a part hereof ("Property"), will be executed on or before the close of escrow. City has served upon Grantor a Notice of Intent to condemn the Property, a copy of which is attached hereto as Exhibit "B" ("Condemnation Notice").

In consideration of which, and other considerations hereinafter set forth, it is mutually agreed as follows:

- 1. The parties have herein set forth the whole of their agreement. The performance of this Agreement constitutes the entire consideration for this Agreement and shall relieve the City and Grantor of all further obligations or claims under this Agreement, or on account of the location, grade or construction of the proposed public improvement on the Property, except as stated in Paragraphs 2.E. and 2.F. below.
  - 2. The City shall:
- A. PAYMENT— On the close of escrow, pay to the order of the Grantor the sum of \$377,000 ("Purchase Price") as consideration in full for the Property, for the loss, replacement and moving of any improvements, and for entering into this Agreement and pursuant to the Condemnation Notice Title to the Property shall be transferred to City free and clear of all monetary liens and encumbrances.
- $\underline{B.}$  RECORDATION OF INSTRUMENT Accept the Deed that will be recorded in the office of the Kings County Recorder at the close of escrow.
- $\underline{\text{C.}}\ \underline{\text{MISCELLANEOUS COSTS}}$  Pay any and all escrow, title insurance, and recording fees incurred in this transaction.

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<u>D. INDEMNIFICATION</u> - Indemnify and hold harmless Grantor from any and all claims, damages, costs, judgments, or liability proximately caused by City or its officers, employees, agents or contractors specifically arising from City construction and restoration work on the Property.

#### 3. The Grantor:

- A. PAYMENT ON MORTGAGE OR DEED OF TRUST Agrees that on the close of escrow, Grantor shall pay all monetary liens and encumbrances recorded against title to the Property. Grantor shall cooperate with the Escrow Officer in obtaining lien releases for any and all monetary liens against the Property.
- <u>B. LEASE INDEMNIFICATION</u> Warrants there are no oral or written leases on all or any portion of the Property, or if there are such leases, Grantor agrees to hold the City harmless and reimburse City for any and all of its losses and expenses occasioned by reason of any lease of said Property held by tenant of Grantor.
- <u>C. PERMISSION TO ENTER</u> Hereby grants to the City, its agents and contractors, permission to enter the Property prior to the close of escrow for the purposes of preparation for the construction of the City's facilities, subject to all applicable terms and conditions contained in this Agreement. No construction shall begin until the day after the close of escrow.
- D. <u>TITLE INDEMNITY AND WARRANTY</u> Grantor hereby represents and warrants that he is the sole vested owner of the Property, holding all ownership and possessory rights, and is the authorized signatory to grant the rights referenced in this Agreement without conflict or claims from other parties.
- E. <u>HAZARDOUS SUBSTANCES</u> Represents and warrants, to Grantor's actual knowledge the following:

During Grantor's ownership of the Property, Grantor knows of no disposal, releases, or threatened releases of hazardous substances on, from, or under the Property. Grantor further represents and warrants that Grantor has no actual knowledge of disposal, release, or threatened release of hazardous substances on, from, or under the Property which may have occurred prior to Grantor's ownership.

To Grantor's actual knowledge, there is no pending claim, lawsuit, agency proceeding, or any administrative challenge concerning the presence or use of hazardous substances on or within the Property.

Grantor has not used the Property for any industrial operations that use hazardous substances. Grantor is not aware of any prior use of such property. Grantor has not installed any underground storage tanks, above ground storage tanks, barrels, sumps, impoundments or other containers used to contain hazardous substances on any part of the Property. Grantor has no actual knowledge of such installations which may have occurred prior to Grantor's ownership of the Property. The purchase price of the Property being acquired reflects the fair market value of

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the Property without the presence of contamination. If the Property is found to be contaminated by the presence of hazardous substances which require mitigation under Federal or State law, City may elect to recover its cleanup costs from those who caused or contributed to the contamination.

CITY ACKNOWLEDGES THAT PORTIONS OF THE PROPERTY HAVE HISTORICALLY USED FOR AGRICULTURAL PURPOSES FOR MANY YEARS. SPECIFICALLY ACKNOWLEDGES THAT VARIOUS PETROLEUM PRODUCTS, FUEL, GASOLINE AND CHEMICALS, INCLUDING FERTILIZERS, HERBICIDES PESTICIDES, CUSTOMARILY USED IN FARMING, SOME OF WHICH MAY, AS OF THE DATE HEREOF, BE CONSIDERED TO BE HAZARDOUS OR TOXIC, MAY HAVE BEEN USED, STORED, MIXED AND APPLIED TO THE PROPERTY IN THE COURSE OF FARMING ACTIVITIES CONDUCTED THEREON. CITY FURTHER ACKNOWLEDGES THAT, EXCEPT FOR GRANTOR'S REPRESENTATIONS, EXPRESSLY STATED IN THIS AGREEMENT GRANTOR HAS MADE NO REPRESENTATION OR WARRANTY OF ANY KIND AS TO THE PRECISE NUMBER OF ACRES OF THE PROPERTY, THE DEVELOPMENT POTENTIAL OF THE PROPERTY, THE CONDITION OF THE PROPERTY OR ITS SOIL OR DRAINAGE CAPACITY, THE QUALITY, QUANTITY, VARIETY, VALUE OR MARKETABILITY OF THE PROPERTY, THE EXISTENCE, TRANSFERABILITY OR VALUE OF ANY MINERAL RIGHTS, OR THE CONDITION OF ANY IMPROVEMENTS OR FIXTURES LOCATED ON THE PROPERTY ON WHICH CITY HAS RELIED OR WILL RELY, DIRECTLY OR INDIRECTLY FOR ANY PURPOSE.

EXCEPT FOR GRANTOR'S REPRESENTATIONS EXPRESSLY STATED IN THE AGREEMENT CITY FURTHER ACKNOWLEDGES THAT (I) CITY IS PURCHASING THE PROPERTY SOLELY IN RELIANCE ON CITY'S OWN INVESTIGATION, (II) NO REPRESENTATIONS OR WARRANTIES OF ANY KIND WHATSOEVER, EXPRESS OR IMPLIED, HAVE BEEN MADE BY GRANTOR AND (III) CITY WILL ACQUIRE THE PROPERTY INCLUDING ANY IMPROVEMENTS AND FIXTURES CONVEYED BY GRANTOR "AS IS" AND WITHOUT EXPRESS OR IMPLIED WARRANTY CONDITION, MERCHANTABILITY OR FITNESS. TO THE MAXIMUM EXTENT PERMITTED BY LAW, THE SALE OF THE PROPERTY AS PROVIDED FOR HEREIN IS MADE ON AN "AS IS, WHERE IS" CONDITION AND BASIS WITH ALL FAULTS, AND **GRANTOR** HAS NO OBLIGATION TO MAKE REPAIRS, REPLACEMENTS. ALTERATIONS OR IMPROVEMENTS TO THE PROPERTY.

F. TAX REPORTING AND WITHHOLDING - The Foreign Investment in Real Property Tax Act of 1980 ("FIRPTA"), as amended by the Tax Reform Act of 1984, places special requirements for tax reporting and withholding on the parties to a real estate transaction where the transferor (Grantor) is a non-resident alien or non-domestic corporation or partnership, or is a domestic corporation or partnership controlled by a non-resident or non-resident corporation or partnership. In accordance with the provisions of Section 1445 of the Internal Revenue Code of 1954, as amended, and any regulations promulgated thereunder, Grantor shall execute an affidavit under penalty of perjury setting forth Grantor's name, address, federal tax identification number, and certifying whether Grantor is a "foreign person" in accordance with the provisions of the

Internal Revenue Code. Further, tax withholding may be required in accordance with the California Revenue and Taxation Code Section 18662. It is specifically understood and agreed by Grantor that closing of the escrow is subject to, and contingent upon, deposit into escrow of a FIRPTA Affidavit of Non-Foreign Status and a California Form 593-C, Real Estate Withholding Certificate and associated required paperwork, completed and signed by Grantor, and Escrow Agent is hereby authorized and instructed to withhold from Grantor's proceeds amounts so required by these laws and to forward any amounts withheld to the appropriate taxing authority.

#### 4. The Parties agree:

A. <u>ESCROW</u> - To open an escrow in accordance with this Agreement at an escrow company of City's choice. This Agreement constitutes the joint escrow instructions of City and Grantor, and the escrow agent to whom these instructions are delivered is hereby empowered to act under this Agreement. The parties hereto agree to do all acts necessary to close this escrow in the shortest possible time, but no later than October 8, 2021.

City agrees to deposit the purchase price and Certificate of Acceptance upon demand of escrow agent. City and Grantor agree to deposit with escrow agent all additional instruments as may be necessary to complete this transaction, including, without limitation, a grant deed duly executed by Grantor. All funds received in this escrow shall be deposited with other escrow funds in a general escrow fund account(s) and may be transferred to any other such escrow trust account in any State or National Bank doing business in the State of California. All disbursements shall be made by cashier's check or wire transfer from such account.

Any taxes which have been paid by Grantor, prior to opening of this escrow, shall be prorated at the close of escrow; provided however, City will not compensate Grantor for any taxes paid by Grantor that are attributable to the post-closing period.

# i) <u>ESCROW AGENT DIRECTIVES</u> - Escrow Agent is authorized to, and shall:

- a) Pay and charge Grantor for any unpaid delinquent taxes and/or any penalties and interest thereon, and for any delinquent assessments or bonds against that portion of Grantor's property subject to this transaction as required to convey title, without the same.
- b) Pay and charge City for any and all escrow fees, charges and costs payable under Paragraph 2.C. of this Agreement;
- c) Disburse funds and deliver the grant deed when conditions of this escrow have been fulfilled by City and Grantor.
- d) Following recording of the grant deed from Grantor, if requested by City, provide City with a CLTA Standard Coverage Policy of Title Insurance in the amount of \$377,000 issued by Title Company of City's choice showing that title to the Property is vested in City, subject only to the following exceptions, and the printed exceptions and stipulations in said policy:

- 1) Real Property Taxes for the fiscal year in which escrow closes;
- 2) Public utility easements and public rights of way;
- 3) Other items that may be approved in writing by City in advance of the close of escrow.
- ii) <u>CLOSE OF ESCROW</u> The term "close of escrow", if and where written in these instructions, shall mean the date necessary instruments of conveyance are recorded in the office of the County Recorder. Recordation of instruments delivered through this escrow is hereby authorized.
- <u>B. MISCELLANEOUS REALTY ITEMS ACQUIRED</u> Payment in Clause 2.A. includes payment for 9.92 acres of AL-10 Limited Agriculture farmland, and is considered to be realty being acquired by the City in this transaction and under threat of condemnation.
- C. JUDGMENT IN LIEU OF DEED Except as a result of City's breach of this Agreement, in the event Grantor does not deliver title to the Property at close of escrow, the City shall file an action in eminent domain to pursue the acquisition of the Property, and this Agreement shall constitute a stipulation which may be filed in said proceedings as final and conclusive evidence of the total amount of damages for the taking, including all of the items listed in Section 1260.230 of the Code of Civil Procedure, regarding said property rights.
- <u>D. ARTICLE HEADINGS</u> Article headings in this Agreement are for convenience only and are not intended to be used in interpreting or construing the terms, covenants and conditions of this Agreement.
- <u>E. COMPLETE UNDERSTANDING</u> This Agreement constitutes the entire understanding between the parties with respect to the subject matter hereof, superseding all negotiations, prior discussions, and preliminary agreements or understandings, written or oral. This Agreement may not be amended except in writing by the parties hereto or their successors or assigns.
- <u>F. CITY COUNCIL APPROVAL</u> This Agreement is subject to and conditioned upon approval by the Hanford City Council. This Agreement is not binding upon the City or Grantor until executed by the appropriate City official(s) acting in their authorized capacity.
- <u>G. COUNTERPARTS</u> This Agreement may be executed in counterparts, each of which so executed shall irrespective of the date of its execution and delivery be deemed an original, and all such counterparts together shall constitute one and the same document.
- <u>H. ELECTRONIC AND FACSIMILE SIGNATURES</u> In the event that the parties hereto utilize electronic or facsimile documents which include signatures, such documents shall be accepted as if they bore original signatures provided that documents bearing ORIGINAL SIGNATURES are provided following transmittal of the electronic or facsimile signature. Documents for recordation by the Clerk Recorder must contain original signatures.

2021-09-22 Grantor Revisions

- <u>I. NO THIRD-PARTY BENEFICIARIES INTENDED</u> Unless specifically set forth, the parties to this Agreement do not intend to provide any other party with any benefit or enforceable legal or equitable right or remedy.
- J. <u>BINDING EFFECT</u> This Agreement shall inure to the benefit of and constitute a binding obligation upon the successors and assigns of the parties hereto.

K. GOVERNING LAW - This Agreement is governed by California law.

No Obligation Other Than Those Set Forth Herein Will Be Recognized.

The Obligation Other Than Those Set Forth Herein Will Be Recognized.
GRANTOR:
By: Harvey L. Green, as Trustee of the Harvey L. Green Living Trust  Date: 9/27/202
GRANTOR'S ADDRESS: Harvey L. Green, as Trustee of the Harvey L. Green Living Trust P.O. Box 3165 Pismo Beach, CA 93448

CITY OF HANFORD

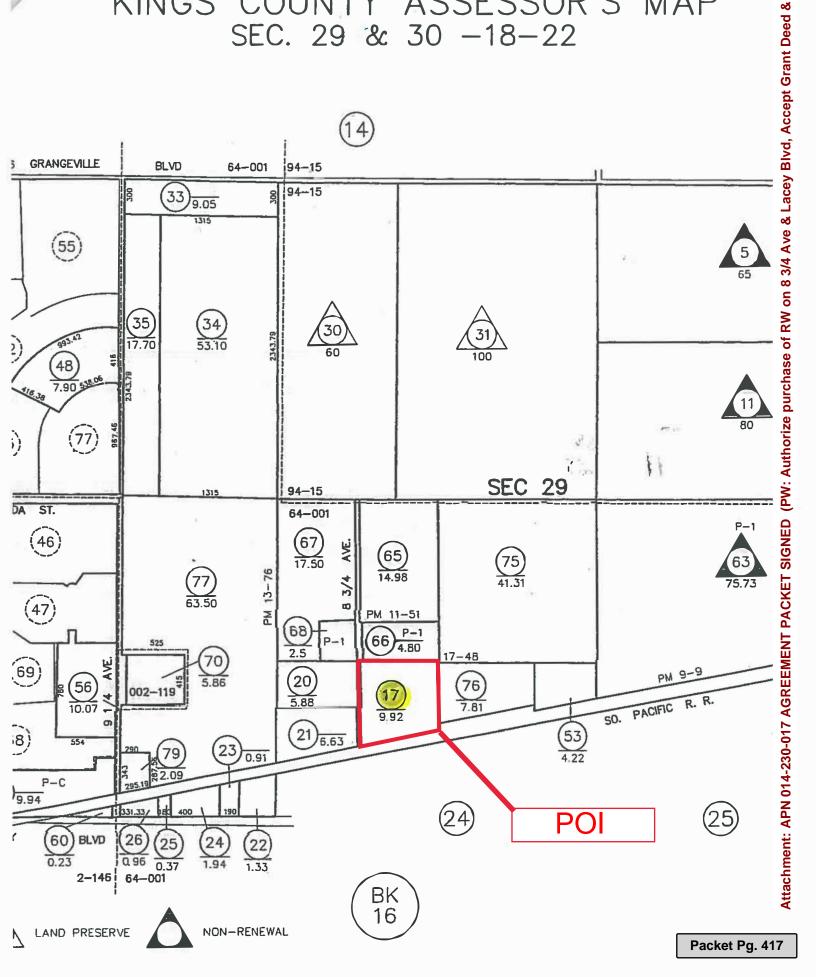
By:	Date:
Name:	Dutc.
Title:	

MAILING ADDRESS OF CITY:

The City of Hanford Public Works Department 900 S. 10<sup>th</sup> Avenue Hanford, CA 93230

# EXHIBIT "A" LEGAL DESCRIPTION OF PROPERTY

# KINGS COUNTY ASSESSOR'S MAP SEC. 29 & 30 -18-22



# Property Description 014-230-017-000

17.A.a

All that portion of the East Half of the Southwest Quarter (SW1/4) of the Southwest Quarter (SW 1/4) of Section 29, Township 18 South, Range 22 East, Mount Diablo Base and Meridian, in the County of Kings, State of California, lying North of right of way of Southern Pacific Railroad where said right of way is now located.

EXCEPTING that portion as described in the legal description, Exhibit "A", of Document Number 1816590, recorded on September 28, 2018, in the Official Records of Kings County, specifically described as follows: That portion of the East-half of the Southwest-quarter of the Southwest-quarter of Section 29, Township 18 South, Range 22 East, Mount Diablo Meridian, in the County of Kings, State of California, described as follows: COMMENCING at the Southwest Comer of said Section 29, marked with a 2-1/2" brass cap, stamped "LS 4375", per Kings County Comer Record 1391; thence along the West line of said Section 29, North 00°23'40" East a distance of 531.50 feet, to the northerly right-of-way of the San Joaquin Valley Railroad, (200-feet wide); thence along said northerly Right-of Way, North 79°35'49" East a distance of 1,273.56 feet, to the true POINT OF BEGINNING; thence continuing along said northerly right-of-way, North 79°35'49" East a distance of 73.33 feet, to the east line of said East-half of the Southwest-quarter of the Southwest-quarter; thence along said east line, North 00°24'17" East a distance of 4.30 feet; thence South 76°20'06" West a distance of 74.26 feet, to the POINT OF BEGINNING. The above described parcel contains 155 square feet, more or less. Bearings and distances in the above description are based on the California Coordinate System 1983, Zone 4, Epoch 2007.00, as shown on Record of Survey recorded in Volume 24 of Licensed Surveyors' Plats at Page 8, Kings County Records. Divide grid distances herein above by 0.999945000 to obtain ground level distances.

# EXHIBIT "B" CONDEMNATION NOTICE



### CITY OF HANFORD

## Department of Public Works

900 South 10th Ave. • HANFORD, CA 93230-5234 • (559) 585-2550

September 2, 2021

Re: Lacey Drainage Basin in East Hanford

Mr. Harvey Green,

The City of Hanford sent a letter to you dated August 19, 2021. Through that correspondence, you were provided an appraisal (Palmer Appraisal) prepared by James G. Palmer Appraisals, Inc., a Purchase and Sale Agreement (Purchase Agreement) outlining the City's last, best, and final offer, and an eminent domain pamphlet. The letter informed you that the City had exhausted all remedies available to acquire the land through a voluntary acquisition.

Pursuant to Government Code § 7267, et seq., the City made an offer to acquire the real property known as Kings County Assessor's Parcel Number 014-230-017. The amount offered by the City was determined by the Palmer Appraisal.

You have not signed the Purchase Agreement, and the City intends to acquire the subject project for purposes of public infrastructure construction. As a result, the City submits this letter as notice of its intent to condemn the property. The City will move forward with the adoption of a Resolution of Necessity if an agreement is not reached.

It remains the City's desire to acquire the property through a voluntary purchase. Please contact me at (559) 585-2562 or tdihel@cityofhanfordca.com to continue the acquisition of your property.

Sincerely,

Taylor C. Dihel, PE Associate Engineer

Taylor Dihel

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

CITY OF HANFORD 900 S. 10<sup>th</sup> Ave. Hanford, CA 93230

SEND TAX STATEMENTS TO:

CITY OF HANFORD 315 N. Douty Street Hanford, CA 93230

## **GRANT DEED**

Exempt from Recording Fees Pursuant to Gov. Code Section 27281 and Documentary Transfer Tax Pursuant to Revenue and Taxation Code Section 11922

☐ Computed on full value of property conveyed, or
☐ Computed on full value less liens & encumbrances
remaining thereon at time of sale.

Signature of declarant or agent determining tax, firm name

Assessor's Parcel No. 014-230-017

X City of Hanford County of Kings

**FOR A VALUABLE CONSIDERATION,** receipt of which is hereby acknowledged, Harvey L. Green, as Trustee of the Harvey L. Green Living Trust, **hereby GRANT(S)** to the City of Hanford, a municipal corporation, the following described real property in the County of Kings, State of California:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART OF HEREOF

Dated:	
	HARVEY L. GREEN

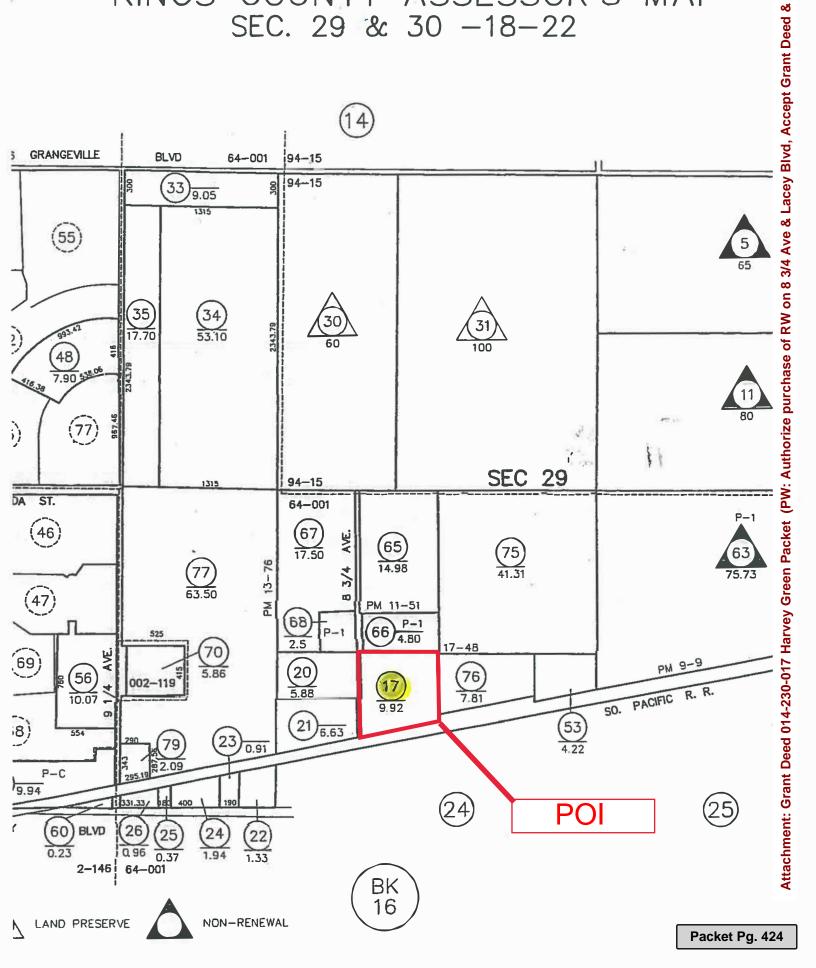
## CERTIFICATION OF ACCEPTANCE

This is to certify that the interes	st in real property conveyed by this	Grant Deed	dated
from	to the City of Hanford, a municip	oal corporati	on, is
hereby accepted by order of the Council of	of said City of Hanford on	, 20	_ and
the Grantee consents to the recordation th	nereof.		
DATED:			
	MARIO CIFUENTEZ II	 City Manage	

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )
COUNTY OF KINGS ) ss.
On August, 20, before me,, a
notary public, personally appeared, who proved to me
on the basis of satisfactory evidence to be the person(s) whose name is/are subscribed to the within
instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized
capacity(ies) and that by his/her/their signature on the instrument the person(s) or the entity(ies)
upon behalf of which the person(s) acted, executed the instrument
I certify under PENALTY OF PERJURY under the laws of the State of California that the
foregoing paragraph is true and correct.
WITNESS my hand and official seal.
(SEAL)
NOTARY PUBLIC

# KINGS COUNTY ASSESSOR'S MAP SEC. 29 & 30 -18-22



# Property Description 014-230-017-000



All that portion of the East Half of the Southwest Quarter (SW1/4) of the Southwest Quarter (SW 1/4) of Section 29, Township 18 South, Range 22 East, Mount Diablo Base and Meridian, in the County of Kings, State of California, lying North of right of way of Southern Pacific Railroad where said right of way is now located.

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INVESTMENT SUBDIVISION LAND NEC 8 3/4 & UNION PACIFIC RAILROAD HANFORD, CA



JAMES G. PALMER
APPRAISALS INC.

# APPRAISAL REPORT OF INVESTMENT SUBDIVISION LAND NEC 8 3/4 AVENUE & UNION PACIFIC RAILROAD HANFORD, CA 93230

PREPARED FOR
MR. TAYLOR C. DIHEL
CITY OF HANFORD PUBLIC WORKS
900 SOUTH 10<sup>TH</sup> AVENUE
HANFORD, CA 93230

PREPARED BY
JAMES G. PALMER, MAI
JAMES G. PALMER APPRAISALS, INC.

EFFECTIVE DATE OF VALUE JULY 29, 2021 EFFECTIVE DATE OF APPRAISAL JULY 29, 2021



July 7, 2021

Mr. Taylor C. Dihel City of Hanford Public Works Department 900 South 10<sup>th</sup> Avenue Hanford, CA 93230 1285 W. Shaw Suite 108 Fresno, CA 937 T 559.226.502 F 559.226.506 jgpinc.com

Re:

Investment Subdivision Land NEC 8 3/4 Avenue & Union Pacific

Railroad

Hanford, CA 93230

Dear Mr. Dihel:

In accordance with your request, I have appraised the above-mentioned real property, more particularly described in the enclosed appraisal report. The value opinion reported is qualified by certain definitions, limiting conditions, and certifications set forth in the enclosed report.

The purpose of the appraisal was to arrive at an opinion of the market value of the fee simple title to the land. The value is to be used for acquisition of the land. The date of valuation is as of July 1, 2021. In my opinion, the fair market value for the real property is:

## **\$377,000.00**

I hereby certify I have no present or future intended interest in the property, and that neither the fee nor employment for this assignment was contingent upon the value reported herein. This letter must remain attached to the report in order for the value opinion set forth to be considered valid.

This appraisal is only valid for the purpose for which it is intended. It is invalid for a third party use or to establish a sales price for limited partners or syndication. Unless prior arrangements have been made with me, the right to photocopy all or part of this appraisal is strictly prohibited. Thank you for this opportunity to be of service. Sincerely,

James G. Palmer, MAI

AG002881

JP/dlt/w:9542

# Contents

Introduction	Executive Summary
1	Purpose of Appraisal
1	Property Rights Appraised
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4	Location
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18	Improvements Description
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24	Final Value Opinion and Total Compensation
25	Exposure Time
Certifications	
Qualifications	

**Limiting Conditions** 

Addenda

Subject Photographs Comparable Sales Profiles

## **Executive Summary**

PROPERTY DESCRIPTION	
Property Name	Investment Subdivision Land
Address	9981 8 ¾ Avenue
City, State, Zip	Hanford, CA 93230
County	Kings
MSA	Hanford – Corcoran
Property Type	Investment Subdivision Land
Site Description	
Site Area	9.920 Acres
Location	NEC 8 3/4 & Union Pacific Railroad
Orientation	Interior
Shape	Irregular
Zoning	AL-20
Description	Agricultural
Flood Zone	Zone X
Improvement Description	
Building Area	N/A
Real Estate Tax Data	
Assessor Parcel Number(s)	014-230-017-000
<b>Total Assessed Value</b>	\$ 29,339.00
Real Estate Taxes	\$ 329.62
MARKET BOUNDARIES	
North	Grangeville Blvd.
South	Lacey Blvd.
East	8th Avenue
West	10th Avenue
HIGHEST & BEST USE	
Land as Vacant	To be developed Residential.
Property as Improved	N/A
PROPERTY VALUATION	
Valuation Type	Fee Simple
Sales Comparison Approach	\$ 377,000.00
Cost Approach	Not Applicable
Income Approach	Not Applicable
Final Value Opinion	\$ 377,000.00
APPRAISAL DATES	
Inspection Date	July 1, 2021
Report Date	July 29, 2021
Date of Valuation	July 29, 2021
Exposure Time	12 - 24 Months
_	

## APPRAISAL REPORT

#### I. Purpose of Appraisal:

The purpose of the appraisal is outlined in the covering letter. The definition of "market value" is:

"The fair market value of the property taken is the highest price on the date of valuation that would be agreed to by a seller, being willing to sell but under no particular or urgent necessity for so doing nor obliged to sell, and a buyer, being ready, willing, and able to buy but under no particular necessity for so doing, each dealing with the other with full knowledge of all the uses and purposes for which the property is reasonably adapt, able, and available. "Code of Civil Procedure – §1263.320"

## II. <u>Property Right Appraised:</u>

The property right is the fee simple estate. The definition follows:

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat." (The Dictionary of Real Estate Appraisal, third edition, pub. 1993)

## III. <u>Function of Appraisal:</u>

The appraisal is to be used to establish a purchase price.

## IV. <u>Scope of Appraisal:</u>

The scope of this report includes:

- 1) A physical inspection of the property.
- 2) Interviews with persons considered knowledgeable as to real estate values in the area.

Investment Subdivision Land 9981 8 ¾ Avenue Hanford, CA (9542) - July 2021 Page 1

## **LOCATION MAP**



- 3) Inquiry into and documentation of current data.
- 4) Analysis of the data obtained and correlation of the findings into final value estimates.

The data contained in this report was obtained from a variety of sources, is considered reliable, and has been utilized to document the valuation conclusions.

The parcel is vacant and unimproved potential subdivision land. It has no developed water supply. It is in the County but in the sphere of influence of the City.

The client is the City of Hanford. The intended users are city officials. The intended use is to establish a purchase price. The type of value is defined in Section 1 of this report. The effective date of value is July 29, 2021. Property characteristics are discussed throughout the appraisal report. These are no extraordinary assumptions or hypothetical conditions relevant to this assignment.

In arriving at an opinion of the value of the property, all three traditional approaches to value will be considered. These include the Sales Comparison, Cost and Income Capitalization Approaches.

The remainder of this report will outline and describe the property's physical characteristics and the valuation methods and procedures utilized in arriving at a final value opinion.

### V. <u>Legal Description:</u>

None furnished. Please refer to the title report.

### VI. Assessor's Parcel Number:

APN 014-230-017-000, County of Kings, State of California.

### VII. Ownership:

Records of the County Assessor show title to be vested in the name of Harvey L. Green, Living Trust.

### VIII. <u>Property Address:</u>

9981 8 3/4 Avenue, Hanford CA 93230

### IX. <u>Map Designations:</u>

Census Tract: 8.00/3

**Seismic Zone:** 3 – Area of Moderate Damage Reference

ISO Earthquake Zones, 1981

**Flood Hazard Area:** Zone X

### X. Assessed Value:

In 1978, California voters passed Proposition 13, which was also known as the Jarvis-Gann Initiative. This proposition was predominantly designed to decrease the tax burden on individual property owners and to restrict the increase in property value assessments to a maximum of 2% per year. Beginning in 1981/82, all real property in the State of California was assessed at its full cash value. Full cash value is equal to the market value as determined by the appraisal staff of the County Assessor's office. Under Proposition 13, all assessments were rolled back to their 1975/76 levels and this became the new tax basis. Re-assessment is only allowed when a property is sold or substantially changed or modified. The predominant tax rate is based upon 1% of the assessed value, plus any local county, city, or special district bonds. The annual

property taxes are calculated by applying the tax rate for the area to the total assessed value of the property, including land, improvements, and personal property items.

Proposition 13 was initially designed to protect elderly property owners who are on fixed incomes and assure them that their property would not be assessed at a rate which exceeded the ability to pay taxes.

This type of unique tax system has caused several interesting phenomenon in the California real estate market. In the first instance, since assessments are only allowed to increase by a maximum of 2% per year, actual market appreciation often exceeds the increase in the assessed value. Thus, when a property transfer does occur, it is reassessed and, therefore, a tremendous increase in property taxes typically occurs. This situation also leads to a second interesting phenomenon. Due to the fact that a full cash value assessment can only occur after a transfer of ownership, taxes can vary greatly from property-to-property in the same neighborhood and on similar property types. Thus, when appraising property in the State of California, it is important to be sensitive to the Proposition 13 restrictions and re-analyze the taxes, assuming that a transfer of the property were to occur.

Total Assessments	\$	29,339.00
Taxes	\$	329.62
Year	202	0

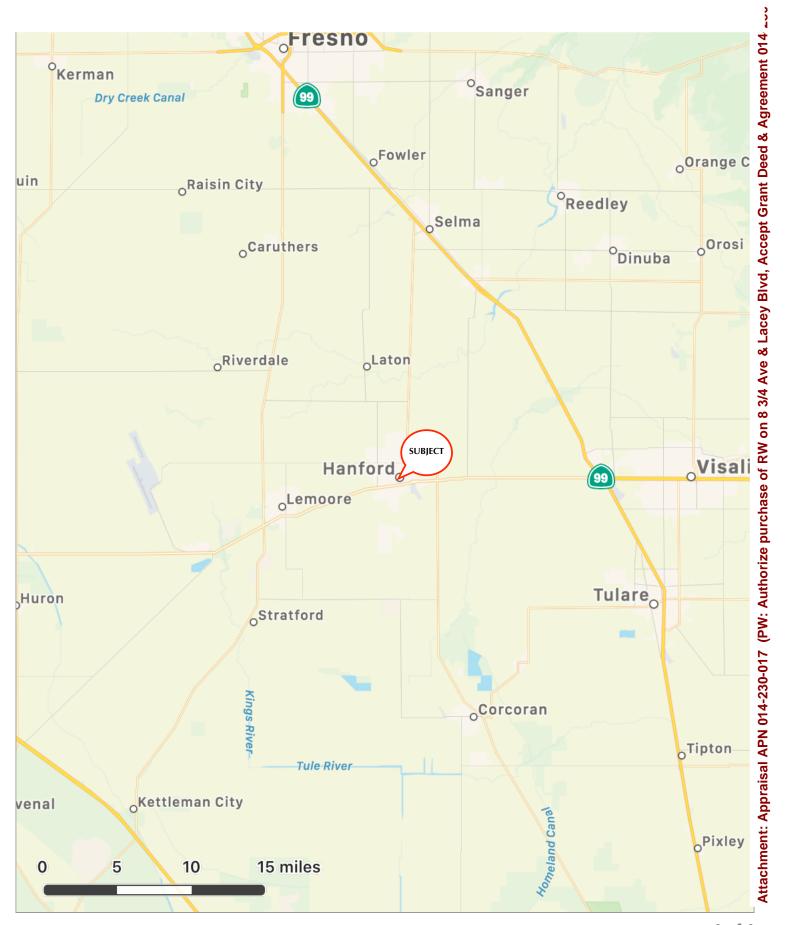
### XI. <u>Location:</u>

The parcel is situated at the northeast quadrant of 8 <sup>3</sup>/<sub>4</sub> Avenue and the Union Pacific Railroad.

### XII. <u>Sales History:</u>

The parcel has not been involved in any market transactions within the past 3 years.

### **REGIONAL MAP**



### XIII. <u>Regional Description:</u>

### Introduction

The primary purpose in analyzing the region is to convey an understanding of the primary forces that influence value. This analysis is particularly useful in providing a background for the various value influences on the subject property, as well as forecasting possible future trends in property value and use. In general, the four factors that influence value can be summarized into four categories:

- Environmental Forces
- Social Forces
- **❖** Economic Forces
- **\*** Government Forces

Environment forces or "physical factors" are the natural and man-made features which affect the subject property and the surrounding area that it is located.

Social forces primarily influence property values through various population characteristics. It is very important to analyze an area's population with respect to growth and decline, standards and requirements, as well as moral factors.

Economic forces tend to affect property values based upon the overall financial strength and viability of the region where the subject is located. When considering environmental forces, factors such as supply and demand, employment, expansion and economic base are considered.

Government forces can also have a great impact on property values through development policies, political climates, public services, and various other laws and restrictions.

It is important to analyze each of these four forces, as well as their associated characteristics, in order that a determination may be made as to specific impacts

or influences on property values.

### **Kings County - Geographic**

Kings County is situated in the center of the State of California in the central San Joaquin Valley. It was formed in 1893 from the western part of Tulare County. In 1909, 208 square miles were added to its boundaries from Fresno County. Kings County also serves as home to Lemoore Naval Air Station, which is the US Navy's newest and largest master jet air station. The following map depicts the location of the county within the State of California.



The property is located in the County of Kings, State of California. Kings County is the 34<sup>th</sup> largest county in the State of California. The City of Hanford is the county seat and is the metropolitan trade area for the entire county. Most of the county offices are located in the downtown district, with branch offices located throughout the county. The US Census Bureau also defines Kings County as encompassing the entire Hanford Corcoran Metropolitan Statistical Area (MSA).

Kings County contains approximately 1,390 square miles and is in the central sector of the State. It borders the counties of Tulare and Kern on the west and north, Fresno on the south, and Monterey on the east. The elevation varies from approximately 175' at Tulare Lake to 3,500' at the Kings/Monterey County Boundary.

The climate in the Kings County area is considered to be mild, ranging from a yearly average low of 51° to an average high of 63°, with an annual precipitation of 9.51″, which comes principally during the months of November through April. Winters are generally mild with prevailing sunny weather. The summers are hot with temperatures ranging between 80° and 110°.

### **Kings County - Social**

Kings County is diverse in nature and is ranked 32<sup>nd</sup> by the US Census Bureau in population among California's 58 counties. Within the county are 4 incorporated cities and 12 unincorporated communities.

According to the Department of Finance, Kings County had a 2016 population of approximately 149,107 and has increased to 153,608 as of January 2020. This represents a 3.02% increase since 2016. This equates to approximately 0.60% per year. The following chart depicts population figures for the county:

AREA	2016	2017	2018	2019	2020
Avenal	12,299	12,359	13,101	13,214	13,189
Corcoran	22,385	21,422	21,290	21,595	21,302
Hanford	56,320	57,111	58,048	58,907	59,349
Lemoore	25,664	25,707	25,916	26,254	26,509
Balance Of County	32,439	32,244	32,622	33,025	33,259
Incorporated	116,668	116,599	118,355	119,970	120,349
County Total	149,107	148,843	150,977	152,995	153,608

Source: California Department of Finance

Most recreation and tourism revenue is obtained from proximity to Yosemite, Sequoia, and Kings Canyon National Parks in the Sierra Nevada Mountain Range. All are located within a 2-hour drive from Kings County.

### **Kings County - Economic**

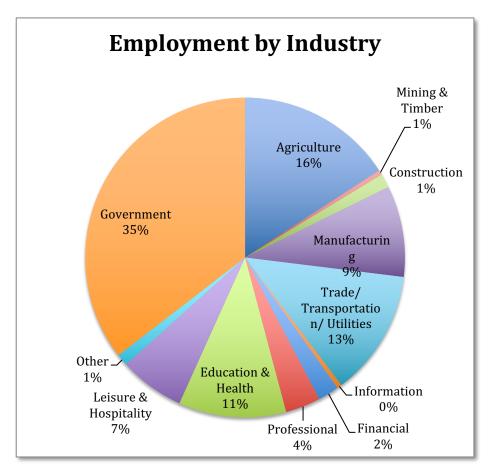
Economic forces tend to relate to the overall financial strength and condition of the region and area. It is important to consider such factors since they have a direct impact on development, affordability and employment.

The economic base of Kings County is predominantly agriculturally oriented since Kings County is one of the largest agriculture-producing counties in California. Milk, cotton, livestock, tomatoes and pistachios are among the largest income producers and helped produce a gross farm income of \$2.002 billion in 2016, a decrease of 1.00% over the prior year. Industry related to agriculture, wholesale distribution, recreation, and tourism are the other components of the stable Kings County economy.

Industries related to agriculture include processing of fresh fruit, nuts and citrus. Farm machinery products, implements, and irrigation pumps are manufactured, along with wine, fertilizers, insecticides, sheet and bottle glass.

While the government tends to be the largest single employer in the County of Kings, there are also a number of private sector employers as well. Major employers in the private sector include Adventist Health, Central Valley Meat Company, Conagra Foods, Del Monte Foods, Exopack, JG Boswell Company, Kings Waste & Recycling, Leprino Foods, SK Foods and Warmerdam Packing. Most of the aforementioned are ag-related. When combined, public and private sector employers account for a significant number of jobs within Kings County.

Although agriculture serves as the primary economic base, there are a number of other industries that make large contributions to the economic base. The following chart outlines the various market segments that are occupied by the major industries in the county:



The above chart clearly shows that agriculture is a major employment sector in the county. However, government, trade and transportation and education and healthcare are the three other major industries in the county. Combined with agriculture, these four industries occupy approximately 75% of all employment sectors in the county.

The unemployment rate in Kings Co. was 16.70% as of September 2020. This was significantly higher than the prior month as well as the overall unemployment rate for the same period in 2019. The increase is directly related to the mandatory state lockdowns resulting from COVID-19. In addition, the number of persons dropping out of the workforce has also impacted the calculation of the unemployment rates. The following chart outlines average unemployment rates since 2016 and into 2020.

PERIOD	RATE
2016	10.0%
2017	8.9%
2018	7.9%
2019	7.9%
Apr 2020	17.0%
May 2020	15.6%
Jun 2020	14.4%
Jul 2020	13.0%
Aug 2020	10.1%
Sep 2020	10.3%

Unemployment rates have ranged from approximately 6% to 19% since 2008, with the average unemployment rate of 7.9% for 2019. The unemployment rate remained stable between 2018 and 2019. The decrease in unemployment can be attributed to changes in economic conditions in the local, state and national economies as well as a decline in the labor force. The unemployment rate has fluctuated from approximately 6.0% to 9.0% throughout the past year and it is expected that the unemployment rate will continue to fluctuate due to economic uncertainties. In recent months, the unemployment rate spiked substantially related solely to the State lockdown and the COVID-19 pandemic.

Apart from agriculture, education and medical account for the other primary employment sectors in the region. The total labor force within the metropolitan area is 55,213, slightly below that of the same period in 2019. The decline is related to the COVID-19 pandemic. A listing of major private sector employers in the county is as follows:

EMPLOYER	INDUSTRY	EMPLOYEES
Marquez Brothers	Dairy/ Cheese	1,500
Adventist Health	Healthcare	857
Palace Casino	Gaming	800
Leprino Foods	Whey/ Cheese	670
Paramount Farms	Fruit/ Nut	600
Del Monte Foods	Processing	435
JG Boswell Co.	Farm/ Agriculture	375
Exopack	Packaging	306
The Sentinel	News	220
Corcoran Hospital	Healthcare	103

Investment Subdivision Land 9981 8 ¾ Avenue Hanford, CA (9542) - July 2021 Page 10 The above chart lists major private sector employers within Kings County. While government is historically a large employer in most counties, it is interesting to note that Kings County is home to two (2) prisons including Avenal State Prison and Corcoran Prison. Combined, these facilities employ upwards of 4,200 persons. In addition, Kings County serves as home to Lemoore Naval Air Station, which employs approximately 9,000 military and civilian personnel.

### **Kings County - Transportation**

Interstate 5 along with State Highways 33, 41, 43 and 198 provide major freeway transportation in the county and carry large volumes of private and public commercial traffic. Railroad transportation within Kings County consists of both the Union Pacific Railroad and the Burlington Northern -Santa Fe Railroad. These railroads provide freight service to northern and southern California. Amtrak provides limited passenger service from Hanford to both Los Angeles and the San Francisco Bay area. Commercial air transportation is provided via the Visalia Municipal Airport and the Fresno Yosemite International Air Terminal. Several large carriers, as well as several small commuter airlines provide service. Airlines at both airports provide both passenger and freight service. There is a general aviation airport in Hanford.

### **Kings County - Government**

Kings County is a general law county under the California State Constitution and does not have a county charter. The government in Kings County consists of 5 supervisory districts with one supervisor elected from each district, and a county administrative officer who is responsible to the Board of Supervisors. The board elects its own chair and vice chair on a rotating basis. There are no term limits in effect.

### XIII. <u>City Description:</u>

### City of Hanford

The City of Hanford is located in the central San Joaquin Valley and is located within the south central portion of the State of California, approximately 210 miles south of the San Francisco Bay Area and 195 miles north of the Los Angeles metropolitan area.

The City is situated in the northeast sector of Kings County. Hanford was incorporated in 1891 and has since grown to encompass approximately 13.1 square miles. Hanford is primarily accessible from Highways 43 and 198, which extends through its boundaries.

### **Population**

As of January 2020, Hanford had a population of 59,349. The following shows the historical growth rate for the community in comparison to the County of Kings as well as the State of California.

AREA	2015	2016	2017	2018	2019	2020	∆%
Hanford	55,921	56,320	57,111	58,048	58,907	59,349	1.23
Kings County	149,292	149,107	148,843	150,977	152,995	153,608	0.58

The city's population has grown at an average rate of 1.23% annually since 2015. These figures are considerably higher in comparison with the county. Hanford has grown at a rate that exceeds the general growth of the state.

According to the State of California, the population within the county is expected to grow at a rate of 1.60% per year through 2025, which is slightly above the historic growth patterns. While growth has slowed within the community in recent years, it is expected that the community will remain consistent with the County and is expected to continue to outpace the County as well as the state of California.

### **Employment**

The total labor force in the community is approximately 24,246 persons. Most of the people work within the Hanford and outer lying areas. As of September 2020, the unemployment rate within the community was 10.2%. This was a slight increase over the prior month, which was primarily due to seasonal employment.

Jobs within the community are concentrated within the education and retail industries. The top employers within the city are as follows:

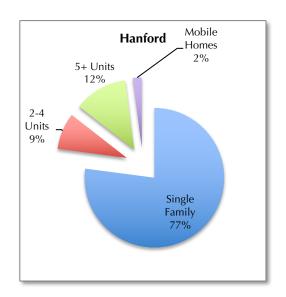
Ranking	Company	Description	Employees
1	Marquez Brothers Intl.	Cheese & Dairy	1,500
2	Kings County	Government	1,100
3	Adventist Health	Healthcare	857
4	Walmart	Department Store	650
5	Hanford Elementary School Dist.	Education	520
6	Del Monte	Tomatoes	435
7	Exopack	Packaging	306
8	Kings Community Action	Community Service	300
9	The Sentinel	Newspaper	220

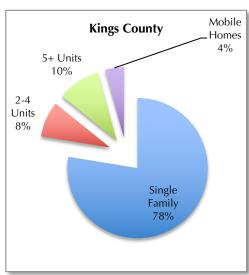
Median household income in Hanford is above that of Kings County in terms of both absolute income as well as income gains. Hanford's median income rose approximately 47.22% between 2000 and 2017 indicating an annual increase of 2.95%, which exceeded that Kings County. While income growth was above that of the State in terms of percentage, the total dollar amount was below that of the same for the State.

	Median House	ehold Income	
Area	2000	2017	Annual Change
Hanford	\$37,582	\$55,327	2.95%
Kings County	\$35,749	\$49,742	2.44%
California	\$46,802	\$67,169	2.80%

### Housing

Hanford has a mixture of old and new housing within the community. Approximately 77% of the total are attached and detached single-family housing units, which is slightly more than the county average.

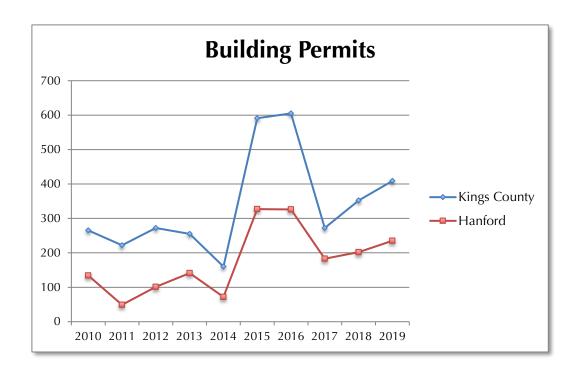




Approximately 59% of housing in Hanford is owner-occupied, while the balance is renter occupied. Residential development in the community has been consistent over the past 5 to 10 years as evidenced by the population growth.

According to the State Department of Finance, Hanford had a total of 20,353 housing units as of January 2020. Over the past decade, the community has added 1,729 housing units reflecting over an 9% overall gain. This gain was slightly better than that of the county, which also experienced an approximate 6% gain during the same period.

Construction within the community was relatively high in comparison to Kings County. The following graph summarizes residential building permit activity since 2000.



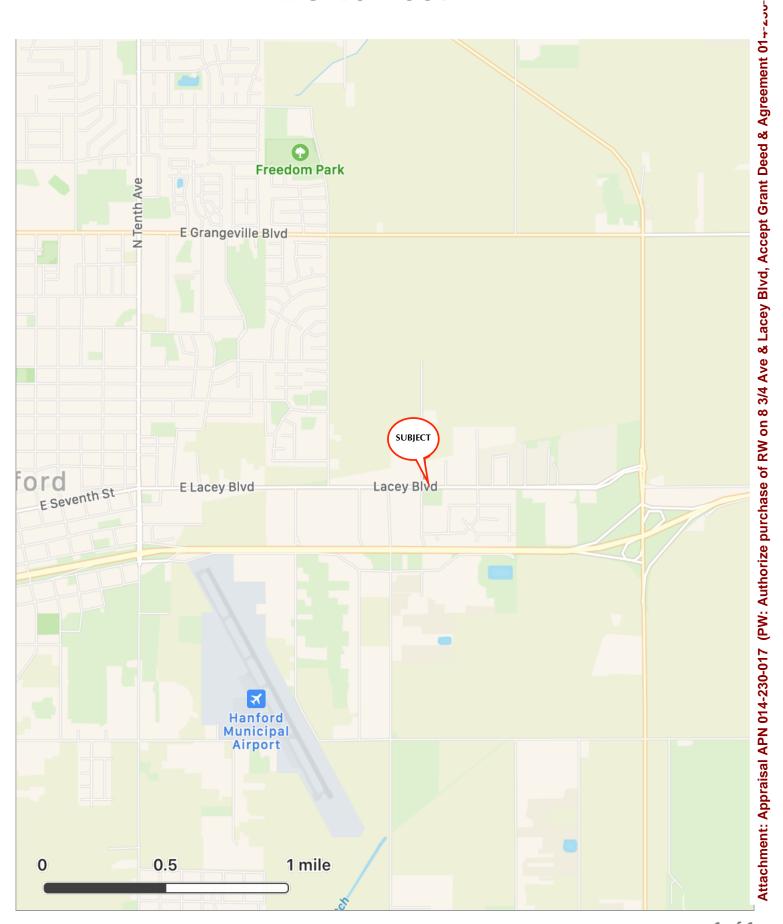
As evidenced by the above chart, construction activity in Hanford declined between 2007 and 2009 coinciding with the financial turbulence in the national and state economies. Both the city and county experienced up ticks in 2010 and again between 2011 and 2013. A sharp decrease was experienced in 2016 that has appeared to level off in 2017 and 2018. Activity increased slightly in 2019.

### **Transportation**

Highways 43 and 198 are the primary State Highways serving the community. Highway 43 extends along the easterly portion of the City providing access through the central San Joaquin Valley. Highway 198 extends in an east/west direction through the community. Other highways that serve the community include Highways 33, 41 and Interstate 5. Highway 41 extends in a north direction west of the City and up to Yosemite National Park. Yosemite National Park is an approximate 2.5 hours drive from Hanford.

The community also maintains a local transit system, Kings Area Rural Transit or (KART). Amtrak service is also available in the City of Hanford.

### **NEIGHBORHOOD MAP**



Hanford has one airport that serves general aviation. Commercial air service is available in Visalia at the municipal airport and Fresno Yosemite International Air terminal.

### **Utilities & Services**

Hanford has all primary utilities and services available. The following is a listing of services and utilities and their respective providers.

Service	Provider
Police	City of Hanford
Fire	City of Hanford
Electricity	Southern California Edison Company
Natural Gas	The Gas Company
Water	City of Hanford
Sewage Treatment	City of Hanford
Garbage & Recycling	Kings Waste & Recycling Authority
Telephone	AT&T
Television & Broadband	AT&T, Comcast, Xfinity

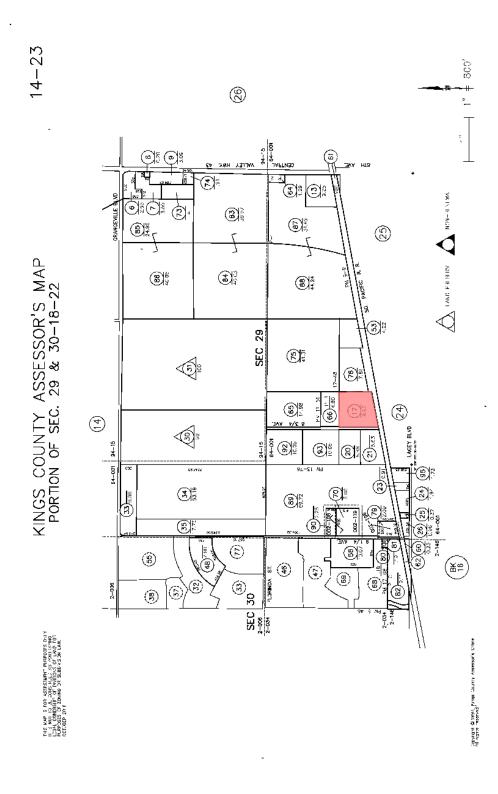
### **Summary**

The community of Hanford has experienced consistent growth for several years and has grown at a rate of slightly more than 1% annually since 2014. Most of the labor force works within either the City of Hanford or Lemoore for employment. Construction has slowed in recent years due to local, state and national economic conditions. It is not anticipated that there will be any major changes within the community in the foreseeable future.

### XIV. <u>Neighborhood Description:</u>

The immediate neighborhood is within the easterly sector of greater Hanford. Development in the area is quite non-homogenous and consists of older residential homes, small older light industrial uses, small older commercial development, small rural agricultural holdings, open land and larger farms. New trends in the area consist of a Costco development. The immediate area

### **PLAT MAP**



is outside of the city limits (county) but within the sphere influence of the city. The Union Pacific Railroad bisects the area. The General Plan designates the appraisal property as "Low Density Residential". Generally speaking, current development north of the railroad tracks is agriculture while development south of the railroad and along Lacey Blvd. is to older industrial, residential and commercial uses. Also bisecting the area in an east/west direction is State Freeway 198. The new Costco is north of the freeway. The economic future and trends are for larger commercial developments in close proximity to the freeway, some light industrial development along Lacey Blvd., and Low Density development and entry level housing north of the railroad.

### XV. <u>Site Description:</u>

The land is vacant and unimproved. It is leveled and occasionally row crop farmed.

Item	Description
Size and shape	9.92 Acres or 432,115 SF and Trapezoidal in shape.
Zoning	AL-10 by the county but is designated as "Low
	Density" in the City of Hanford General Plan.
Topography &	The property is generally level-to-street grade.
Drainage	
Soils	Soils within the area are considered to be suitable
	for building and agriculture purposes
Utilities	Public and municipal utilities and services are
	available to the property. These include:
Water	None
Sewer	None
Trash Collection	Private
Police/Fire Protection	Kings County
Electricity	Southern California Edison
Natural Gas	None
Telephone	ATT
Easements	A title report for the property was provided at the
	time of appraisal. It appears that there are no
	extraordinary easements which adversely affect or
	influence the property.
Streets	Consist of Lacey Blvd. & 8 3/4 Avenue.

# National Flood Hazard Layer FIRMette







**Legend** 



SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT



With BFE or Depth Zone AE, AO, AH, VE, AR Without Base Flood Elevation (BFE)

Regulatory Floodway



0.2% Annual Chance Flood Hazard, Areas depth less than one foot or with drainage areas of less than one square mile Zone X of 1% annual chance flood with average



Future Conditions 1% Annual

Area with Reduced Flood Risk due to Chance Flood Hazard Zone X Levee. See Notes. Zone X



Area with Flood Risk due to Levee Zone D

NO SCREEN Area of Minimal Flood Hazard Zone X

**Effective LOMRs** 

Area of Undetermined Flood Hazard Zone D

OTHER AREAS

Channel, Culvert, or Storm Sewer

GENERAL | - - - - Channel, Culvert, or Storn STRUCTURES | 1111111 Levee, Dike, or Floodwall

Cross Sections with 1% Annual Chance Water Surface Elevation (B) 20.2

Coastal Transect

Base Flood Elevation Line (BFE) Limit of Study mm 513 mm

AREA OF MINIMALFLOOD HAZARD

KINGS COUNTY 060086

T18S R22E S30

Coastal Transect Baseline OTHER

Hydrographic Feature

**FEATURES** 

Digital Data Available

No Digital Data Available

The pin displayed on the map is an approximate point selected by the user and does not represent an authoritative property location.

Unmapped

MAP PANELS

This map complies with FEMA's standards for the use of The basemap shown complies with FEMA's basemap digital flood maps if it is not void as described below accuracy standards

authoritative NFHL web services provided by FEMA. This map reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or The flood hazard information is derived directly from the was exported on 7/8/2021 at 4:42 PM and does not become superseded by new data over time.

T18S R22E S32

18S R22E S31

Packet Pg. 452

CITYOFHANFORD

880090

This map image is void if the one or more of the following relements do not appear: basemap imagery, flood zone labe legend, scale bar, map creation date, community identifiers FIRM panel number, and FIRM effective date. Map images for

17.A.c

Г	
Access & Exposure	Access and exposure are fair.
Offsite Improvements	Consist of a County Road.
Environmental	
Conditions:	A hazardous waste study was unavailable at the
Toxic or Hazardous	date of appraisal. As of the date of appraisal, I have
	no knowledge of hazardous materials on the
Waste:	property and am not to be considered an expert in
	this field. Any further inquiries as to hazardous
	waste on the property should be directed to
	knowledgeable and experienced individuals. If any
	such materials are discovered, it may have a
	negative effect on the overall value as reported
	herein and, thus, I reserve the right to re-evaluate
	the property through the appraisal process.
Seismic Hazard:	The property is not within a special study zone as
	determined by the Alquist-Priolo earthquake fault
	zoning act.
	Zoning ded
Flood Hazard:	The property is within Special Flood Hazard Zone
	X, defined by FEMA as per Panel No.
	06031C0205C dated 06/16/09. Flood Zone X is
	defined as "Areas outside the 500 year flood plain."

### XVI. <u>Improvements Description:</u>

Item	Description
Summary	There are no building improvements.

### XVII. <u>Highest and Best Use:</u>

In the valuation of the subject property, consideration has been given to its highest and best use also known as the most probable use. The highest and best use analysis involved a study of the present use of the property, uses of surrounding properties, and zoning availability for the subject.

"Highest and best use" may be defined as follows:

### **Highest and Best Use:**

The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability. (The Dictionary of Real Estate Appraisal, third edition, pub. 1993)

### Highest and Best Use of Land or a Site as Though Vacant:

Among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labor, capital, and coordination. The use of a property based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements. (The Dictionary of Real Estate Appraisal, third edition, pub. 1993)

### **Highest and Best Use of Property as Improved:**

The use that should be made of a property, as it exists. An existing property should be renovated or retained as is so long as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than offset the cost of demolishing the existing building and constructing a new one. (The Dictionary of Real Estate Appraisal, third edition, pub. 1993)

In order to ascertain the highest and best use of a piece of property, including the land as if vacant and the property as improved; the use must meet four criteria. Including a use that is physically possible, legally permissible, maximally productive, and financially feasible.

### Land as if Vacant:

### Legal Permissibility:

The first factor given consideration is which type of development would be legally permissible on the site. The land is zoned AL-10 (Low Density Residential) of 3,000 SF minimum lot size is legally permissible when annexed to the city.

### Physical Possibility:

The second factor given consideration is whether or not a development is physically possible on the property. Single family development is physically possible.

### Financial Feasibility:

Financial feasibility is defined as to whether or not a particular parcel should be developed into a higher and better use until demand warrants further development. Low Density Residential could be financially feasible.

### Maximum Productivity:

The final factor given consideration is which type of development would be the maximum productive use of the site. Low density residential development with 3,000 SF lot size would be the most maximum productive use of the land.

### Conclusion:

On the basis of the above analysis, the highest and best use of the land as if vacant is for a properly designed and developed to a Low Density Entry Level Residential tract.

### XVIII. <u>Property Valuation:</u>

In arriving at an opinion of the market value of the real property, data is collected and analyzed from the market regarding recent sales of comparable properties, current building costs, and rental data and return on investment rates in the analysis of income. Three different approaches to value are traditionally evaluated using collected market data and analyzing trends in the local economy. These approaches are:

- The Market Data or Sales Comparison Approach
- The Cost Approach
- The Income Approach

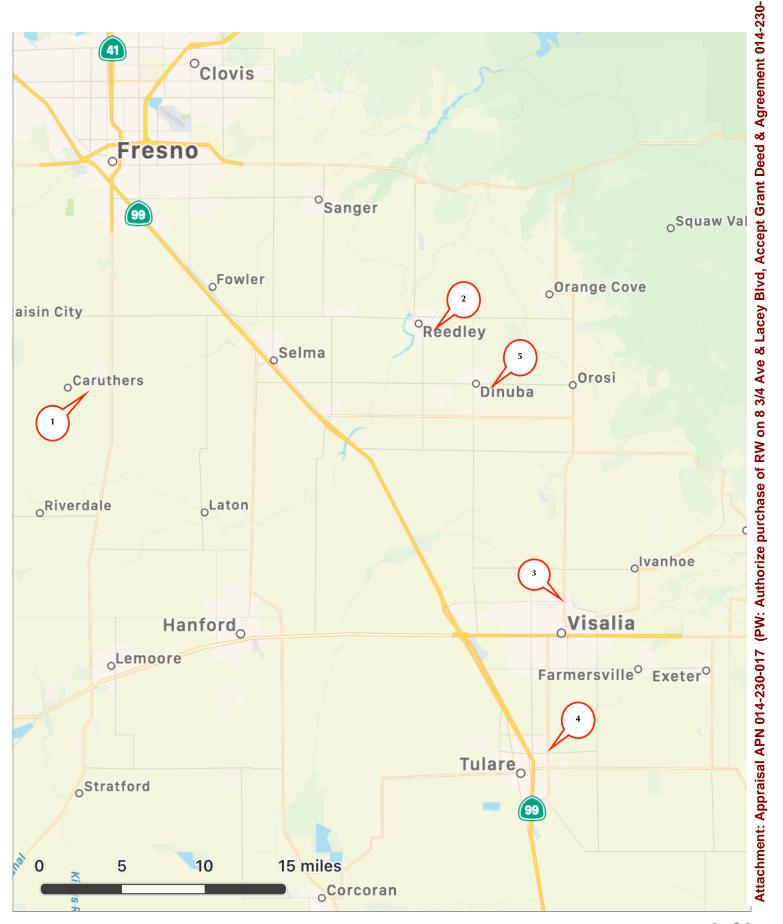
Depending upon the type of property being appraised, these methods have varying degrees of applicability.

In the Market Data or Sales Comparison Approach, a value is indicated by comparing the property being appraised to similar properties in competitive areas that have recently sold or been offered for sale. This procedure is accomplished by applying the appropriate units of comparison extracted from the market and then comparing the sales price of the comparable to the subject. This approach in the appraisal analysis is based upon the premise that an informed purchaser would pay no more for a property than a substitute property with equal utility.

The Cost Approach estimates the cost of replacing the improvements of the property. It involves the determination of the cost new of the improvements, less accrued physical deterioration and functional and/or economic obsolescence. To this remainder, the vacant land value is added to arrive at an opinion of the market value based on the Cost Approach to value.

The Income Capitalization Approach, in the analysis of properties, is used to derive a value indication by converting anticipated benefits from possible rental income into a value estimate. This approach takes into consideration possible

### **COMPARABLE SALES MAP**



risks of comparable properties and a rate of return or capitalization rate also derived from income expectancies in the present market. In the case of this appraisal, all three approaches to value will be considered. These include the Sales Comparison, Cost and Income Capitalization Approaches.

In the case of this appraisal, I have utilized the Sales Comparison Approach to value. The Cost Approach and Income Capitalization Approach are deemed to be inapplicable.

### **Sales Comparison Approach:**

The Sales Comparison Approach is based on the theory of substitution which considers a property's value to be in relation with that of sales of property with similar desirability and utility over a reasonable period of time. In this approach, a value opinion will be determined through analysis and comparison of sales of similar properties over time. Depending on availability of data, the Sales Comparison Approach is generally widely accepted as a reliable method of valuation by market participants.

After I have identified the units of comparison most widely accepted by the market for the specific property type being appraised, the sales are then analyzed and compared for differences between the sales and the subject property. Comparison are taken for items such as property rights conveyed, financing, motivation of the buyer or seller, changes in property values over time, or physical differences between the sales and the property being appraised.

### Land:

In the valuation of the land, I have considered sales of potential subdivision land in smaller cities in the Central San Joaquin Valley. Five sales were included in this report. The sales indicate the following ranges:

Time: Nov 2019 - Current - July 2021

Size: 5.16 ac - 25.86 ac Unit/SF: \$42,943/ac - \$70,000/ac

The sales are discussed as follows:

**Property Name:** Henderson Road Investment Land

Property Type: Vacant Investment Land
Address: 13498 S Henderson Road

City/ State/ Zip: Caruthers/ CA/ 93609

County: Fresno

**Submarket:** Fresno County

### **Sale Information**

**Sale Price:** \$270,000 **CEq Price:** \$270,000

**Sale Date:** December 7, 2020

Sale Status: Sale

**Grantor:** Qualls Enterprises

**Grantee:** Caruthers Liquidation and Wholesale

**Property Rights:** Fee Simple **Document:** 175979

**Data Source:** Public Record / MLS / Costar

### **Comments**

The property is located within the City of Caruthers and zoned for future residential development. There was a mobile home located on the property at the time of the sale at no additional value.



### **SIte Data & Economic Indicators**

**Legal/ Tax/ APN:** 043-170-34S

**Acres (Gross):** 5.16 **Land - SF (Gross):** 224,770

**Zoning:** R-1

**Description:** Residential

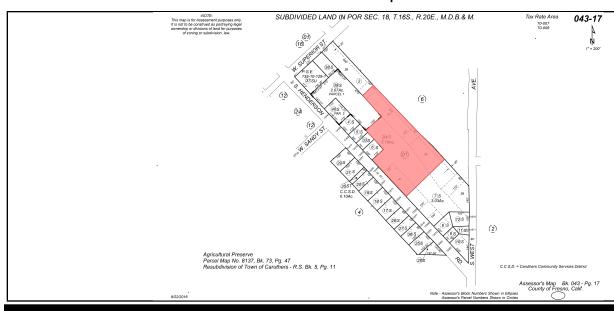
Orientation: Interior
Offsites: Partial

Price/SF - Land: \$1.20

**Price/AC - Land:** \$52,326

**Net Operating Income:** 

### **Capitalization Rate:**



**Property Name:** Buttonwillow Residential Land

Property Type: Vacant Residential

Address: 9590 S Buttonwillow

City/ State/ Zip: Reedley/ CA/ 93654

County: Fresno

**Submarket:** Fresno County

### **Sale Information**

 Sale Price:
 \$1,034,000

 CEq Price:
 \$1,034,000

 Sale Date:
 June 13, 2019

Sale Status: Sale

**Grantor:** Ted Mullins

**Grantee:** The Orabelle C. Volkmann Trust

**Property Rights:** Fee Simple

**Document:** 06440

**Data Source:** Costar/ Parcel Quest

### **Comments**

The property is located in the County of Fresno adjacent to the City of Reedley city limits. It was being used as agricultural land at the time of the sale. It is zoned for agricultural development however, it is in the City's general plan as future residential development.



### **SIte Data & Economic Indicators**

**Legal/ Tax/ APN:** 370-060-42

 Acres (Gross):
 19.88

 Land - SF (Gross):
 865,973

 Zoning:
 AL-20

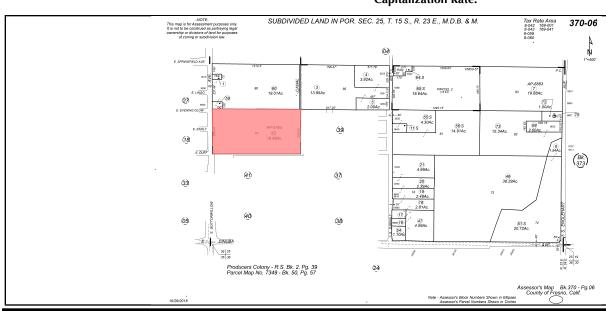
**Description:** Agricultural

Orientation: Interior
Offsites: Partial
Price/SF - Land: \$1.19

**Price/AC - Land:** \$52,012

**Net Operating Income:** 

### **Capitalization Rate:**



Buttonwillow Residential Lan

Property Name: Visalia Subdivision

Property Type: Residental Subdivision

Address: Riggin Ave, Dinuba Blvd

City/ State/ Zip: Visalia
County: Tulare

**Submarket:** Central Valley

### **Sale Information**

**Sale Price:** \$1,110,500 **CEq Price:** \$1,110,500

**Sale Date:** November 27, 2019

Sale Status: Closied

**Grantor:** Visalia Shannon Land Investors

70244

**Grantee:** Woodside 06N LP

**Property Rights:** Fee Simple

**Data Source:** Co-Star

### **Comments**

Open Land

**Document:** 



### **SIte Data & Economic Indicators**

**Legal/ Tax/ APN:** 078-120-028-000,078-120-029-000

**Acres (Gross):** 25.86

**Land - SF (Gross):** 1,126,462

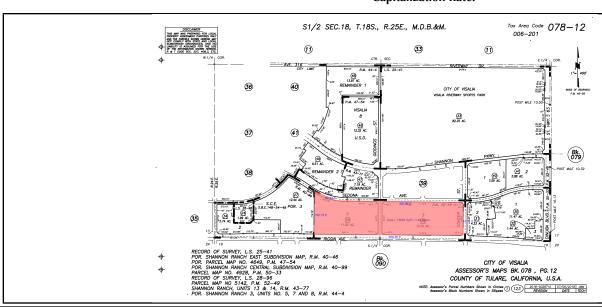
**Zoning:** R-1-5, R-M-2

**Description:** Res. Subd. Land

Orientation: Corner
Offsites: Partial
Price/SF - Land: \$0.99

**Price/AC - Land:** \$42,943

Net Operating Income: Capitalization Rate:



Visalia Subdivisio

Property Name: Tulare Subdivision
Property Type: Subdivision Land

Address: 356-374 N Mooney Blvd

City/ State/ Zip: Tulare, CA 93274

County: Tulare

**Submarket:** Central Valley

### **Sale Information**

 Sale Price:
 \$1,236,751

 CEq Price:
 \$1,236,751

**Sale Date:** February 12, 2021

Sale Status: Closed

**Grantor:** Quest Equity LLC

**Grantee:** DR Horton Ca3 Inc

Property Rights: fee simple

Document: 10870

**Data Source:** Co-Star

### **Comments**

Unimproved Land



### **SIte Data & Economic Indicators**

**Legal/ Tax/ APN:** 172-070-007,008,009

 Acres (Gross):
 19.86

 Land - SF (Gross):
 865,102

 Zoning:
 R16

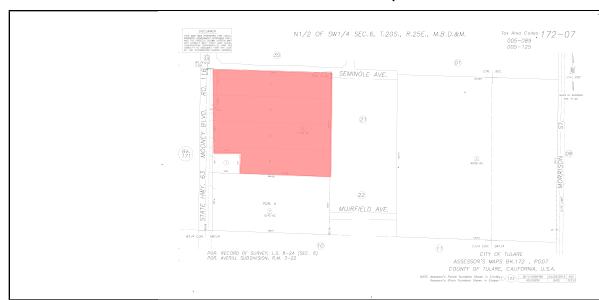
o .

**Description:** Rough Graded

Orientation: Interior
Offsites: Partial
Price/SF - Land: \$1.43
Price/AC - Land: \$62,273

Price/AC - Land: \$62,273 Net Operating Income:

**Capitalization Rate:** 



Tulare Subdivisio

**Property Name:** Dinuba Subdivision Land

Randle Road

Property Type: Subdivision Land

City/ State/ Zip: Dinuba, CA 93618

County: Tulare

Address:

**Submarket:** Central Valley

### **Sale Information**

**Sale Price:** \$757,500

**CEq Price:** \$757,500

Sale Date: December 31, 2020

Sale Status: Closed

**Grantor:** Harinder S & Sukhpal K Bains

**Grantee:** Castle Rock Communities, Inc

**Property Rights:** Fee Simple

**Document:** 85576

**Data Source:** Co-Star

### **Comments**

Residential Subdivision Land



### **SIte Data & Economic Indicators**

**Legal/ Tax/ APN:** 018-180-031

**Acres (Gross):** 15.49

**Land - SF (Gross):** 674,744

**Zoning:** R-1-6

**Description:** Rough Graded

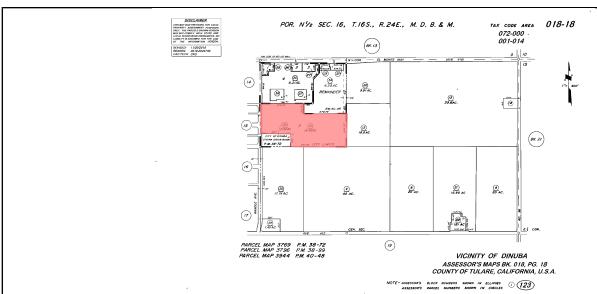
Orientation: Interior
Offsites: Partial

Price/SF - Land: \$1.12

**Price/AC - Land:** \$48,903

**Net Operating Income:** 

Capitalization Rate:



Dinuba Subdivision Lan

## **Comparable Land Sales**

#	Location	Date Document	Grantor Grantee	Sales Price	Lot Size (Ac) Lot Size (sf)	Offsites Orientation	Zoning	<u>\$/Acre</u> \$/sf
<del></del>	13498 S Henderson Road Caruthers/ CA/ 93609	Dec 7, 2020 175979	Qualls Enterprises Caruthers Liquidation	\$270,000	5.16	Partial Interior	R-1 Residential	\$52,326 \$1.20
2	9590 S Buttonwillow Reedley/ CA/ 93654	Jun 13, 2019 6440	Ted Mullins The Orabelle C.	\$1,034,000	19.88 865,973	Partial Interior	AL-20 Agricultural	\$52,012
3	Riggin Ave, Dinuba Blvd Visalia	Nov 27, 2019 70244	Visalia Shannon Land Woodside 06N LP	\$1,110,500	25.86	Partial Corner	R-1-5, R-M-2 Res. Subd. Land	\$42,943
4	356-374 N Mooney Blvd Tulare, CA 93274	Feb 12, 2021 10870	Quest Equity LLC DR Horton Ca3 Inc	\$1,236,751	19.86 865,102	Partial Interior	R16 Rough Graded	\$62,273
ιζ	Randle Road Dinuba, CA 93618	Dec 31, 2020 85576	Harinder S & Sukhpal Castle Rock	\$757,500	15.49	Partial Interior	Rough Graded	\$48,903 \$1.12

The Subject is just outside of the city limits of Hanford. It is within the sphere of influence and is designated in the General Plan as Low Density Residential. The area is conducive to entry level housing, however, it could be several years before development occurs. Consultation with the owner indicates that he has had several offers in the past years but none materialized.

### **Sales Analysis:**

The Subject is outside of the city limits. It must be annexed and re-zoned to achieve greater value. Currently the unit price is somewhat below the range of the best market indicators which all have superior locations.

SALE	AC	\$/AC
1	5.16	\$52,326
2	19.88	\$52,012
3	25.86	\$42,943
5	15.49	\$48,903

Considering the above mentioned transactions, as well as the potential of the appraisal property, I deem a unit price of \$38,000/acre to be applicable to the land.

Hence the following valuation:

Land = 9.920 acres @ \$38,000/AC	\$376,960.00
Adjusted To	\$377,000.00

### **Cost Approach:**

The Cost Approach is utilized mainly on newer construction and is not a reliable method of valuing older buildings or vacant land. Investors do not rely on this valuation method when analyzing the value of a property such as the appraisal property. I deem the Cost Approach to be inapplicable in this appraisal report.

### **Income Approach:**

Normally the Income Approach is a great assistance in valuing income producing real estate. However, the subject does not necessarily fit into an income producing category. It is difficult to find comparable data such as rents, capitalization rates, and other data necessary to produce a credible analysis. As such, I deem the Income Approach to be inapplicable in this appraisal report.

### **Final Value Opinion and Total Compensation:**

Value by Sales Comparison Approach=	\$ 377,000.00
Value by Cost Approach =	N/A
Value by Income Capitalization Approach =	N/A
Total Compensation =	\$ 377,000.00

### XIX. <u>Exposure Time:</u>

Exposure time is always presumed to precede the effective date of appraisal, while marketing time is expected to follow the effective date of appraisal. Exposure time is defined as follows:

### **Exposure Time:**

- "1. The time a property remains on the market.
- The estimated length of time the property interest being appraised 2. would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based upon an analysis of past events assuming a competitive and open market. Exposure time is always presumed to occur prior to the effective date of the The overall concept of reasonable exposure appraisal. encompasses not only adequate, sufficient and reasonable time but also adequate, sufficient and reasonable effort. Exposure time is different for various types of real estate and value ranges and under various market conditions. (Appraisal Standards Board of The Appraisal Foundation, Statement on Appraisal Standards No. 6, "Reasonable Exposure Time in Market Value Estimates," October 1992)."

The exposure time for the subject is 12 to 24 months based upon an analysis of other sales in the market.

### CONFIDENTIALITY OF SOURCES CERTIFICATION, QUALIFICATIONS

# CONFIDENTIALITY OF SOURCES

The names of persons who provide information as to sales, rents, marketing time, etc., have purposely been excluded from this document.

This is to protect our confidential sources of data for future assistance.

# **C**ERTIFICATION

# I, James G. Palmer, certify:

- That I have made a personal inspection of the property that is the subject of this report, and have considered all of the pertinent facts affecting the value thereof.
- That all market data pertaining to the final value opinion has been accumulated from various sources and, where possible, personally examined and verified as to details, motivation and validity.
- That as of the date of this report, I have completed the requirements of the continuing education program of the Appraisal Institute. I am also a Certified General Appraiser, per the Office of Real Estate Appraisers, State of California, License No. AG002881.
- That the statements of fact contained in this report are true and correct.
- That the reported analysis, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- That I have no present or prospective interest in the property or the transaction that is the subject of this report, and we have no personal interest with respect to the parties involved.
- That I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- That my engagement in this assignment was not contingent upon developing or reporting predetermined results.
- That our compensation for completing the assignment is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

# CERTIFICATION, CONTINUED

- That my analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice and the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- That no one provided significant professional assistance to the person signing this report.
- That the use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representative(s).
- The appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
- That I have the appropriate education and experience to complete the assignment in a competent manner. The reader is referred to the appraisers' statement of qualifications in the Addenda.
- Unless otherwise noted in the scope of this report, I have provided no services regarding the subject property as an appraiser or in any other capacity within the three-year period immediately preceding acceptance of this assignment.
- The appraiser hereby certifies that he met with each of the property owners during his inspection of the various parcels.

James G. Palmer, MAI, ASA, SRWA AG002881 – Expires 4/15/2022

# JAMES G. PALMER, MAI

#### QUALIFICATIONS SUMMARY

Highly Qualified Appraiser and Expert Witness with some 50 years of experience in the appraisal of commercial, industrial, residential, resort, apartment, agricultural, special purpose, service station, and condemnation properties. Credentials include highest attainable designations with the Appraisal Institute, American Society of Appraisers, Office of Real Estate Appraisers, and International Right-of Way Association. Active in community and industry affiliations including election as State Director for American Society of Appraisers and National Director with the International Right-of-Way Association.

## **CLIENT PROFILES**

Contracted with a wide range of financial, legal, public, and private sector clients including:

Financial: Bank of America, Wells Fargo Bank, Central Bank of Oakland, Sumitomo Bank, Central Bank,
Butterfield, Great Western, Home Savings, Imperial, Chase Manhattan Bank, Financial Federation, Sanwa Bank, 1st
Interstate Bank, Regency Bank, Bank of Fresno, ValliWide Bank, Community First Bank, Tokai Bank, Truckee River
Bank, United Security Bank, Westamerica Bank, Premier Valley Bank, First Fresno Bank, Security First Bank, Bank of
Sierra, and Heritage Bank.

Industry: Del Monte, Xerox, Shell Chemical, Travelers, Levi Strauss, Transamerica Corp., Merrill Lynch, Kaiser, Aetna, Chevron Land Company, Kaiser Aluminum, Noble Land and Cattle, Hunt-Wesson Foods, American Forest Products, Sprague Electric, National Lead, Dow Chemical, Hewitson Farms, and Mouren Cattle Co.

Public: Cities of Fresno, Hanford, Madera, Visalia, Tulare, Reedley, Parlier, Clovis, Sanger, Selma, and Orange Cove; Counties of Fresno, Kings, Madera, and Tulare; Redevelopment Agencies of Fresno, Clovis, Visalia, Sanger and Tulare; Fresno County Board of Supervisors; California Departments of Transportation, General Services, and Wildlife; Fresno Housing Authority; Fresno Metropolitan Flood Control; Bureau of Reclamation; US Forest Service; National Park Service; US Army Corps of Engineers; and California Superior Court.

**Special Purpose:** Ski resorts, wineries, race tracks, water companies, dairies, portions of Yosemite, Sequoia, Kings Canyon and Grand Canyon National Parks, historic properties, hotels, hospitals, convalescent hospitals, care centers, auction yards, feed lots, sand/gravel deposits, duck clubs, resorts, lodges, marinas, stadiums, and railroad rights-of-way.

Oil Companies: Shell, Standard Oil, Humble, Gulf, ARCO, Mobil, Union, Exxon, Texaco.

Schools: Districts of Fresno, Clovis, Kerman, Sanger, Biola, Caruthers, and Madera.

# DESIGNATIONS, AFFILIATIONS

MAI Member Appraisal Institute, Sacramento Sierra Chapter.

President, Fresno Chapter (1991). Chaired numerous committees.

**ASA** American Society of Appraisers. Past State Director, Chapter President.

**SR/WA** International Right-of-Way Association. Past National Director.

BREA Bureau of Real Estate Appraisers, State of California. Certified General Real Estate Appraiser (12/23/91). Certification No. AG002881 (valid through April 15, 2022).

(continued)

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# JAMES G. PALMER, MAI

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#### COURT

Qualified as an Expert Witness in the Superior Court of Fresno, Madera, Merced, Mariposa, Orange County, Santa Clara, Tulare, Los Angeles, Contra Costa, Kern, and Mariposa Counties; Federal Bankruptcy Court and Federal Court, Mediation Referee.

#### TEACHING

University of California California State University, Fresno Fresno City College State of California American Institute of Real Estate Appraisers (Hayward)

Real Estate Appraisal I & II Lecturer; Business Advisory Council Instructor, Real Estate Appraisal; Real Estate Advisory Board Lifetime Teaching Credential Real Estate Appraisal (AIREA Course VIII)

#### **GEOGRAPHIC AREA**

California: Alameda, Alpine, Amador, Butte, Calaveras, Contra Costs, Del Norte, Fresno, Imperial, Inyo, Kern, Kings, Los Angeles, Madera, Marin, Mariposa, Mendocino, Merced, Mono, Monterey, Orange, Riverside, Sacramento, San Benito, San Bernardino, San Diego, San Francisco, San Joaquin, San Luis Obispo, Santa Barbara, Santa Clara, Santa Cruz, Shasta, Solano, Sonoma, Stanislaus, Tehema, Tulare, Tuolumne, Ventura, Yolo, Yuba.

Other States: Alaska, Arizona, Arkansas, Hawaii, Idaho, Indiana, Nevada, Oregon, Utah, Washington, Wyoming.

#### EDUCATION, PROFESSIONAL DEVELOPMENT

California State University, Fresno Bachelor of Arts Degree University of California Real Estate Courses (six)

American Institute of Real Estate Appraisers Courses I, II and VIII

# LIMITING CONDITIONS

# In acceptance of this appraisal assignment and the completion of the appraisal report submitted herewith, it has been assumed by these appraisers:

#### 1) Limit of Liability:

The liability of James G. Palmer Appraisals Inc., and employees, is limited to the client only and to the fee actually received by Appraiser(s). Further, there is no accountability, obligation, or liability to any third party. If this report is disseminated to anyone other than the client, the client shall make such party aware of all limiting conditions and assumptions of the assignment and related discussions. The Appraiser(s) is in no way to be responsible for any costs incurred to discover or correct any deficiencies of any type present in the property; physically, financially, and/or legally. In the case of limited partnerships or syndication offerings or stock offerings in real estate, client agrees that if a legal action is initiated by any lender, partner, part owner in any form of ownership, tenant, or any other party, the client will hold the Appraiser completely harmless in any such action from any and all awards or settlements of any type, regardless of outcome.

#### 2) <u>Copies, Publication, Distribution, Use of Report:</u>

Possession of this report or any copy thereof, does not carry with it the right to publication, nor may it be used for other than its intended use; the physical report(s) remain the property of the Appraiser(s) for the use of the client, the fee being for the analytical services only. No right is given to copy all or part of this report.

Except, as hereinafter provided, the client may distribute copies of this appraisal report in its entirely to such third parties as he may select; however, selected portions of this appraisal report shall not be given to third parties without the prior written consent of the signatories of this appraisal report. Neither all nor any part of this appraisal report shall be disseminated to the general public by the use of advertising media, public relations, news, sales or other media for public communication without the prior written consent of the appraiser. (See last item in following list for client agreement/consent.)

#### 3) <u>Confidentiality:</u>

This appraisal is to be used only in its entirety and no part is to be used without the whole report. All conclusions and opinions concerning the analysis as set forth in the report were prepared by the Appraiser(s) whose signature(s) appear on the appraisal report, unless indicated as "Review Appraiser". No change of any item in the report shall be made by anyone other than the Appraiser(s). The Appraiser(s) and firm shall have no responsibility if any such unauthorized change is made. The Appraiser(s) may not divulge the material (evaluation) contents of the report, analytical findings, or conclusions, or give a copy of this report to anyone other than the client or his designee as specified in writing.

# 4) <u>Information Use:</u>

No responsibility is assumed for accuracy of information furnished by work of others, the client, his designee, or public records. We are not liable for such information or the work of possible subcontractors. Be advised that some of the people associated with James G. Palmer Appraisals Inc. and signing the report are independent contractors. The comparable data relied upon in this report has been confirmed with one or more parties familiar with the transaction or from affidavit or other source though reasonable; all are considered appropriate for inclusion to the best of our factual judgment and knowledge. An impractical and uneconomic expenditure of time would be required in attempting to furnish unimpeachable verification in all instances, particularly as to engineering and market-related information.

# 5) <u>Testimony, Consultation, Completion, of Contract For Appraisal Service:</u>

The contract for appraisal, consultation, or analytical service is fulfilled and the total fee is payable upon completion of the report. The Appraiser(s) or those assisting in preparation of the report will not be asked or required to give testimony in court or hearing because of having made the appraisal, in full or in part, nor engage in post appraisal consultation with the client or third parties except under separate and special arrangement and at additional fee. If testimony or deposition is required as a result of any subpoena, the client shall be responsible for any additional time, fees, and charges, regardless of issuing party.

#### 6) <u>Exhibits:</u>

Any sketches, maps, and photographs in this report are included to assist the reader in visualizing the property and are not necessarily to scale. Site plans are not surveyed unless shown from separate surveyor.

#### 7) Legal Engineering, Financial, Structural, or Mechanical Components; Soil Quality:

No responsibility is assumed for matters legal in character or nature, nor of any architectural, structural, mechanical, or engineering nature. No opinion is rendered as to the title, which is presumed to be good and merchantable. The property is appraised as if free and clear, unless otherwise stated in the appraisal report.

The legal description is assumed to be correct as used in this report furnished by the client, his designee, or as derived by the Appraiser(s).

#### **LIMITING CONDITIONS - CONTINUED - PAGE 2 of 3**

Please note that no advice is given regarding mechanical equipment or structural integrity or adequacy, soils and potential for settlement on drainage, matters concerning liens, title status, and legal marketability, and similar matters. The client should seek assistance from qualified architectural, engineering, or legal professionals regarding such matters. The lender and owner should inspect the property before any disbursement of funds. Further, it is likely that the lender or owner may which to require mechanical structural inspections by a qualified and licensed contractor, civil or structural engineer, architect, or other expert.

The Appraiser(s) has inspected as far as possible, by observation, the land and the improvements; however, it was not possible to personally observe conditions beneath the soil or hidden structural or other components. We have not critically inspected mechanical components within the improvements and no representations are made herein as to these matters unless specifically stated and considered in the report. The value estimate considers there being no such conditions that would cause a loss of value. The land or the soil of the area being appraised appears firm; however, subsidence in the area is unknown. The Appraiser(s) do not warrant against this condition or occurrence of problems arising from soil conditions.

The appraisal is based upon there being no hidden, unapparent, or apparent conditions of the site, subsoil, or structures or toxic materials which would render it more or less valuable. No responsibility is assumed for any such conditions or for any expertise or engineering to discover them. All mechanical components are assumed to be in operable condition and status standard for properties of the subject type. Conditions of heating, cooling, ventilating, electrical and plumbing equipment is considered to be commensurate with the condition of the balance of the improvements unless otherwise stated. No judgment may be made by use as to adequacy of insulation, type of insulation, or energy efficiency of the improvements or equipment which is assumed standard for the subject property's age and type.

If the Appraiser(s) has not been supplied with a termite inspection, survey or occupancy permit, no responsibility or representation is assumed or made for any costs associated with obtaining same or for any deficiencies discovered before or after they are obtained. No representations or warranties are made concerning the above mentioned items.

The Appraiser(s) assumes no responsibility for any costs or consequences arising due to the need,, or the lack of need for flood hazard insurance. An agent for the Federal Flood Insurance Program should be contracted to determine the actual need for Flood Hazard Insurance.

#### 8) <u>Legality of Use:</u>

The appraisal is based on the premise that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless otherwise stated in the report, and that all applications zoning, building, use regulations and restrictions of all types have been complied with unless otherwise stated in the report. It is further assumed that all required licenses, consents, permits, or other legislative or administrative approvals from all applicable local, state, federal and/or private authorities have been or can be obtained or renewed for any use considered in the value estimate.

# 9) <u>Component Values:</u>

The allocation of the total valuation in this report between land and improvements, if included in this report, applies only under the use of the property which is assumed in this report. The separate valuations for land and building must not be used in conjunction with any other appraisal and are invalid if so used.

#### 10) Auxiliary and Related Studies:

No environmental or impact studies, special market study or analysis, special highest and best use study or feasibility study has been requested or made unless specified in an agreement for services or so stated in this report.

#### 11) Dollar Values, Purchasing Power:

The market value estimate and the cost used are as of the date of the estimate of value. All dollar amounts are based on the purchasing power and value of the dollars as of the date of the value estimate.

# 12) <u>Value Change, Dynamic Market, Influences, Alteration of Estimate By Appraiser:</u>

The estimated market value, which is defined in the report, is subject to change with market changes over time. Value is highly related to exposure, time, promotional effort, terms, motivation, and conditions. The value estimate considers the productivity and relative attractiveness of the property physically and economically in the marketplace as of the date of value.

In cases of appraisals involving the capitalization of income benefits, the estimate of market value or investment value or value in use is a reflection of such benefits and Appraiser's interpretation of income and yields and other factors derived from general and specific client and market information. Such estimates are as of the date of the estimate of value, and they are thus subject to change as the market changes.

The "Estimate of Market Value" in the appraisal report is not based in whole or in part upon race, color, or national origin of the present owners or occupants of the properties in the vicinity of the property appraised.

The appraisal report and value estimate are subject to change if the physical or legal entity or the terms of financing are different from what is set forth in this report.

#### **LIMITING CONDITIONS - CONTINUED - PAGE 3 of 3**

#### 13) <u>Inclusions:</u>

Except as specifically indicated and typically considered as a part of the real estate, furnishings, equipment, other personal property, or business operations have been disregarded with only the real estate being considered in the value estimate. In some property types, business and real estate interests and values are combined but only if so stated.

# 14) Proposed Improvements, Conditioned Value:

Improvements proposed, if any, onsite or offsite, as well as any repairs required are considered for purposes of this appraisal to be completed in good and workmanlike manner according to information submitted and/or considered by the appraisers. In cased of proposed construction, the appraisal is subject to change upon inspection of the property after construction is completed. This estimate of market value is as of the date shown, as proposed, as if completed, and operating at levels shown and projected, unless otherwise stated.

#### 15) Management of the Property:

It is assumed that the property which is the subject of this report will be under typically prudent and competent management, neither inefficient nor superefficient.

#### 16) Fee:

The fee for this appraisal or study is for the service rendered and not solely for the time spent on the physical report or the physical report itself.

#### 17) Insulation and Toxic Materials:

Unless otherwise stated in this report, the Appraiser(s) signing this report have no knowledge concerning the presence or absence of toxic materials and/or unreaformaldehyde foam insulation in existing improvements. If such is present, the value of the property may be adversely affected.

#### 18) Change, Modifications:

The Appraiser(s) reserve the right to alter statements, analyses, conclusions or any value estimate in the appraisal if there becomes known to them facts pertinent to the appraisal process which were unknown when the report was finished

#### 19) Limiting Conditions:

This report sets forth all of the limiting conditions affecting the analysis, opinions, and conclusions contained in this report.

#### 20) Acceptance:

Acceptance and/or use of this appraisal report by the client or any third party constitutes acceptance of the above conditions. Appraiser liability extends only to the stated client and not to subsequent parties or users. And the liability is limited to the amount of fee received by the Appraiser(s).

# 21) Americans with Disabilities Act:

The Americans with Disabilities Act (ADA) became effective January 26, 1992. We have not made a specific compliance survey and analysis of the property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this could have a negative effect on the property's market value. Since we have no direct evidence relating to this issue, we did not consider possible non-compliance with the requirements of the ADA in our market value estimates.

#### 22) Fair Housing Amendments Act:

In accordance with the Fair Housing Amendments Act, it is illegal for an Appraiser(s) to discriminate against any person because of race, color, religion, sex, hardship, familial status, or national origin. This appraisal complies with all rules and regulations prohibiting discrimination on the basis of race, color, religion, sex, nation origin, and marital status.

# 23) Year 2000 Compliance:

Unless otherwise stated in this report, problems with year 2000 compliance were not investigated, nor called to the attention of, nor did the appraiser become aware of such during the appraiser's inspection. Problems with year 200 compliance of embedded systems and the cost to correct them would affect the value of the property, but the appraiser is not qualified to recognize or estimate the cost. This appraisal is predicated on the assumption that no such year 2000 problems exist and no responsibility is assumed for any such problems, nor for any expertise or knowledge required to discover them.

#### 24) <u>Unforeseeable Events:</u>

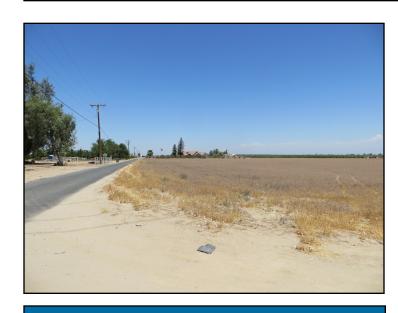
The appraiser cannot be held responsible for unforeseeable events that alter market conditions (that occur subsequent to the date of the preparation of the report, but) prior to the effective date of the appraisal.

# 25) <u>Prospective Valuation:</u>

In preparing appraisals that include prospective (future) valuations, the appraiser cannot be held responsible for the unforeseeable events that alter market conditions (those that occur subsequent to the date of preparation of the report but, prior to the effective date of appraisal).

# ADDENDA

# SUBJECT PHOTOGRAPHS





**SUBJECT PROPERTY** 

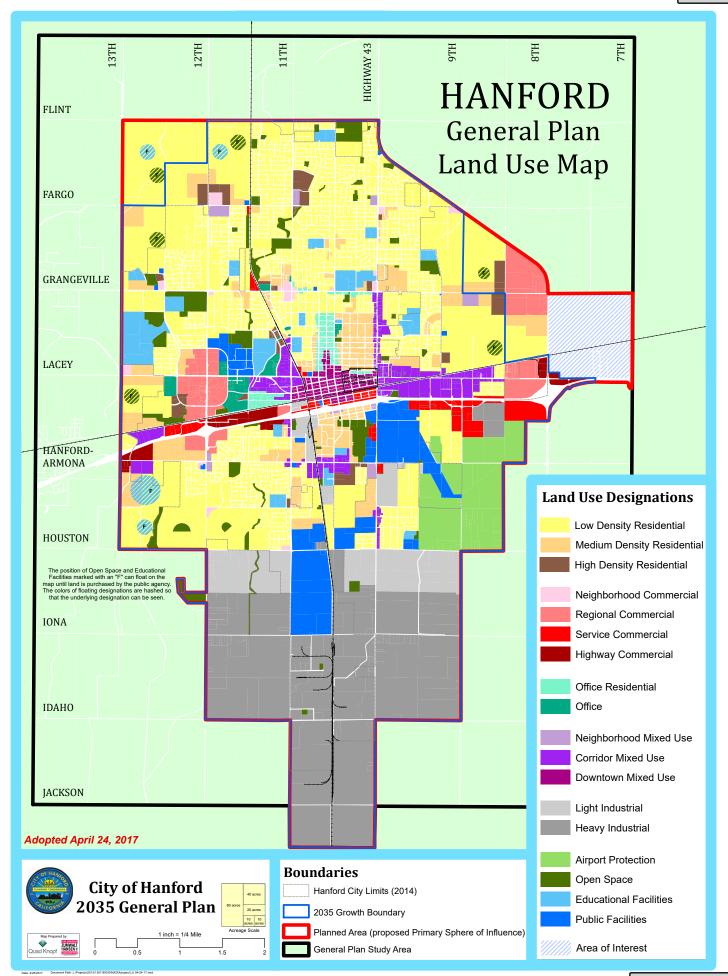
**SUBJECT PROPERTY** 







**SUBJECT PROPERTY** 





09/29/2021 12:13 dcaietti City of Hanford, CA ACCOUNT SUMMARY TRIAL BALANCE FOR FY22/JUL TO EOY FY22 Capital Impr Projects=\$908,261.85 | glatrbal Available Cash=\$4,614.061.71

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ACCOUNT NAME	BEG. BALANCE	ORG	DEBITS	CREDITS	NET CHANGE	END BALANCE
0358 100100 CASH IN BANK	5,515,947.60	0358	245,002.99	238,627.03	6,375.96	5,522,323.56
0358 112000	5,515,947.60	0358	245,002.99	230,027.03	0,375.90	5,522,323.50
ACCOUNTS RECEIVABLE	18.50		.00	18.50	-18.50	.00
0358 112300 CONSUMER ACCTS RECEIVABLE 0358 112310	169,893.34	0358 0358	7,771.32	.00	7,771.32	177,664.66
0358 112310 ALLOWNCE FOR DOUBTFL ACCT 0358 112330	-826.00	0358	.00	.00	.00	-826.00
PREPAID EXPENSE	1,074.42	0358	.00	.00	.00	1,074.42
0358 112810 DEFERD OUTFLO-PERS CONTRB 0358 130001	27,998.00	0358	.00	.00	.00	27,998.00
CHNG-FAIR VALUE/INVESTMTS 0358 140800	35,985.42	0358	.00	.00	.00	35,985.42
ACCRUED INTEREST RECVBL 0358 150000	23,107.55	0358	.00	.00	.00	23,107.55
LAND 0358 151000	3,622,772.15	0358	.00	.00	.00	3,622,772.15
BUILDINGS 0358 151010	242,000.00	0358	.00	.00	.00	242,000.00
ACCUMULATED DEPR-BLDGS 0358 152000	-48,400.00	0358	.00	.00	.00	-48,400.00
IMPROVEMENTS 0358 152010	20,670,175.00	0358	.00	.00	.00	20,670,175.00
ACCUM DEPR-IMPRVMNTS 0358 153000	-5,330,651.00	0358	.00	.00	.00	-5,330,651.00
EQUIPMENT 0358 153010	851,250.00	0358	.00	.00	.00	851,250.00
ACCUM DEPR-EQUIPMENT 0358 201000	-554,607.00	0358	.00	.00	.00	-554,607.00
ACCRUED PAYROLL 0358 201200	-12,575.49	0358	12,575.49	.00	12,575.49	.00
COMPENSATED ABSENCES 0358 220000	-18,239.89	0358	.00	.00	.00	-18,239.89
ACCOUNTS PAYABLE-CONTROL 0358 220350	-960.61	0358	31,662.07	30,701.46	960.61	.00
CUSTOMER DEPOSITS 0358 325200	-635.00	0358	150.00	.00	150.00	-485.00
NET-PENSION LIABILITY 0358 333200	-217,303.00	0358	.00	.00	.00	-217,303.00
SEE 1330-1 DP-RET TRST511 0358 360000	-12,655.00	0358	.00	.00	.00	-12,655.00
FUND BALANCE AVAILABLE 0358 371500	-22,870,348.92	0358	.00	.00	.00	-22,870,348.92
CONTRIBUTED CAPITAL 0358 391000	-2,093,020.07	0358	.00	.00	.00	-2,093,020.07
REVENUE CONTROL 0358 392000	.00	0358	.00	252,787.56	-252,787.56	-252,787.56
EXPENDITURE CONTROL 0358 393000	.00	0358	237,728.06	12,755.38	224,972.68	224,972.68
ENCUMBRANCE CONTROL 0358 394000	28,355.00	0358	54,177.35	28,336.60	25,840.75	54,195.75



09/29/2021 12:13 | City of Hanford, CA dcaietti | ACCOUNT SUMMARY TRIAL BALANCE FOR FY22/JUL TO EOY FUND

|P 2 |glatrbal

ACCOUNT NAME	BEG. BALANCE	ORG DEBITS	CREDITS	NET CHANGE	END BALANCE
BUDGETARY FUND BALANCE	.00	28,355.00	75,304.00	-46,949.00	-46,949.00
0358 395000 ESTIMATED REVENUES 0358 396000	.00	0358 1,456,260.00 0358	.00	1,456,260.00	1,456,260.00
APPROPRIATIONS 0358 397000	.00	.00	1,409,311.00	-1,409,311.00	-1,409,311.00
RES FOR ENCUMBRANCES BUD	-28,355.00	28,336.60	54,177.35	-25,840.75	-54,195.75
TOTALS FOR FUND 0358 STORM DRAINAGE OPERATIONS	.00	2,102,018.88	2,102,018.88	.00	.00
REPORT TOTALS	.00	2,102,018.88	2,102,018.88	.00	.00

<sup>\*\*</sup> END OF REPORT - Generated by Debbie Caietti - Tyler \*\*



# AGENDA STAFF REPORT

MEETING DATE: 10/5/2021 AGENDA SECTION: B

#### SUBJECT:

Police: Introduction of Ordinance 21-06, Amending Chapter 5.56 (Commercial Cannabis Activity) of the Municipal Code, thereby Amending the operational structure of permits and other various amendments to be consistent with desired operational procedures.

#### **RECOMMENDATION:**

That the City Council, by motion, approve the Introduction and waive the first reading of Ordinance No. 21-06, an amendment to Chapter 5.56 (Commercial Cannabis Activity) of the Municipal Code, thereby Amending the operational structure of permits and other various amendments to be consistent with desired operational procedures.

## **BACKGROUND:**

As City staff has gone through the permitting process for cannabis dispensaries multiple times now, staff has come to recognize that the processes need to be amended to make the process less confusing for the Council, City staff and of course, the prospective permittees. Staff worked with the City Attorney's office to develop the proposed amendments, which will do the following:

- 1. Eliminates a specific permitting period and instead, allows applications to be submitted on an on-going basis. The majority of permits that are issued by the City, at the direction of Council, are unlimited and have no specific application period. It is therefore not necessary to have a competitive process with an open and closing date. Moving forward, each applicant that scores high enough will be recommended for a permit.
- 2. Applicants will be awarded a permit by the City, through positions designated by the City Manager to handle the process based upon the established ranking and review process.
- 3. Allows for additional discretion on the part of the City to have an applicants application corrected instead of just rejected.
- 4. Appeals of awards at the Staff level, once requested by the applicant, will be heard before the City Council or their designee.
- 5. The application process will be established by city staff and not by resolution.
- 6. Added an additional 10 days to 20 days notice provided to surrounding property owners.

7. Bans the awarded permittee from selling their license to another entity without going through the same application process.

Staff believes that these changes will allow city staff to respond quicker to requests by Council and applicants. One attachment is a redline of the changes and the other is the clean document with the changes incorporated. All changes have been reviewed and/or recommended by the City Attorney's office to make process easier for applicants to progress through. Additionally, by allowing the City Manager's position to designate responsible positions within the process, it will allow for future changes and growth without a need to amend the Ordinance.

Additionally, on December 3, 2019, the City Council adopted Resolution 19-45-R (attached for reference), which set the number of storefront dispensary permits at two (2). During the discussion on the matter, Council stated a willingness to consider issuing more permits and asked staff to bring the matter back to Council in six (6) months for further consideration. Accordingly, on July 7, 2020, staff brought back Resolution 20-16-R for consideration of expanding the number of storefront dispensaries to three (3) permits. Council had minimal discussion regarding the matter at that time and a motion to adopt the resolution failed by a 2 to 3 vote. Should this Council have a willingness to expand the number of storefront dispensaries, staff would ask Council to direct staff to bring back a resolution for Council consideration of that matter.

#### **FISCAL IMPACT:**

# **ATTACHMENTS:**

Ordinance 21-06 2021 Cannabis Revisions - Final Ordinance Cannabis 8.5.2021 (redline) (002) Reso 19-45-R

#### **ORDINANCE NO. 21-06**

# AN ORDINANCE AMENDING HANFORD MUNICIPAL CODE CHAPTERS 5.56 RELATING TO COMMERCIAL CANNABIS ACTIVITY WITHIN THE CITY OF HANFORD CITY LIMITS

The City Council of the City of Hanford does ordain as follows:

- **Section 1:** Hanford Municipal Code Chapter 5.56 contains regulations relating to the authority to approve and regulate Commercial Cannabis.
- **Section 2:** The regulations contained in Chapter 5.56 were adopted many years ago, and the Council has determined that the chapters need updates for the effective oversight and approval of perspective applicants for Commercial Cannabis.
- **Section 3:** The City Council of the City of Hanford does ordain that Chapter 5.56 of the Hanford Municipal Code is hereby amended and restated as shown in the attached Exhibit "A", which is incorporated herein by reference.
- **Section 4:** This ordinance shall take effect thirty (30) days after its passage and shall be published once in the Hanford Sentinel within fifteen (15) days after its passage or a summary of this ordinance shall be published in the Hanford Sentinel in a manner consistent with the requirements of the California Government Code.

held on, 2021, by th	ng of the City Council of the City of Hanford duly called and ne following roll call vote:
AYES:	
NOES:	
ABSTAIN:	
ABSENT:	
	APPROVED
	Francisco Ramirez MAYOR of the City of Hanford
ATTEST:	·
NATALIE CORRAL CITY CLERK	

STATE OF CALIFORNIA	)	
COUNTY OF KINGS	)	S
CITY OF HANFORD	)	

> NATALIE CORRAL CITY CLERK

Exhibit "A"

# **Chapter 5.56 COMMERCIAL CANNABIS ACTIVITY.**

## 5.56.010 Purpose and intent.

It is the purpose and intent of this chapter to accommodate the needs of medically-ill persons in need of cannabis for medical purposes, as advised and recommended by their health care provider(s), and to implement the Adult Use Cannabis Act which was passed by the voters of California while imposing regulations on the use of land to protect the city's neighborhoods, residents, and businesses from negative impacts. It is a further purpose and intent of this chapter to regulate the cultivation, manufacturing, processing, testing, transporting, delivery, and distribution of cannabis and cannabis-related products in a manner which is responsible, which protects the health, safety, and welfare of the residents of Hanford, and to enforce rules and regulations consistent with state law. In part to meet these objectives, an annual permit shall be required to own and/or to operate a commercial cannabis business within Hanford. Nothing in this chapter is intended to authorize the possession, use, or provision of cannabis for purposes which violate state or federal law. The provisions of this chapter are in addition to any other permits, licenses and approvals which may be required to conduct business in the city, and are in addition to any permits, licenses and approval required under state, county, or other law.

# 5.56.020 Legal authority.

Pursuant to Sections 5 and 7 of Article XI of the California Constitution, and the provisions of the Medical Cannabis Regulation and Safety Act (hereinafter "MCRSA"), and the Adult Use Cannabis Act (hereinafter "AUMA" the city of Hanford is authorized to adopt ordinances that establish standards, requirements and regulations for local licenses and permits for cannabis and cannabis-related activity. Any standards, requirements, and regulations regarding health and safety, security, and worker protections established by the state of California, or any of its departments or divisions, shall be the minimum standards applicable in the city of Hanford to cannabis, and/or cannabis-related activity.

# 5.56.030 Cannabis cultivation and commercial cannabis business activities prohibited unless specifically authorized by this chapter.

Except as specifically authorized in this chapter, the cultivation, possession, manufacture, processing, storing, laboratory testing, labeling, transporting, dispensing, distribution, delivery, or sale of cannabis or cannabis product is expressly prohibited in the City of Hanford.

# 5.56.040 Compliance with state and local laws.

It is the responsibility of the owners and operators of the commercial cannabis business to ensure that it is, always, operating in a manner compliant with all applicable state and local laws, and any regulations promulgated thereunder. Nothing in this chapter shall be construed as authorizing any actions which violate federal, state law or local law with respect to the operation of a commercial cannabis business. It shall be the responsibility of the owners and the operators of the commercial cannabis business to ensure that the commercial cannabis business is, at all times, operating in a manner compliant with all applicable federal, state and local laws, the 2008 Attorney General Guidelines, any subsequently enacted state law or regulatory, licensing, or certification requirements, and any specific, additional operating procedures or requirements which may be imposed as conditions of approval of the commercial

cannabis business permit. Nothing in this chapter shall be construed as authorizing any actions which violate federal or state law regarding the operation of a commercial cannabis business.

#### 5.56.050 Definitions.

When used in this chapter, the following words shall have the meanings ascribed to them as set forth herein. Any reference to California statutes includes any regulations promulgated thereunder, and is deemed to include any successor or amended version of the referenced statute or regulatory provision.

"Bureau" means the Bureau of Cannabis Control within the California Department of Consumer Affairs.

"Cannabis" refers to "marijuana," and means all parts of the Cannabis sativa Linnaeus, Cannabis indica, or Cannabis ruderalis, whether medical or nonmedical, growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. "Cannabis" also means the separated resin, whether crude or purified, obtained from cannabis. "Cannabis" also means marijuana as defined by Section 11018 of the California Health and Safety Code as enacted by Chapter 14017 of the Statutes of 1972. "Cannabis" does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. For the purpose of this chapter, "cannabis" does not mean industrial hemp as that term is defined by Section 81000 of the California Food and Agricultural Code or Section 11018.5 of the California Health and Safety Code.

"Cannabis business park" means a park or campus that is one contiguous commercial area of land which has many cannabis related businesses grouped together. Each individual business is clearly defined, having a unique entrance and immovable physical barriers between uniquely licensed premises.

"Cannabis concentrate" means manufactured cannabis that has undergone a process to concentrate the cannabinoid active ingredient, thereby increasing the product's potency.

"Cannabis product" means a product containing cannabis, including, but not limited to, manufactured cannabis intended to be sold for use by cannabis patients in California pursuant to the Compassionate Use Act of 1996 (Proposition 215), found at Section 11362.5 of the California Health and Safety Code(as the same may be amended from time to time) or pursuant to the Adult Use of Marijuana Act. For purposes of this chapter, "medical cannabis" does not include industrial hemp as defined by Section 81000 of the California Food and Agricultural Code or Section 11018.5 of the California Health and Safety Code.

"Canopy" means all areas occupied by any portion of a cannabis plant, inclusive of all vertical planes, whether contiguous or noncontiguous on any one site.

"Caregiver" or "primary caregiver" has the same meaning as that term is defined in Section 11362.7 of the California Health and Safety Code.

"City" or "city of Hanford" means the city of Hanford, a California general law city.

"Commercial cannabis activity" includes cultivation, manufacture, processing, laboratory testing, transporting, delivery, distribution, or sale of cannabis product, within the meaning of California Business and Professions Code Section 26001and California Business and Professions Code Section 26050, et seq.

"Commercial cannabis business" means any business or operation which engages in cannabis activity.

"Commercial cannabis business permit" means a regulatory permit issued by the city of Hanford pursuant to this chapter to a commercial cannabis business, and is required before any commercial cannabis activity may be conducted in the city. The initial permit and annual renewal of a commercial cannabis business permit is made expressly contingent upon the business' ongoing compliance with all of the requirements of this chapter and any regulations adopted by the city governing the commercial cannabis activity at issue.

"Cultivation" means any activity, whether occurring indoors or outdoors, involving the propagation, planting, growing, harvesting, drying, curing, grading, and/or trimming of cannabis plants or any part thereof for any purpose, including cannabis.

"Cultivation site" means a facility where cannabis is cultivated, propagated, planted, grown, harvested, dried, cured, graded, or trimmed, or that does all or any combination of those activities, and where the operator holds a valid commercial cannabis business permit for cultivation from the city of Hanford and a valid state license to cultivate cannabis as required by state law.

"Delivery" means the commercial transfer of cannabis or cannabis products from a dispensary, up to an amount determined to be authorized by the state of California, or any of its departments or divisions, to anyone for any purpose. "Delivery" also includes the use by a dispensary of any technology platform owned, controlled, and/or licensed by the dispensary, or independently licensed by the state of California under the MCRSA or AUMA (as the same may be amended from time-to-time), that enables anyone to arrange for or facilitate the commercial transfer by a licensed dispensary of cannabis or cannabis products.

"Dispensary" means a commercial cannabis business facility where cannabis, cannabis products, or devices for the use of cannabis or cannabis products are offered, either individually or in any combination, for retail sale, including an establishment (whether fixed or mobile) that delivers, pursuant to express authorization, cannabis and cannabis products as part of a retail sale, and where the operator holds a valid commercial cannabis business permit from the city of Hanford authorizing the operation of a dispensary, and a valid state license as required by state law to operate a dispensary.

"Dispensing" means any activity involving the retail sale of cannabis or cannabis products from a dispensary.

"Distribution" means the wholesale procurement, and sale, of cannabis or cannabis products between entities licensed pursuant to MCRSA, AUMA and any subsequent state of California legislation regarding the same.

"Distributor" means a person holding a valid commercial cannabis business permit for distribution issued by the city of Hanford, and, a valid state license for distribution, required by state law to engage in the business of purchasing cannabis from a licensed cultivator, or cannabis products from a license manufacturer, for sale to a licensed dispensary.

"Dried flower" means all dead cannabis that has been harvested, dried, cured, or otherwise processed, excluding leaves and stems.

"Edible cannabis product" means manufactured cannabis that is intended to be used, in whole or in part, for human consumption. An edible cannabis product is not considered food as defined by Section 109935 of the California Health and Safety Code or a drug as defined by Section 109925 of the

California Health and Safety Code. An edible cannabis product shall not be deemed to be adulterated pursuant to Section 19347.6 of the Business and Professions Code solely because it contains cannabis.

"Greenhouse" means a fully enclosed permanent structure that is clad in transparent material with climate control, such as heating and ventilation capabilities and supplemental artificial lighting, and that uses a combination of natural and supplemental lighting for cultivation.

"Live plants" means living cannabis flowers and plants, including seeds, sprouts, immature plants (including unrooted clones), and vegetative stage plants.

"Manufactured cannabis" means raw cannabis that has undergone a process whereby the raw agricultural product has been transformed into a concentrate, extraction or other manufactured product intended for internal consumption through inhalation or oral ingestion or for topical application.

"Manufacturer" means a person that conducts the production, preparation, propagation, or compounding of manufactured cannabis, as defined in this section, or cannabis products either directly or indirectly or by extraction methods, or independently by means of chemical synthesis at a fixed location that packages or repackages cannabis or cannabis products or labels or relabels its container, where the operator holds a valid commercial cannabis business permit for manufacturing from the city of Hanford and, after January 1, 2018 or as soon as permitted by the state granting agency, department or division, a valid state license for manufacturing pursuant to MCRSA and/or AUMA. A manufacturer may also be a person that infuses cannabis in its products but does not perform its own extraction.

"Manufacturing site" means a location that produces, prepares, propagates, or compounds cannabis or cannabis products, directly or indirectly, by extraction methods, independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis, and is owned and operated by a person issued a valid commercial cannabis business permit for manufacturing from the city of Hanford and, a valid state license as required for manufacturing of cannabis products.

"Microbusiness" shall have the same meaning as that contained in Section 26070(a)(3) of the Business and Professions Code of the State of California.

"Nursery" means a person that produces only clones, immature plants, seeds and other agricultural products used specifically for the planting, propagation, and cultivation of cannabis.

"Patient" or "qualified patient" shall have the same definition as California Health and Safety Code Section 11362.7 et seq., as it may be amended, and which means a person who is entitled to the protections of California Health and Safety Code Section 11362.5.

"Person" means an individual, firm, partnership, joint venture, association, corporation, limited liability company, estate, trust, business trust, receiver, syndicate, or any other group or combination acting as a unit and includes the plural as well as the singular number.

"Person with an identification card" shall have the meaning given that term by California Health and Safety Code Section 11362.7.

"State license" means a permit or license issued by the state of California, or one of its departments or divisions, under MCRSA or AUMA to engage in commercial cannabis activity.

"Topical cannabis" means a product intended for external application and/or absorption through the skin. A topical cannabis product is not considered a drug as defined by Section 109925 of the California Health and Safety Code.

"Testing laboratory" means a facility, entity, or site in the city of Hanford that offers or performs tests of cannabis or cannabis products and that is both of the following:

- 1. Accredited by an accrediting body that is independent from all other persons involved in the cannabis industry in the state.
- 2. Licensed by the Bureau of Cannabis Control, and is owned and operated by a person issued a valid commercial medical cannabis business permit for laboratory testing from the city of Hanford.

"Transport" means the transfer of cannabis products from the permitted business location of one licensee to the permitted business location of another licensee, for the purposes of conducting commercial cannabis activity authorized by the MCRSA and/or AUMA.

"Transporter" means a person issued a state license, and a commercial cannabis business permit by the city of Hanford, authorizing the transport of cannabis or cannabis products in amounts authorized by the state of California, or by one of its departments or divisions under the MCRSA and/or AUMA.

# 5.56.060 Commercial cannabis business permit required to engage in commercial cannabis business.

- A. No person may engage in any commercial cannabis business or activity within the city of Hanford including cultivation, manufacture, processing, laboratory testing, transporting, dispensing, distribution, or sale of cannabis or a cannabis product unless the person: (1) has a valid commercial cannabis business permit from the city of Hanford; and (2) is currently in compliance with all applicable state and local laws and regulations pertaining to the commercial cannabis business or activities, including the duty to obtain any required state licenses.
- B. Until Health and Safety Code Section 11362.775, subdivision (a), is repealed, the city intends that person's eligible to operate collectives or cooperatives under that subdivision shall be eligible to apply for a city permit to conduct commercial cannabis activities, but only to the degree those activities are authorized under state law for collectives and cooperatives. When the Health and Safety Code Section 11362.775, subdivision (a), is repealed, or as soon as collectives and cooperatives are no longer permitted to engage in commercial cannabis activity under state law, any city permit holder operating a commercial cannabis business under a collective or cooperative who has not already obtained a state license for the commercial cannabis activities they are engaged in shall automatically forfeit his or her city commercial cannabis business permit. At that point, they shall no longer be authorized to engage in any commercial cannabis activities in the city until they obtain both a city issued commercial cannabis business permit and a state license for that commercial cannabis activity.

## 5.56.070 Cannabis employee permit required.

- A. Any person who is an employee or who otherwise works or volunteers within a commercial cannabis business must be legally authorized to do so under applicable state law. Employees, workers, or volunteers at businesses that are permitted by the city of Hanford as cannabis business cultivators, manufacturers, distributors, or delivers that are operating pursuant to Health and Safety Code Section 11362.775(a) as collectives or cooperatives until that subsection is repealed must be qualified patients or primary caregivers as required by state law.
- B. Any person who is an employee or who otherwise works or volunteers within a commercial cannabis business must obtain a commercial cannabis employee work permit from the city prior to performing any work at any commercial cannabis business.

- C. Applications for a commercial cannabis employee work permit shall be developed and made available by the City Manager or his/her designee(s), and shall include, but not be limited to, the following information:
  - 1. Name, address, and phone number of the applicant;
- 2. Age and verification of applicant. A copy of a birth certificate, driver's license, government issued identification card, passport or other proof that the applicant is at least twenty-one (21) years of age must be submitted with the application;
- 3. Name, address of the commercial cannabis businesses where the person will be employed, and the name of the primary manager of that business;
- 4. A list of any crimes enumerated in California Business and Professions Code Section 26507(b)(4) for which the applicant has been convicted;
- 5. Name, address, and contact person for any previous employers from which the applicant was fired, resigned, or asked to leave and the reasons for such dismissal or firing;
- 6. The application shall be accompanied by fingerprints and a recent photograph of the applicant in a form and manner as required by the Chief of Police or his/her designee(s);
  - 7. A signed statement under penalty of perjury that the information provided is true and correct;
  - 8. If applicable, verification that the applicant is a qualified patient or primary caregiver;
- 9. A fee paid in an amount set by resolution of the City Council in an amount necessary to cover the costs of administering the employee work permit programs. The fee is non-refundable and shall not be returned in the event the work permit is denied or revoked.
- D. The Chief of Police or his/her designee(s) shall conduct a background check to determine whether the applicant was convicted of a crime or left a previous employer for reasons that show the applicant:
- 1. Has been convicted of a crime involving dishonesty, fraud or deceit, including but not limited to fraud, forgery, theft, or embezzlement as those offenses are defined in California Penal Code Sections 186.11, 470, 484, and 504a, respectively; or equivalent offenses in other states.
  - 2. Has committed a felony or misdemeanor involving fraud, deceit, embezzlement; or
  - 3. Was convicted of a violent felony, a crime of moral turpitude; or
- 4. The illegal use, possession, transportation, distribution or similar activities related to controlled substances, as defined in the Federal Controlled Substances Act, except for cannabis related offenses for which the conviction occurred after the passage of the Compassionate Use Act of 1996.

Discovery of these facts showing that the applicant has been convicted of a crime involving dishonesty, fraud or deceit are grounds for denial of the permit. Where the applicant's sentence (including any term of probation, incarceration, or supervised release) for possession of, possession for sale, sale, manufacture, transportation, or cultivation of a controlled substance is completed, such underlying conviction shall not be the sole ground for denial of a commercial cannabis work permit. Furthermore, an applicant shall not be denied a permit if the denial is based solely on any of the following: (i) a conviction for any crime listed in subsection (D)(4) for which the applicant has obtained a certificate of rehabilitation pursuant to Chapter 3.5 (commencing with Section 4852.01) of Title 6 of Part 3 of the California Penal Code; or (ii) a conviction that was subsequently dismissed pursuant to Section 1203.4, 1203.4a, or

1203.41 of the California Penal Code or any other provision of state law allowing for dismissal of a conviction.

- E. The City Manager or his/her designee(s) shall issue the commercial cannabis work permit or a written denial to the applicant within ninety (90) days of the date the application was deemed complete. Upon the request of a commercial cannabis business and while processing the application for a work permit, the City Manager or his/her designee(s) may issue a temporary work permit for an employee if the business demonstrates to the City Manager or his/her designee(s) that the employee is necessary for the operation of the business. The temporary permit may be immediately revoked by the City Manager or his/her designee(s) upon determination that the applicant has failed the background check.
- F. A work permit shall be valid for a twelve (12) month period and must be renewed on an annual basis. Renewal applications shall contain all the information required in subsection B including the payment of a renewal application fee in an amount to be set by resolution of the City Council.
- G. In the event a person changes employment from one commercial cannabis business in the city to another, the work permit holder shall notify the City Manager or his/her designee(s) in writing of the change within ten (10) days, or the work permit shall be suspended or revoked and such person shall not be permitted to work at any commercial cannabis business in the city.
- H. The city may immediately revoke the commercial cannabis work permit should the permit holder be convicted of a crime listed in subsections C and D or if facts become known to the chief of police or designee(s) that the permit holder has engaged in activities showing that he or she is dishonest.
- I. The City Manager or his/her designee(s) is hereby authorized to promulgate all regulations necessary to implement the work permit process and requirements.
- J. The applicant may appeal the denial or revocation of a commercial cannabis work permit by filing a notice of appeal with the City Clerk within ten (10) days of the date the applicant received the notice of denial, which appeal shall be conducted as set forth in Section 5.56.140 of this chapter.
- K. The City Manager or his/her designee(s) shall issue a permit in the form of a personal identification card that can be worn by the employee. The personal identification card shall be worn approximately chest-high on their outermost garment, in a prominent and visible location. The identification card shall be maintained in good and readable condition at all times.

# 5.56.080 Maximum number and type of authorized commercial cannabis businesses permitted.

The number of each type of commercial cannabis business that shall be permitted to operate in the city shall be established by resolution of the City Council.

- A. This section is only intended to create a maximum number of commercial cannabis businesses that may be issued permits to operate in the city under each category. Nothing in this chapter creates a mandate that the City issue any or all of the commercial cannabis business permits if it is determined that the applicants do not meet the standards which are established in the application requirements or further amendments to the application process.
- B. At any time, in the City Council's discretion, the City Council may reassess the number of commercial cannabis business permits which are authorized for issuance. The City Council, in its discretion, may determine by resolution that the number of commercial cannabis permits should stay the same, or be expanded.

# 5.56.090 Initial application procedure.

- A. The City Council shall adopt by resolution the procedures which will govern the application process, and the manner in which the decision will ultimately be made regarding the issuance of any commercial cannabis business permit(s). The City Manager or his/her designee(s) is hereby authorized to prepare the necessary forms, adopt any necessary rules to the application, regulations and processes, solicit applications, conduct initial evaluations of the applicants, and to ultimately select the applicant(s) that will be awarded a permit.
- B. At the time of filing, each applicant shall pay an application fee established by resolution of the City Council, to cover all costs incurred by the city in the application process.
- C. After the initial review, the City Manager or his/her designee(s) will select the applicant(s) to be awarded a permit based upon the available permits and the ranking of the applicants during the review process.
- D. The City's Reservation of Rights. The city reserves the right to reject any or all applications. The city may also modify, postpone, or cancel any request for applications, or the entire program under this title, at any time without liability, obligation, or commitment to any party, firm, or organization. Persons submitting applications assume the risk that all or any part of the program, or any particular category of permit potentially authorized under this chapter, may be cancelled at any time prior to permit issuance. The City further reserves the right to request and obtain additional information from any candidate submitting an application. In addition to any other justification provided, a failure to comply with other requirements in this chapter, an application risks being rejected for any of the following reasons:
  - 1. Proposal received after designated time and date.
  - Proposal not containing the required elements, exhibits, nor organized in the required format.
  - 3. Proposal considered not fully responsive to this request for permit application.
- 4. Proposal contains excess or extraneous material not called for in the request for permit application.

# 5.56.100 Expiration of commercial cannabis business permits.

Each commercial cannabis business permit issued pursuant to this chapter shall expire twelve (12) months after the date of its issuance. Commercial cannabis permits may be renewed as provided in Section 5.56.120.

#### 5.56.110 Revocation of permits.

Commercial cannabis business permits may be revoked for any violation of any law and/or any rule, regulation and/or standard adopted pursuant to this chapter.

# 5.56.120 Renewal applications.

A. An application for renewal of a commercial cannabis business permit shall be filed at least Thirty (30) calendar days prior to the expiration date of the current permit.

- B. The renewal application shall contain all the information required for new applications.
- C. The applicant shall pay a fee in an amount to be set by the City Council to cover the costs of processing the renewal permit application, together with any costs incurred by the city to administer the program created under this chapter.
- D. An application for renewal of a commercial cannabis business permit may be rejected if any of the following exists:
  - 1. The application is filed less than thirty (30) days before its expiration.
- 2. The commercial cannabis business permit is suspended or revoked at the time of the application.
- 3. The commercial cannabis business has not been in regular and continuous operation in the four (4) months prior to the renewal application.
- 4. The commercial cannabis business has failed to conform to the requirements of this chapter, or of any regulations adopted pursuant to this chapter.
  - 5. The permittee fails or is unable to renew its state of California license.
- 6. If the city or state has determined, based on substantial evidence, that the permittee or applicant is in violation of the requirements of this chapter, of the city's municipal code, or of the state rules and regulations, and the city or state has determined that the violation is grounds for termination or revocation of the commercial cannabis business permit.
- E. The City Manager or his/her designee(s) is authorized to make all decisions concerning the issuance of a renewal permit. In making the decision, the City Manager or his/her designee(s) is authorized to impose additional conditions to a renewal permit, if it is determined to be necessary to ensure compliance with state or local laws and regulations or to preserve the public health, safety or welfare. Appeals from the decision of the City Manager or his/her designee(s) shall be handled pursuant to Section 5.56.140.
- F. If a renewal application is rejected, a person may file a new application pursuant to this chapter no sooner than one year from the date of the rejection. An application may be approved, conditionally approved, or rejected at the discretion of the City Manager or his/her designee(s). Any correction required for a conditionally approved application must be done in a timely manner as set forth by the City Manager or his/her designee(s).

## 5.56.130 Effect of state license suspension, revocation, or termination.

Suspension of a license issued by the state of California, or by any of its departments or divisions, shall immediately suspend the ability of a commercial cannabis business to operate within the city, until the state of California, or its respective department or division, reinstates or reissues the state license. Should the state of California, or any of its departments or divisions, revoke or terminate the license of a commercial cannabis business, such revocation or termination shall also revoke or terminate the ability of a commercial cannabis business to operate within the City of Hanford.

# 5.56.140 Appeals.

Unless specifically provided elsewhere to the contrary, an appeal of a City decision or action occurring under this chapter City Manager or his/her designee(s) shall be conducted as prescribed hereinafter.

# 5.56.150 Written request for appeal.

- A. Within ten (10) calendar days after the date of a decision or action of the City Manager or his/her designee(s) occurring pursuant to this chapter, an aggrieved party may appeal such action by filing a written appeal with the City Clerk setting forth the reasons why the decision was not proper. The failure to file a timely appeal shall constitute the failure to exhaust administrative remedies.
- B. At the time of filing the appellant shall pay the designated appeal fee, established by resolution of the City Council from time to time.

# 5.56.160 Appeal hearing process.

- A. Upon receipt of the written appeal, the City Clerk shall set the matter for a hearing before the City Council or its designee. The City Council or its designee shall hear the matter de novo.
- B. The appeal shall be held within a reasonable time after the filing the appeal, but in no event later than ninety (90) days from the date of such filing. The city shall notify the appellant of the time and location at least ten (10) days prior to the date of the hearing.
- C. At the hearing, the appellant may present any information they deem relevant to the decision appealed. The formal rules of evidence and procedure applicable in a court of law shall not apply to the hearing.
- D. The failure of an appealing party to appear at the appeal hearing shall constitute a failure to exhaust his/her/its/their administrative remedies.
- E. At the conclusion of the hearing the City Council or its designee may affirm, reverse or modify the decision appealed. The decision of the City Council or its designee shall be final.
- F. Following the appeal hearing, an aggrieved party may seek judicial review of the City Council or its designee's appeal decision by filing a complaint with the Superior Court of Kings County, California during the period identified by California Code of Civil Procedure Section 1094.6, as may be amended.

# 5.56.170 Permittee selection process.

- A. The City Manager or his/her designee(s) shall develop procedures and review criteria by which the applicants for a commercial cannabis business permit shall be evaluated.
- B. Applications shall be vetted by the City Manager or his/her designee(s) and a committee of his/her choice or his/her designee's choice. At the conclusion of the vetting process, the committee shall prepare a report ranking the applications and submit that report for consideration to the City Manager or his/her designee(s). The recommendations shall include a summary of the concerns which need to be mitigated by the applicant prior to the issuance of the permit.

- C. At least twenty (20) days prior to the selection of the applicants, notice shall be sent to all property owners located within five hundred (500) feet of the proposed business locations of each of the finalists to be considered.
- D. The City Manager or his/her designee(s) shall either deny or approve the final candidates. The decision of the City Manager or his/her designee(s) shall be subject to appeal in accordance with the appeal provisions of this chapter.
- E. Official issuance of the commercial cannabis business permit(s), however, is conditioned upon the prevailing candidate(s) obtaining all required land use approvals. Following the selection, the prevailing candidate(s) shall apply to the city's Community Development department to obtain any required land use approvals or entitlements for the permittee's location, if any. Land use approvals shall include compliance with all applicable provisions of CEQA. The City Manager or his/her designee(s) shall formally issue the commercial cannabis business permit(s) once it has been affirmed that all of the required land use approvals have been obtained.
- F. Issuance of a commercial cannabis business permit does not create a land use entitlement. The commercial cannabis business permit shall only be for a term of twelve (12) months, and shall expire at the end of the twelve (12) month period unless it is renewed as provided herein. Furthermore, no permittee may begin operations, notwithstanding the issuance of a permit, unless all of the state and local laws and regulations, including, but not limited to, the requirements of this chapter and of the permit, have been complied with.
- G. Notwithstanding anything in this chapter to the contrary, the City reserves the right to reject any or all applications if it determines it would be in the best interest of the city, taking into account any health, safety and welfare impacts on the community. Applicants shall have no right to a commercial cannabis business permit until a permit is actually issued, and then only for the duration of the permits term. Each applicant assumes the risk that, at any time prior to the issuance of a permit, the City Council may terminate or delay the program created under this chapter.
- H. If an application is denied, a new application may not be filed for one year from the date of the denial.
- I. Each applicant granted a commercial cannabis business permit shall be required to pay the permit fee established by resolution of the City Council, to cover the costs of administering the commercial cannabis business permit program created in this chapter.

# 5.56.180 Change in location—Updated registration form.

- A. Any time the dispensing, cultivation, manufacturing, transportation and distribution location specified in the regulatory permit is changed, the applicant shall re-register with the City Manager or his/her designee(s). The process and the fees for re-registration shall be the same as the process and fees set forth for registration in Sections 5.56.090 and 5.56.120.
- B. Within fifteen (15) calendar days of any other change in the information provided in the registration form or any change in status of compliance with the provisions of this chapter, including any change in the commercial cannabis business ownership or management members, the applicant shall file an updated registration form with the City Manager or his/her designee(s) for review along with a registration amendment fee, as set forth in Sections 5.56.090 and 5.56.120.

## 5.56.185 Sale and assignment of license.

No commercial cannabis business permit may be sold, assigned, or otherwise transferred without the approval of the City Manager or his/her designee(s). As a condition of approval, the proposed purchaser, assignee, or transferee of a commercial cannabis business permit shall undergo the application and approval process described in Section 5.56.090 above.

## 5.56.190 City business license.

Prior to commencing operations, a commercial cannabis business shall obtain a city of Hanford business license.

# 5.56.200 Building permits and inspection.

Prior to commencing operations, a commercial cannabis business shall be subject to a mandatory building inspection, and must obtain all required permits and approvals which would otherwise be required for any business of the same size and intensity operating in that zone. This includes, but is not limited to, obtaining any required building permit(s), fire department approvals, health department approvals and other zoning and land use permit(s) and approvals.

### 5.56.210 Certification from the City Manager or his/her designee(s).

Prior to commencing operations, a commercial cannabis business must obtain a certification from the City Manager or his/her designee(s) certifying that the business is located on a site that meets all of the requirements of Title 17 of the city's municipal code.

# 5.56.220 Right to occupy and to use property.

As a condition precedent to the city's issuance of a commercial cannabis business permit pursuant to this chapter, any person intending to open and to operate a commercial cannabis business shall provide sufficient evidence of the legal right to occupy and to use the proposed location. In the event the proposed location will be leased from another person, the applicant shall be required to provide a signed and notarized statement from the owner of the property, acknowledging that the property owner has read this chapter and consents to the operation of the commercial cannabis business on the owner's property.

# 5.56.230 Limitations on City's liability.

To the fullest extent permitted by law, the City of Hanford shall not assume any liability whatsoever with respect to having issued a commercial cannabis business permit pursuant to this chapter or otherwise approving the operation of any commercial cannabis business. As a condition to the approval of any commercial cannabis business permit, the applicant shall be required to meet all of the following conditions before they can receive the commercial cannabis business permit:

A. They must execute an agreement, in a form approved by the City Attorney, agreeing to indemnify, defend (at applicant's sole cost and expense), and hold the City of Hanford, and its officers, officials, employees, representatives, and agents, harmless, from any and all claims, losses, damages, injuries, liabilities or losses which arise out of, or which are in any way related to, the City's issuance of

the commercial cannabis business permit, the City's decision to approve the operation of the commercial cannabis business or activity, the process used by the city in making its decision, or the alleged violation of any federal, state or local laws by the commercial cannabis business or any of its officers, employees or agents.

- B. Maintain insurance at coverage limits, and with conditions thereon determined necessary and appropriate from time to time by the City Attorney.
- C. Reimburse the City of Hanford for all costs and expenses, including, but not limited to, attorney fees and costs and court costs, which the city of Hanford may be required to pay as a result of any legal challenge related to the city's approval of the applicant's commercial cannabis business permit, or related to the city's approval of a commercial cannabis activity. The City of Hanford may, at its sole discretion, participate at its own expense in the defense of any such action, but such participation shall not relieve any of the obligations imposed hereunder.

# 5.56.240 Records and recordkeeping.

- A. Each owner and operator of a commercial cannabis business shall maintain accurate books and records in an electronic format, detailing all of the revenues and expenses of the business, and all of its assets and liabilities. On no less than an annual basis (at or before the time of the renewal of a commercial cannabis business permit issued pursuant to this chapter), or at any time upon reasonable request of the city, each commercial cannabis business shall file a sworn statement detailing the number of sales by the commercial cannabis business during the previous twelve (12) month period (or shorter period based upon the timing of the request), provided on a per-month basis. The statement shall also include gross sales for each month, and all applicable taxes paid or due to be paid. On an annual basis, each owner and operator shall submit to the city a financial audit of the business's operations conducted by an independent certified public accountant. Each permittee shall be subject to a regulatory compliance review and financial audit as determined by the City Manager or his/her designee(s).
- B. Each owner and operator of a commercial cannabis business shall maintain a current register of the names and the contact information (including the name, address, and telephone number) of anyone owning or holding an interest in the commercial cannabis business, and separately of all the officers, managers, employees, agents and volunteers currently employed or otherwise engaged by the commercial cannabis business. The register required by this paragraph shall be provided to the City Manager or his/her designee(s) upon a reasonable request.
- C. Each commercial cannabis business shall maintain a record of all persons, patients, collectives and primary caregivers served by the commercial cannabis business, for a period of no less than four (4) years.
- D. All commercial cannabis businesses shall maintain an inventory control and reporting system that accurately documents the present location, amounts, and descriptions of all cannabis and cannabis products for all stages of the growing and production or manufacturing, laboratory testing and distribution processes until purchase by or distribution to a qualified patient, primary caregiver for purpose or an adult twenty-one (21) years of age or older who qualifies to purchase cannabis as set forth in AUMA.
- E. Subject to any restrictions under the Health Insurance Portability and Accountability Act (HIPPA) regulations, each commercial cannabis business shall allow city of Hanford officials to have access to the business's books, records, accounts, together with any other data or documents relevant to its permitted commercial cannabis activities, for the purpose of conducting an audit or examination.

Books, records, accounts, and any and all relevant data or documents will be produced no later than twenty-four (24) hours after receipt of the city's request, unless otherwise stipulated by the city. The city may require the materials to be submitted in an electronic format that is compatible with the city's software and hardware.

### 5.56.250 Security measures.

- A. A permitted commercial cannabis business shall implement sufficient security measures to deter and prevent the unauthorized entrance into areas containing cannabis or cannabis products, and to deter and prevent the theft of cannabis or cannabis products at the commercial cannabis business. Except as may otherwise be determined by the chief of police or designee(s), these security measures shall include, but shall not be limited to, all of the following:
- 1. Preventing individuals from remaining on the premises of the commercial cannabis business if they are not engaging in an activity directly related to the permitted operations of the commercial cannabis business.
- 2. Establishing limited access areas accessible only to authorized commercial cannabis business personnel.
- 3. Except for live growing plants which are being cultivated at a cultivation facility, all cannabis and cannabis products shall be stored in a secured and locked room, safe, or vault. All cannabis and cannabis products, including live plants which are being cultivated, shall be kept in a manner as to prevent diversion, theft, and loss,
- 4. Installing twenty-four (24) hour security surveillance cameras of at least HD-quality to monitor all entrances and exits to and from the premises, all interior spaces within the commercial cannabis business which are open and accessible to the public, all interior spaces where cannabis, cash or currency, is being stored for any period of time on a regular basis and all interior spaces where diversion of cannabis could reasonably occur. The commercial cannabis business shall be responsible for ensuring that the security surveillance camera's footage is remotely accessible by the Hanford Police Department, and that it is compatible with the city's software and hardware. In addition, remote and real-time, live access to the video footage from the cameras shall be provided to the Hanford Police Department. Video recordings shall be maintained for a minimum of forty-five (45) days, and shall be made available to the Hanford Police Department upon request. Video shall be of sufficient quality for effective prosecution of any crime found to have occurred on the site of the commercial cannabis business.
  - 5. Sensors shall be installed to detect entry and exit from all secure areas.
  - 6. Panic buttons shall be installed in all commercial cannabis businesses.
  - 7. Having a professionally installed, maintained, and monitored alarm system.
- 8. Any bars installed on the windows or the doors of the commercial cannabis business shall be installed only on the interior of the building.
- 9. Security personnel shall be on-site twenty-four (24) hours a day or alternative security as authorized by the Chief of Police or his/her designee(s). Security personnel must be licensed by the State of California Bureau of Security and Investigative Services personnel and shall be subject to the prior review and approval of the Hanford Police Department, with such approval not to be unreasonably withheld.

- 10. Each commercial cannabis business shall have the capability to remain secure during a power outage and shall ensure that all access doors are not solely controlled by an electronic access panel to ensure that locks are not released during a power outage.
- B. Each commercial cannabis business shall identify a designated security representative/liaison to the city of Hanford, who shall be reasonably available to meet with the Chief of Police or his/her designee(s) regarding any security related measures or any operational issues.
- C. As part of the application and permitting process each commercial cannabis business shall have a storage and transportation plan, which describes in detail the procedures for safely and securely storing and transporting all cannabis, cannabis products, and any currency.
- D. The commercial cannabis business shall cooperate with the city whenever the City Manager or his/her designee(s) makes a request, upon reasonable notice to the commercial cannabis business, to inspect or audit the effectiveness of any security plan or of any other requirement of this chapter.
- E. A commercial cannabis business shall notify the City Manager or his/her designee(s) within twenty-four (24) hours after discovering any of the following:
- 1. Significant discrepancies identified during inventory. The level of significance shall be determined by the regulations promulgated by the City Manager or his/her designee(s).
- 2. Diversion, theft, loss, or any criminal activity involving the commercial cannabis business or any agent or employee of the commercial cannabis business.
- 3. The loss or unauthorized alteration of records related to cannabis, registering qualifying patients, primary caregivers, or employees or agents of the commercial cannabis business.
  - 4. Any other breach of security.

## 5.56.260 Restriction on alcohol sales.

No person shall cause or permit the sale, dispensing, or consumption of alcoholic beverages on or about the premises of the commercial cannabis business.

# 5.56.270 Fees and charges.

- A. No person may commence or continue any commercial cannabis activity in the city, without timely paying in full all fees and charges required for the operation of a commercial cannabis activity. Fees and charges associated with the operation of a commercial cannabis activity shall be established by resolution of the City Council which may be amended from time to time.
- B. All commercial cannabis businesses authorized to operate under this chapter shall pay all sales, use, business and other applicable taxes, and all license, registration, and other fees required under federal, state and local law. Each commercial cannabis business shall cooperate with the city with respect to any reasonable request to audit the commercial cannabis business' books and records for the purpose of verifying compliance with this section, including, but not limited to, a verification of the amount of taxes required to be paid during any period.

# 5.56.280 Miscellaneous operating requirements.

- A. Commercial cannabis businesses may operate only during the hours specified in the commercial cannabis business permit issued by the city.
- B. Restriction on Consumption. Cannabis shall not be consumed on the premises of any commercial cannabis businesses or elsewhere in the City of Hanford other than within private residences.
- C. No cannabis or cannabis products or graphics depicting cannabis or cannabis products shall be visible from the exterior of any property issued a commercial cannabis business permit, or on any of the vehicles owned or used as part of the commercial cannabis business. No outdoor storage of cannabis or cannabis products is permitted at any time.
- D. Reporting and Tracking of Product and of Gross Sales. Each commercial cannabis business shall have in place a point-of-sale or management inventory tracking system to track and report on all aspects of the commercial cannabis business including, but not limited to, such matters as cannabis tracking, inventory data, gross sales (by weight and by sale) and other information which may be deemed necessary by the city. The commercial cannabis business shall ensure that such information is compatible with the city's record-keeping systems. In addition, the system must have the capability to produce historical transactional data for review. Furthermore, any system selected must be approved and authorized by the City Manager or his/her designee(s) prior to being used by the permittee.
- E. All cannabis and cannabis products sold, distributed or manufactured shall be cultivated, manufactured, and transported by licensed facilities that maintain operations in full conformance with the state and local regulations.
- F. There shall not be a physician located in or around any commercial cannabis business at any time for the purpose of evaluating patients for the issuance of a cannabis recommendation or card where applicable.
- G. Emergency Contact. Each commercial cannabis business shall provide the City Manager or his/her designee(s) with the name, telephone number (both land line and mobile, if available) of an on-site employee or owner to whom emergency notice can be provided at any hour of the day.
  - H. Signage and Notices.
- 1. In addition to the requirements otherwise set forth in this section, business identification signage for a commercial cannabis business shall conform to the requirements of the Hanford Municipal Code, including, but not limited to, seeking the issuance of a city sign permit.
- 2. No signs placed on the premises of a commercial cannabis business shall obstruct any entrance or exit to the building or any window.
- 3. Each entrance to a commercial cannabis business shall be visibly posted with a clear and legible notice indicating that smoking, ingesting, or otherwise consuming cannabis on the premises or in the areas adjacent to the commercial cannabis business is prohibited.
- 4. Business identification signage shall be limited to that needed for identification only, and shall not contain any logos or information that identifies, advertises, or lists the services or the products offered. No commercial cannabis business shall advertise by having a person holding a sign and advertising the business to passersby, whether such person is on the premises of the commercial cannabis business or elsewhere including, but not limited to, the public right-of-way.
- 5. Signage shall not be directly illuminated, internally or externally. No banners, flags, billboards or other prohibited signs may be used at any time.

6. Holders of commercial cannabis business permits agree that, as an express and ongoing condition of permit issuance and subsequent renewal, the holder of the permit shall be prohibited from advertising any commercial cannabis business located in the City of Hanford utilizing a billboard (fixed or mobile), bus shelter, placard, aircraft, or other similar forms of advertising, anywhere in the state. This paragraph is not intended to place limitations on the ability of a commercial cannabis business to advertise in other legally authorized forms, including on the internet, in magazines, or in other similar ways.

#### I. Minors.

- 1. Persons under the age of twenty-one (21) years shall not be allowed on the premises of a commercial cannabis business and shall not be allowed to serve as a driver for a mobile delivery service. It is unlawful and a violation of this chapter for any person to employ any person at a commercial cannabis business who is not at least twenty-one (21) years of age.
- 2. Notwithstanding Section 5.56.280 I.1., persons aged 18 to 20 years shall be allowed on the premises of a commercial cannabis business if they can produce a physician's recommendation. In that event, such persons can lawfully purchase cannabis for the sole purpose of addressing the medical need that is the subject of the physician's recommendation.
- 3. The entrance to the commercial cannabis business shall be clearly and legibly posted with a notice that no person under the age of twenty-one (21) years of age is permitted to enter upon the premises of the commercial cannabis business.
- J. Odor Control. Odor control devices and techniques shall be incorporated in all commercial cannabis businesses to ensure that odors from cannabis are not detectable off-site. Commercial cannabis businesses shall provide a sufficient odor absorbing ventilation and exhaust system so that odor generated inside the commercial cannabis business that is distinctive to its operation is not detected outside of the facility, anywhere on adjacent property or public rights-of-way, on or about the exterior or interior common area walkways, hallways, breezeways, foyers, lobby areas, or any other areas available for use by common tenants or the visiting public, or within any other unit located inside the same building as the commercial cannabis business. As such, commercial cannabis businesses must install and maintain the following equipment, or any other equipment which the City Manager or his/her designee(s) determine is a more effective method or technology:
- 1. An exhaust air filtration system with odor control that prevents internal odors from being emitted externally;
- 2. An air system that creates negative air pressure between the commercial cannabis business's interior and exterior, so that the odors generated inside the commercial cannabis business are not detectable on the outside of the commercial cannabis business.
- K. Display of Permit and City Business License. The original copy of the commercial cannabis business permit issued by the city pursuant to this chapter and the city issued business license shall be posted inside the commercial cannabis business in a location readily-visible to the public.
- L. Background Check. Pursuant to California Penal Code Sections 11105(b)(11) and 13300(b)(11), which authorizes city authorities to access state and local summary criminal history information for employment, licensing, or certification purposes; and authorizes access to federal level criminal history information by transmitting fingerprint images and related information to the Department of Justice to be transmitted to the Federal Bureau of Investigation, every person listed as an owner, manager, supervisor, employee or volunteer, of the commercial cannabis business must submit

fingerprints and other information deemed necessary by the chief of police or designee(s) for a background check by the Hanford police department. Pursuant to California Penal Code Sections 11105(b)(11) and 13300(b)(11), which requires that there be a requirement or exclusion from employment, licensing or certification based on specific criminal conduct on the part of the subject of the record. No person shall be issued a permit to operate a commercial cannabis business or a related work permit unless they have first cleared the background check, as determined by the chief of police or designee(s), as required by this section. A fee for the cost of the background investigation, which shall be the actual cost to the city of Hanford to conduct the background investigation as it deems necessary and appropriate, shall be paid at the time the application for a commercial cannabis business permit is submitted.

- M. Loitering. The owner and/or operator of a commercial cannabis business shall prohibit loitering by persons outside the facility both on the premises and within fifty (50) feet of the premises.
- N. Permits and Other Approvals. Prior to the establishment of any commercial cannabis business or the operation of any such business, the person intending to establish a commercial cannabis business must first obtain all applicable planning, zoning, building, and other applicable permits from the relevant governmental agency which may be applicable to the zoning district in which such commercial cannabis business intends to establish and to operate.
- O. If a commercial cannabis business permittee is operating as a collective or cooperative under Health and Safety Code Section 11362.775, subdivision (a), members of the applicant authorized to possess cannabis shall sign an agreement with the commercial cannabis business which states that members shall not distribute cannabis or cannabis products to non-members or in violation of the "Memorandum for all United States Attorneys," issued by the United States Department of Justice, from James M. Cole, Deputy Attorney General and any other applicable state and federal laws, regulations, or guidelines.
- P. If the commercial cannabis business permittee is operating as a collective or cooperative under Health and Safety Code Section 11362.775, subdivision (a), the commercial cannabis business shall terminate the membership of any member violating any of the provisions of this chapter.

# 5.56.300 Operational requirements.

The City Manager or his/her designee(s) may develop other commercial cannabis business operational requirements or regulations as are determined to be necessary to protect the public health, safety and welfare.

# 5.56.310 Operating requirements for dispensaries/storefront retail facilities.

- A. No more than the number of cannabis retailers adopted by resolution may operate within the City of Hanford at any one time and shall be issued a permit by the City of Hanford.
- B. Retailers shall verify the age and all necessary documentation of each individual to ensure the customer is not under the age of eighteen (18) years. If the potential customer is 18 to 20 years old, retailer shall confirm the customer's possession of a valid doctor's recommendation and/or identification card (Medical Cannabis Card) pursuant to Health & Safety Code Section 11362.71. For adult-use purchases, retailers shall verify that all customers are 21 years of age or older for the purchase of cannabis or cannabis products.

- C. Entrances into the retailer shall be strictly controlled in a manner approved by the Chief of Police or his/her designee(s). Individuals 18-21 years of age must show their physician's recommendation to gain access. Physician's recommendations are not to be obtained or provided at the retail location.
- D. Uniformed licensed security personnel shall be employed to monitor site activity, control loitering and site access, and to serve as a visual deterrent to unlawful activities. Security personnel may be allowed to carry firearms if authorized by the Chief of Police.
- E. Retailers may have only that quantity of cannabis and cannabis products to meet the daily demand readily available for sale on-site in the retail sales area of the retailer. Additional product may be stored in a secured, locked area to which customers, vendors, and visitors shall not have access.
- F. All restroom facilities shall remain locked and under the control of management.
- G. Retailers and microbusinesses authorized to conduct retail activities shall only serve customers who are within the licensed premises, or at a delivery address that meets the requirements of this division.
  - 1. All cannabis goods sold by a retail business shall be contained in child-resistant packaging.
  - Retailers shall record point-of-sale areas and areas where cannabis goods are displayed
    for sale on the video surveillance system. At each point-of-sale location, camera
    placement must allow for the recording of the facial features of any person purchasing or
    selling cannabis goods, or any person in the retail area, with sufficient clarity to
    determine identity.
  - 3. A retail licensee or microbusiness licensee who is engaged in retail sale shall hire or contract for security personnel who are at least 21 years of age to provide security services for the licensed retail premises. All security personnel hired or contracted for by the licensee shall be licensed by the Bureau of Security and Investigative Services and shall comply with Chapters 11.4 and 11.5 of Division 3 of the Business and Professions Code.

### H. Access to Retailer Premises.

- 1. Access to the premises of a retail licensee/permittee shall be limited to individuals who are at least 21 years of age.
- 2. Notwithstanding Section 5.56.310 (H)(1), individuals who are at least 18 years of age and in possession of a valid physician's recommendation shall be granted access to the premises of a retail licensee/permittee for the sole purpose of purchasing medicinal cannabis consistent with the physician's recommendation.
- I. Authorized Sales. A retailer shall only sell adult-use cannabis and adult-use cannabis products to individuals who are at least 21 years of age. A retailer shall only sell medicinal cannabis or medicinal cannabis products to individuals who are at least 18 years of age, but not yet 21, if those individuals are in possession of a valid physician's recommendation. Medicinal cannabis sales to individuals 21 years of age and older are unrestricted.
- J. Limited Access Areas. A retailer shall establish limited-access areas and permit only authorized individuals to enter the limited-access areas. Authorized individuals include individuals

employed by the retailer as well as any outside vendors, contractors, or other individuals conducting business that requires access to the limited access area. All individuals granted access to the limited access area shall be at least 21 years of age, and if not employed by the retailer, shall be escorted at all times by an employee of the licensee/permittee. A retailer shall maintain a log of all individuals who are not employees who are granted access to the limited access area. These logs shall be made available to the City Manager or his/her designee(s) upon request.

- K. Microbusiness Commercial Activity. All cultivation, manufacturing, distribution, and retail activities performed by a licensee under a Type 12-Microbusiness permit shall occur on the same licensed premises. Areas of the premises for manufacturing and cultivation shall be separated from the distribution and retail areas by a wall and all doors between the areas shall remain closed when not in use.
- L. Operating hours of the Store Front Retailer License shall be limited to the hours of 9:00 a.m. through 9:00 p.m., seven days a week.
- **M.** Store Front/Retail Security Requirements. All provisions incorporated within Section 5.56.250 of this Chapter (Security Measures), are directly applicable to and binding on all commercial cannabis businesses, including all Store Front/Retail businesses.

# 5.56.320. Operating requirements for delivery services.

Prior to commencing operations, a cannabis delivery service shall comply with the following requirements:

- (1) Obtain from the City a permit authorizing the delivery of cannabis and cannabis products within the city limits. A copy of this permit shall be retained by all drivers.
- (2) The retail business operating the delivery service shall provide the City Manager or his/her designee(s) with evidence of a valid state license for a commercial cannabis business on whose authorization the delivery service is performing the delivery function.
- (3) The retail business operating the delivery service shall furnish to the City Manager or his/her designee(s), directly or via the jurisdiction from which the business has received an operating permit, the names and driver's license numbers of all the business' delivery drivers, and evidence verifying that criminal background checks have been conducted for all the business' drivers.
- (4) The retail business operating the delivery service shall furnish to the City Manager or his/her designee(s) the year, make, model, color, license plate number, and numerical Vehicle Identification Number (VIN) for any and all vehicles that will be used to deliver cannabis goods.

# 5.56.330 Operating requirements for non-storefront retail.

A. Non-Store Front Retailer (Delivery) License Owners and Operators are required to verify the age and the necessary documentation of each medical customer to ensure the customer is not under the

- age of eighteen (18) years, and to verify that the potential customer has a valid doctor's recommendation. Doctor recommendations are not to be obtained or provided at the retail location.
- B. All Store Front Retailers, Non-Store Front Retailers (delivery) and Microbusinesses which conduct deliveries into or within the City of Hanford shall be required to obtain a permit from the City of Hanford in order to conduct retail sales regardless if they are located in the city or another local jurisdiction.
- C. Operating hours of the Non-Store Front Retailer License shall be limited to the hours of 9:00 a.m. through 9:00 p.m., seven days a week.
- D. The commercial Non-Store Front Retailer shall only sell cannabis or cannabis products to a person 21 years of age or older, or a natural person 18 years of age or older who possesses a physician's recommendation for medical cannabis use only.
- E. Except as otherwise provided herein, the commercial cannabis non-storefront retailer may only have on site that quantity of cannabis and cannabis products reasonably anticipated to meet the weekly demand for which they may need to be readily available for sale.
  - a. The commercial cannabis non-store front dispensary may store additional product on-site if they meet the following requirements.
  - b. Product must be secured in a locked vault to which customers, visitors and vendors shall not have access.
  - c. Must have 24-hour security.
  - d. All product must be entered into the state mandated track and trace system.
  - e. Excess product storage shall not exceed the amount that would typically be used in a 6 week period.
  - f. Separate security plan for the additional product being stored shall be approved by the Chief of Police or his/her designee.

# 5.56.340 Operating requirements for cultivation facilities.

- A. Outdoor Cultivation Prohibited. The cultivation of all cannabis must occur indoors. All outdoor cultivation is prohibited.
- B. In no case, shall cannabis plants be visible from a public or private road, sidewalk, park or any common public viewing area.
- C. If a commercial cannabis cultivation is permitted in the city of Hanford then it shall only be allowed to cultivate the square feet of canopy space permitted by state law.
- D. Cannabis cultivation shall be conducted in accordance with state and local laws related to land conversion, grading, electricity, water usage, water quality, woodland and riparian habitat protection, agricultural discharges, and similar matters.
- E. Pesticides and fertilizers shall be properly labeled and stored to avoid contamination through erosion, leakage or inadvertent damage from pests, rodents or other wildlife.
- F. The cultivation of cannabis shall at all times be operated in such a way as to ensure the health, safety, and welfare of the public, the employees working at the commercial cannabis business, visitors to

the area, neighboring properties, and the end users of the cannabis being cultivated, to protect the environment from harm to streams, fish, and wildlife; to ensure the security of the cannabis being cultivated; and to safeguard against the diversion of cannabis.

- G. All applicants for a cannabis cultivation permit shall submit the following in addition to the information generally otherwise required for a commercial cannabis business:
- 1. A cultivation and operations plan that meets or exceeds minimum legal standards for water usage, conservation and use; drainage, runoff, and erosion control; watershed and habitat protection; and proper storage of fertilizers, pesticides, and other regulated products to be used on the parcel, and a description of the cultivation activities (indoor, mixed-light) and schedule of activities during each month of growing and harvesting, or explanation of growth cycles and anticipated harvesting schedules for all-season harvesting (indoor, mixed-light).
  - 2. A description of a legal water source, irrigation plan, and projected water use.
- 3. Identification of the source of electrical power and plan for compliance with applicable Building Codes and related codes.
- 4. Plan for addressing odor and other public nuisances which may derive from the cultivation site.

# 5.56.350 Cannabis manufacturing—Edibles and other cannabis products—Sale or distribution of edible and other cannabis products.

The manufacturing of food or other products infused with or which otherwise contain cannabis may be manufactured within the appropriate manufacturing zoning districts as described in Title 17, subject to the regulations set forth in this chapter, and subject to whatever additional regulations may be promulgated hereunder by an ordinance or resolution of the City Council.

## 5.56.360 Packaging and labeling.

- A. Before a commercial cannabis manufacturer delivers any edible cannabis or edible cannabis product to a dispensary, the same shall be labeled and placed in tamper-evident packaging which at least meets the requirements of California Business and Professions Code Section 19347, as the same may be amended from time to time or superseded or replaced by subsequent state legislation or by any department or division of the state of California.
- B. All items to be sold or distributed shall be individually wrapped at the original point of preparation by the business permitted as a commercial cannabis manufacturer.
- C. Labeling must include a warning if nuts or other known allergens are used, and must include the total weight (in ounces or grams) of cannabis in the package.
- D. A warning that the item is a medication and not a food must be clearly legible on the front of the package and/or must comply with state packing requirements.
  - E. The package must have a label warning that the product is to be kept away from children.
- F. The label must also state that the product contains cannabis and must specify the date of manufacture.

- G. Any edible cannabis product that is made to resemble a typical food product must be in a properly labeled opaque (non-see-through) package before it leaves the commercial cannabis manufacturing business.
  - H. Deliveries must be in a properly labeled opaque package when delivered.
- I. The City Council may impose additional packaging and labeling requirements on cannabis or cannabis products by resolution, as permitted by law.

# 5.56.370 Operating requirements for cannabis manufacturing (levels one and two)—Extraction, etc.

- A. Cannabis manufacturing facilities requiring a Type 6 or Type 7 state license (using non-volatile and volatile solvents) as defined in Business and Professions Code Section 19341, may be permitted to operate within those zone districts as defined in Title 17 of the city of Hanford Municipal Code.
- B. Any compressed gases used in the manufacturing process shall not be stored on any property within the city of Hanford in containers that exceeds the amount which is approved by the fire department and authorized by the regulatory permit. Each site or parcel subject to a commercial cannabis business permit shall be limited to a total number of tanks as authorized by the fire department on the property at any time.
- C. Cannabis manufacturing facilities may use the hydrocarbons N-butane, isobutane, propane, or heptane or other solvents or gases exhibiting low to minimal potential human-related toxicity approved by the community development department. These solvents must be of at least ninety-nine percent (99%) purity and any extraction process must use them in a professional grade closed loop extraction system designed to recover the solvents, work an environment with proper ventilation, controlling all sources of ignition where a flammable atmosphere is or may be present.
- D. If an extraction process uses a professional grade closed loop CO<sub>2</sub> gas extraction system where every vessel is certified by the manufacturer for its safe use as referenced in subsection F. The CO<sub>2</sub> must be of at least ninety-nine percent (99%) purity.
- E. Closed loop systems for compressed gas extraction systems must be commercially manufactured and bear a permanently affixed and visible serial number.
- F. Certification from an engineer licensed by the state of California must be provided to the community development department for a professional grade closed loop system used by any commercial cannabis manufacturer to certify that the system was commercially manufactured, is safe for its intended use, and was built to codes of recognized and generally accepted good engineering practices, including, but not limited to:
  - 1. The American Society of Mechanical Engineers (ASME);
  - 2. American National Standards Institute (ANSI);
  - 3. Underwriters Laboratories (UL); or
  - 4. The American Society for Testing and Materials (ASTM).
- G. The certification document must contain the signature and stamp of the professional engineer and serial number of the extraction unit being certified.

- H. Professional closed loop systems, other equipment used, the extraction operation, and facilities must be approved for their use by the fire department and meet any required fire, safety, and building code requirements specified in the California Building Reference Codes.
- I. Cannabis manufacturing facilities may use heat, screens, presses, steam distillation, ice water, and other methods without employing solvents or gases to create keef, hashish, bubble hash, or infused dairy butter, or oils or fats derived from natural sources, and other extracts.
- J. Cannabis manufacturing facilities may use food grade glycerin, ethanol, and propylene glycol solvents to create or refine extracts. All ethanol must be removed from the extract in a manner to recapture the solvent and ensure that it is not vented into the atmosphere.
- K. Cannabis manufacturing facilities creating cannabis extracts must develop standard operating procedures, good manufacturing practices, and a training plan prior to producing extracts for the marketplace.
- L. Any person using solvents or gases in a closed loop system to create cannabis extracts must be fully trained on how to use the system, have direct access to applicable material safety data sheets and handle and store the solvents and gases safely.
- M. Parts per million for one gram of finished extract cannot exceed state standards for any residual solvent or gas when quality assurance tested.

## 5.56.372 Operating requirements for Distributors.

- A. A distributor shall not store non-cannabis goods or non-cannabis accessories that are to be sold to another party on any licensed premises. Additionally, a distributor shall not distribute non-cannabis goods or non-cannabis accessories at a licensed premise. For the purposes of this section, non-cannabis goods are any goods that do not meet the definition of cannabis goods as defined in Title 16, Section 5000(c) of the California Code of Regulations.
- B. After taking physical possession of a cannabis goods batch, the distributor shall contact a testing laboratory and arrange for a laboratory employee to come to the distributor's licensed premises to select a representative sample for laboratory testing.
- C. A distributor shall ensure that all cannabis goods batches are stored separately and distinctly from other cannabis goods batches on the distributor's premises.
- D. The distributor shall ensure that the batch size from which the sample is taken meets the requirements of state law, specifically the testing provisions within the California Code of Regulations.
- E. A distributor or an employee of the distributor shall be physically present to observe the laboratory employee obtain the sample of cannabis goods for testing and shall ensure that the increments are taken from throughout the batch. The sampling shall be video-recorded, and the recording kept available to state and local authorities for a minimum of 180 days, pursuant to Section Title 16, 5305 of the California Code of Regulations.
- **F.** A distributor shall not transport cannabis or cannabis products to a licensed retail facility until and unless it has verified that the cannabis or cannabis products have been tested and certified by a testing lab as being in compliance with state health and safety requirements pursuant to Title 16, Sections 5705, 5710 and 5714 of the California Code of Regulations.

# 5.56.374 Operating requirements for Testing Laboratories.

A. Testing Labs shall be required to conduct all testing in a manner pursuant to Business and Professions Code Section 26100 and shall be subject to state and local law. Each Testing Lab shall be subject to additional regulations as determined from time to time as more regulations

- are developed under this Chapter and any subsequent State of California legislation regarding the same.
- B. Testing Labs shall conduct all testing in a manner consistent with general requirements for the competence of testing and calibrations activities, including sampling using verified methods.
- C. All cannabis testing laboratories performing testing shall obtain and maintain ISO/IEC 17025 accreditation as required by the Bureau of Cannabis Control.
- D. Testing labs shall destroy any harvest batch whose testing sample indicates noncompliance with health and safety standards required by the Bureau unless remedial measures can bring the cannabis or cannabis products into compliance with quality standards as specified by law and implemented by the bureau.
- E. Each operator shall ensure that a testing laboratory employee takes the sample of cannabis or cannabis products from the distributor's premises for testing required by state law and that the testing laboratory employee transports the sample to the testing laboratory.
- F. Except as provided by state law, a testing laboratory shall not acquire or receive cannabis or cannabis products except from a licensee in accordance with state law, and shall not distribute, sell, or dispense cannabis, or cannabis products, from the licensed premises from which the cannabis or cannabis products were acquired or received. All transfer or transportation shall be performed pursuant to a specified chain of custody protocol as established in approved security measures by the Chief of Police.
- G. A testing laboratory may receive and test samples of cannabis or cannabis products from a qualified patient or primary caregiver only if the qualified patient or primary caregiver presents the qualified patient's valid physician's recommendation for cannabis for medicinal purpose. A testing lab shall not certify samples from a qualified patient or primary caregiver for resale or transfer to another party or licensee. All tests performed by a testing laboratory for a qualified patient or primary caregiver shall be recorded with the name of the qualified patient or primary caregiver and the amount of the cannabis or cannabis products received.

## 5.56.376 Operating requirements for Microbusinesses.

Microbusinesses must comply with the local operating requirements and all requirements imposed by state law that apply to the specific activities operating under the umbrella of the individual microbusiness.

- A. Outdoor Commercial Cultivation is prohibited.
  - B. In no case, shall cannabis plants be visible from a public or private road, sidewalk, park or any common public viewing area.
  - C. Commercial cannabis cultivation which is permitted in the City of Hanford shall not exceed 10,000 square feet of canopy space permitted by state law as part of a microbusiness license.
  - D. Cannabis cultivation shall be conducted in accordance with state and local laws related to land conversion, grading, electricity, water usage, water quality, woodland and riparian habitat protection, agricultural discharges, and similar matters.

- E. Pesticides and fertilizers shall be properly labeled and stored to avoid contamination through erosion, leakage or inadvertent damage from pests, rodents or other wildlife.
- F. The cultivation of cannabis shall at all times be operated in such a way as to ensure the health, safety, and welfare of the public, the employees working at the commercial cannabis business, visitors to the area, neighboring properties, and the end users of the cannabis being cultivated, to protect the environment from harm to streams, fish, and wildlife; to ensure the security of the cannabis being cultivated; and to safeguard against the diversion of cannabis.
- G. All applicants for a cannabis cultivation permit shall submit to the following in addition to the information generally otherwise required for a commercial cannabis business:
  - (1) A cultivation and operations plan that meets or exceeds minimum legal standards for water usage, conservation and use; drainage, runoff, and erosion control; watershed and habitat protection; and proper storage of fertilizers, pesticides, and other regulated products to be used on the parcel, and a description of the cultivation activities and schedule of activities during each month of growing and harvesting, or explanation of growth cycles and anticipated harvesting schedules for all-season harvesting.
  - (2) A description of a legal water source, irrigation plan, and projected water use.
  - (3) Identification of the source of electrical power and plan for compliance with applicable Building Codes and related codes.
  - (4) Plan for addressing odor and other public nuisances that may derive from the cultivation site.

# 5.56.380 Promulgation of regulations, standards and other legal duties.

- A. In addition to any regulations adopted by the City Council, the City Manager or his/her designee(s) is authorized to establish any additional rules, regulations and standards governing the issuance, denial or renewal of commercial cannabis business permits, the ongoing operation of commercial cannabis businesses and the city's oversight, or concerning any other subject determined to be necessary to carry out the purposes of this chapter.
  - B. Regulations shall be published on the city's website.
- C. Regulations promulgated by the City Manager shall become effective upon date of publication. Commercial cannabis businesses shall be required to comply with all state and local laws and regulations, including, but not limited to, any rules, regulations or standards adopted by the City Manager or his/her designee(s).
- D. Testing labs, transporters and distribution facilities shall be subject to state law and shall be subject to additional regulations as determined from time to time as more regulations are developed under subsection A.

## 5.56.390 Community relations.

- A. Each commercial cannabis business shall provide the name, telephone number, and email address of a community relations contact to whom notice of problems associated with the commercial cannabis business can be provided. Each commercial cannabis business shall also provide the above information to all businesses and residences located within one hundred (100) feet of the commercial cannabis business.
- B. During the first year of operation pursuant to this chapter, the owner, manager, and community relations representative from each commercial cannabis business holding a permit issued pursuant to this chapter shall attend a quarterly meeting with the City Manager or his/her designee(s) and other interested parties as deemed appropriate by the City Manager, to discuss costs, benefits, and other community issues arising as a result of implementation of this chapter. After the first year of operation, the owner, manager, and community relations representative from each such commercial cannabis business shall meet with the City Manager or his/her designee(s) when and as requested by the City Manager or his/her designee(s).
- C. Commercial cannabis businesses to which a permit is issued pursuant to this chapter shall develop and make available to youth organizations and educational institutions a public education plan that outlines the risks of youth addiction to cannabis, and that identifies resources available to youth related to drugs and drug addiction.

## 5.56.400 Fees deemed debt to city of Hanford.

The amount of any fee, cost or charge imposed pursuant to this chapter shall be deemed a debt to the city of Hanford that is recoverable via an authorized administrative process as set forth in the municipal code, or in any court of competent jurisdiction.

## **5.56.410** Permit holder responsible for violations.

The person to whom a permit is issued pursuant to this chapter shall be responsible for all violations of the laws of the state of California or of the regulations and/or the ordinances of the City of Hanford, whether committed by the permittee or any employee or agent of the permittee, which violations occur in or about the premises of the commercial cannabis business whether or not said violations occur within the permit holder's presence.

## 5.56.420 Inspection and enforcement.

- A. Representatives of the City, charged with enforcing the provisions of the Hanford Municipal Code, or any provision thereof, may enter the location of a commercial cannabis business at any time, without notice, and inspect the location of any commercial cannabis business as well as any recordings and records required to be maintained pursuant to this chapter or under applicable provisions of state law.
- B. It is unlawful for any person having responsibility over the operation of a commercial cannabis business, to impede, obstruct, interfere with, or otherwise not to allow, the city to conduct an inspection, review or copy records, recordings or other documents required to be maintained by a commercial cannabis business under this chapter or under state or local law. It is also unlawful for a person to conceal, destroy, deface, damage, or falsify any records, recordings or other documents required to be maintained by a commercial cannabis business under this chapter or under state or local law.
- C. Representatives of the City, charged with enforcing the provisions of this chapter may enter the location of a commercial cannabis business at any time during the hours of operation and without notice

to obtain samples of the cannabis to test for public safety purposes. Any samples obtained by the city of Hanford shall be logged, recorded, and maintained in accordance with the Hanford Police department standards for evidence.

## 5.56.430 Concurrent regulation with state.

It is the stated intent of this chapter to regulate commercial cannabis activity in the city of Hanford concurrently with the state of California.

## 5.56.440 Violations declared a public nuisance.

Each and every violation of the provisions of this chapter is hereby deemed unlawful and a public nuisance per se. The nuisance abatement remedies and procedures identified in Chapter 17.94, which are incorporated herein by reference, shall apply to nuisances existing under this Chapter 5.56.

# 5.56-450 Each violation a separate offense.

Each and every violation of this chapter shall constitute a separate violation and shall be subject to all remedies and enforcement measures authorized by the Hanford Municipal Code or by state law. Each day a violation is committed or permitted to continue shall constitute a separate violation. Additionally, as a nuisance per se, any violation of this chapter shall be subject to injunctive relief, any permit issued pursuant to this chapter being deemed null and void, disgorgement and payment to the city of any monies unlawfully obtained, costs of abatement, costs of investigation, attorney fees, and any other relief or remedy available at law or in equity. The city of Hanford may also pursue any and all remedies and actions available and applicable under state and local laws for any violations committed by the commercial cannabis business or persons related to, or associated with, the commercial cannabis activity. Additionally, when there is determined to be an imminent threat to public health, safety or welfare, the City Manager or his/her designee(s) may take immediate action to temporarily suspend or revoke a commercial cannabis business permit issued by the city, pending a hearing before the City Council or its designee.

### 5.56.460 Criminal penalties.

Each and every violation of the provisions of this chapter may be prosecuted as a misdemeanor and upon conviction be subject to a fine not to exceed one thousand dollars (\$1,000.00) or imprisonment in the County Jail for a period of not more than twelve (12) months, or by both such fine and imprisonment. Each day a violation is committed or permitted to continue shall constitute a separate offense. (Ord. 17-08 § 2, 2017)

## 5.56.470 Administrative penalties and costs.

In addition to any other remedy available at law, an administrative citation may be issued to any person or entity who violates this chapter.

A. Issuance of Citation.

- 1. Whenever the city's Police Chief, his/her designee, or a city Code Enforcement Officer determines that a violation of this chapter has occurred, the Police Chief, his/her designee, or a City Code Enforcement Officer shall have the authority to issue an administrative citation to any person or entity responsible for the violation.
- 2. Each administrative citation shall contain the following information:
  - i. The date of the violation or, if the date of the violation is unknown, then the date the violation is identified;
  - ii. The address or a definite description of the location where the violation occurred;
  - iii. The section of this chapter that was violated and a description of the violation;
  - iv. The amount of the fine for the violation;
  - v. A description of the fine payment process, including a description of the time within which and the place at which the fine shall be paid;
  - vi. An order prohibiting the continuation or repeated occurrence of the code violation described in the administrative citation;
  - vii. A description of the administrative citation review process, including the time within which the administrative citation may be contested and the place from which a request for hearing form to contest the administrative citation may be obtained; and
  - viii. The name and signature of the individual issuing the citation.

# B. Amount of Fines.

- 1. The amounts of the administrative citation fines for violations of this chapter shall be set forth in a schedule of fines established by resolution of the City Council.
- 2. The schedule of fines shall specify any increased fines for repeat violations of the same code provision by the same person or entity.

# C. Payment of Fines.

- 1. Fines shall be paid to the city within thirty (30) days from the date of the administrative citation.
- 2. Any administrative citation fine paid shall be refunded if it is determined, after an appeal hearing, that a person or entity charged in the administrative citation was not responsible for the violation or that there was no violation as charged in the citation.

3. Payment of a fine under this chapter shall not excuse, discharge, or permit any continuation or repeated occurrence of the code violation that is the subject of the administrative citation.

## D. Hearing Request.

- 1. Any recipient of an administrative citation may appeal the citation by submitting a written request for hearing to the City Clerk or his/her designee within thirty (30) days from the date of the administrative citation, together with an advance deposit of the fine and appeal fee.
- 2. If the Police Chief, his/her designee, or a Code Enforcement Officer submits an additional written report concerning the administrative citation to the hearing body, then a copy of such report shall be served on the person requesting the hearing at least five (5) days prior to the date of the hearing.

# E. Hearing Procedure.

- 1. The appeal procedures described in Section 5.56.160 shall apply to appeals involving administrative citations.
- 2. No hearing to contest an administrative citation shall be held unless the fine has been deposited with the city in advance.
- 3. At the hearing, the party contesting the administrative citation shall be given the opportunity to testify and to present evidence concerning the administrative citation.
- 4. The administrative citation and any additional report submitted by the Police Chief, his/her designee, or a Code Enforcement Officer shall constitute prima facie evidence of the respective facts contained in those documents.
- 5. The hearing body may continue the hearing and request additional information from the Police Chief, his/her designee, Code Enforcement Officer, or the recipient of the administrative citation prior to issuing a written decision.

# F. Hearing Body's Decision.

- 1. After considering all of the testimony and evidence submitted at the hearing, the hearing body shall issue a written decision to uphold, modify, or cancel the administrative citation and shall list in the decision the reasons for the decision. The decision of the hearing body shall be final.
- 2. If the hearing body determines that the administrative citation should be upheld, then the fine amount on deposit with the city shall be retained by the city.
- 3. If the hearing body determines that the administrative citation should be canceled, then the city shall promptly refund the amount of the deposited fine.
- 4. If the hearing body determines that the fine levied under the administrative citation should be adjusted, then the city will promptly refund the amount of the deposited

fine that exceeds the amount fixed by the hearing body or the recipient of the administrative citation will promptly pay to the city an additional amount fixed by the hearing body if the body finds that the fine assessed under the administrative citation to be insufficient.

5. The recipient of the administrative citation shall be served with a copy of the hearing body's written decision.

## G. Late Payment Charges.

Any person or entity who fails to pay to the city any fine imposed or amount owed pursuant to the provisions of this chapter on or before the date that the fine or amount is due shall also be liable for a late payment charge equal to ten percent (10%) of the unpaid amount, and interest shall accrue thereafter at a rate of one and one half percent (1.5%) per month on the unpaid fine; provided however, the additional penalty and/or interest shall not apply if collection of the same by the city would violate State law.

H. Recovery of Administrative Citation Fines and Costs.

Any person or entity who violates this chapter shall be responsible for the enforcement costs incurred by the city with respect to such violation. The City may collect any past due administrative citation fines, enforcement and collection costs, and late payment charges by use of all available legal means. Collection costs shall be in addition to any interest and/or late charges imposed upon the delinquent obligation and shall be added to and become a part of the underlying obligation. Any partial payment of an obligation, when a partial payment is permitted, will be applied first to the principal amount of the underlying obligation, then to any penalties, and then to interest.

I. Recovery of Administrative Citation Fines and Costs.

Any person or entity who violates this Chapter shall be responsible for the enforcement costs incurred by the City with respect to such violation. The City may collect any past due administrative citation fines, enforcement and collection costs, and late payment charges by use of all available legal means, including, without limitation, the lien procedures identified in Sections 17.94.180 and 17.94.190 of this Code, which are incorporated herein by reference. Collection costs shall be in addition to any interest and/or late charges imposed upon the delinquent obligation and shall be added to and become a part of the underlying obligation. Any partial payment of an obligation, when a partial payment is permitted, will be applied first to the principal amount of the underlying obligation, then to any penalties, and then to interest.

J. Right to Judicial Review.

Any person or entity aggrieved by a decision of the hearing body on an administrative citation may obtain review of the decision by filing a petition for review with the Superior Court for Kings County, California in accordance with the timelines and provisions set forth in California Government Code Section 53069.4, as may be amended.

K. Notices.

The administrative citation and all notices required to be given by this chapter shall be served by personal delivery thereof to the person or entity to be notified or by deposit in the United States Mail, certified mail with return receipt requested, addressed to such person to be notified at his/her/its last-known address as the same appears in the public records or other records pertaining to the matter to which such notice is directed. Service by mail shall be deemed to have been completed at the time of deposit in the mail.

## 5.56.480 Remedies cumulative and not exclusive.

The remedies provided herein are not to be construed as exclusive remedies. The city is authorized to pursue any proceedings or remedies provided by law.

# **Chapter 5.56 COMMERCIAL CANNABIS ACTIVITY.**

## 5.56.010 Purpose and intent.

It is the purpose and intent of this chapter to accommodate the needs of medically-ill persons in need of cannabis for medical purposes, as advised and recommended by their health care provider(s), and to implement the Adult Use Cannabis Act which was passed by the voters of California while imposing regulations on the use of land to protect the city's neighborhoods, residents, and businesses from negative impacts. It is a further purpose and intent of this chapter to regulate the cultivation, manufacturing, processing, testing, transporting, delivery, and distribution of cannabis and cannabis-related products in a manner which is responsible, which protects the health, safety, and welfare of the residents of Hanford, and to enforce rules and regulations consistent with state law. In part to meet these objectives, an annual permit shall be required to own and/or to operate a commercial cannabis business within Hanford. Nothing in this chapter is intended to authorize the possession, use, or provision of cannabis for purposes which violate state or federal law. The provisions of this chapter are in addition to any other permits, licenses and approvals which may be required to conduct business in the city, and are in addition to any permits, licenses and approval required under state, county, or other law.

# 5.56.020 Legal authority.

Pursuant to Sections 5 and 7 of Article XI of the California Constitution, and the provisions of the Medical Cannabis Regulation and Safety Act (hereinafter "MCRSA"), and the Adult Use Cannabis Act (hereinafter "AUMA" the city of Hanford is authorized to adopt ordinances that establish standards, requirements and regulations for local licenses and permits for cannabis and cannabis-related activity. Any standards, requirements, and regulations regarding health and safety, security, and worker protections established by the state of California, or any of its departments or divisions, shall be the minimum standards applicable in the city of Hanford to cannabis, and/or cannabis-related activity.

# 5.56.030 Cannabis cultivation and commercial cannabis business activities prohibited unless specifically authorized by this chapter.

Except as specifically authorized in this chapter, the cultivation, possession, manufacture, processing, storing, laboratory testing, labeling, transporting, dispensing, distribution, delivery, or sale of cannabis or cannabis product is expressly prohibited in the City of Hanford.

## 5.56.040 Compliance with state and local laws.

It is the responsibility of the owners and operators of the commercial cannabis business to ensure that it is, always, operating in a manner compliant with all applicable state and local laws, and any regulations promulgated thereunder. Nothing in this chapter shall be construed as authorizing any actions which violate federal, state law or local law with respect to the operation of a commercial cannabis business. It shall be the responsibility of the owners and the operators of the commercial cannabis business to ensure that the commercial cannabis business is, at all times, operating in a manner compliant with all applicable federal, state and local laws, the 2008 Attorney General Guidelines, any subsequently enacted state law or regulatory, licensing, or certification requirements, and any specific, additional operating procedures or requirements which may be imposed as conditions of approval of the commercial

cannabis business permit. Nothing in this chapter shall be construed as authorizing any actions which violate federal or state law regarding the operation of a commercial cannabis business.

### 5.56.050 Definitions.

When used in this chapter, the following words shall have the meanings ascribed to them as set forth herein. Any reference to California statutes includes any regulations promulgated thereunder, and is deemed to include any successor or amended version of the referenced statute or regulatory provision.

"Bureau" means the Bureau of Cannabis Control within the California Department of Consumer Affairs.

"Cannabis" refers to "marijuana," and means all parts of the Cannabis sativa Linnaeus, Cannabis indica, or Cannabis ruderalis, whether medical or nonmedical, growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. "Cannabis" also means the separated resin, whether crude or purified, obtained from cannabis. "Cannabis" also means marijuana as defined by Section 11018 of the California Health and Safety Code as enacted by Chapter 14017 of the Statutes of 1972. "Cannabis" does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. For the purpose of this chapter, "cannabis" does not mean industrial hemp as that term is defined by Section 81000 of the California Food and Agricultural Code or Section 11018.5 of the California Health and Safety Code.

"Cannabis business park" means a park or campus that is one contiguous commercial area of land which has many cannabis related businesses grouped together. Each individual business is clearly defined, having a unique entrance and immovable physical barriers between uniquely licensed premises.

"Cannabis concentrate" means manufactured cannabis that has undergone a process to concentrate the cannabinoid active ingredient, thereby increasing the product's potency.

"Cannabis product" means a product containing cannabis, including, but not limited to, manufactured cannabis intended to be sold for use by cannabis patients in California pursuant to the Compassionate Use Act of 1996 (Proposition 215), found at Section 11362.5 of the California Health and Safety Code(as the same may be amended from time to time) or pursuant to the Adult Use of Marijuana Act. For purposes of this chapter, "medical cannabis" does not include industrial hemp as defined by Section 81000 of the California Food and Agricultural Code or Section 11018.5 of the California Health and Safety Code.

"Canopy" means all areas occupied by any portion of a cannabis plant, inclusive of all vertical planes, whether contiguous or noncontiguous on any one site.

"Caregiver" or "primary caregiver" has the same meaning as that term is defined in Section 11362.7 of the California Health and Safety Code.

"City" or "city of Hanford" means the city of Hanford, a California general law city.

"Commercial cannabis activity" includes cultivation, manufacture, processing, laboratory testing, transporting, delivery, distribution, or sale of cannabis product, within the meaning of California Business and Professions Code Section 26001and California Business and Professions Code Section 26050, et seq.

"Commercial cannabis business" means any business or operation which engages in cannabis activity.

"Commercial cannabis business permit" means a regulatory permit issued by the city of Hanford pursuant to this chapter to a commercial cannabis business, and is required before any commercial cannabis activity may be conducted in the city. The initial permit and annual renewal of a commercial cannabis business permit is made expressly contingent upon the business' ongoing compliance with all of the requirements of this chapter and any regulations adopted by the city governing the commercial cannabis activity at issue.

"Cultivation" means any activity, whether occurring indoors or outdoors, involving the propagation, planting, growing, harvesting, drying, curing, grading, and/or trimming of cannabis plants or any part thereof for any purpose, including cannabis.

"Cultivation site" means a facility where cannabis is cultivated, propagated, planted, grown, harvested, dried, cured, graded, or trimmed, or that does all or any combination of those activities, and where the operator holds a valid commercial cannabis business permit for cultivation from the city of Hanford and a valid state license to cultivate cannabis as required by state law.

"Delivery" means the commercial transfer of cannabis or cannabis products from a dispensary, up to an amount determined to be authorized by the state of California, or any of its departments or divisions, to anyone for any purpose. "Delivery" also includes the use by a dispensary of any technology platform owned, controlled, and/or licensed by the dispensary, or independently licensed by the state of California under the MCRSA or AUMA (as the same may be amended from time-to-time), that enables anyone to arrange for or facilitate the commercial transfer by a licensed dispensary of cannabis or cannabis products.

"Dispensary" means a commercial cannabis business facility where cannabis, cannabis products, or devices for the use of cannabis or cannabis products are offered, either individually or in any combination, for retail sale, including an establishment (whether fixed or mobile) that delivers, pursuant to express authorization, cannabis and cannabis products as part of a retail sale, and where the operator holds a valid commercial cannabis business permit from the city of Hanford authorizing the operation of a dispensary, and a valid state license as required by state law to operate a dispensary.

"Dispensing" means any activity involving the retail sale of cannabis or cannabis products from a dispensary.

"Distribution" means the wholesale procurement, and sale, of cannabis or cannabis products between entities licensed pursuant to MCRSA, AUMA and any subsequent state of California legislation regarding the same.

"Distributor" means a person holding a valid commercial cannabis business permit for distribution issued by the city of Hanford, and, a valid state license for distribution, required by state law to engage in the business of purchasing cannabis from a licensed cultivator, or cannabis products from a license manufacturer, for sale to a licensed dispensary.

"Dried flower" means all dead cannabis that has been harvested, dried, cured, or otherwise processed, excluding leaves and stems.

"Edible cannabis product" means manufactured cannabis that is intended to be used, in whole or in part, for human consumption. An edible cannabis product is not considered food as defined by Section 109935 of the California Health and Safety Code or a drug as defined by Section 109925 of the

California Health and Safety Code. An edible cannabis product shall not be deemed to be adulterated pursuant to Section 19347.6 of the Business and Professions Code solely because it contains cannabis.

"Greenhouse" means a fully enclosed permanent structure that is clad in transparent material with climate control, such as heating and ventilation capabilities and supplemental artificial lighting, and that uses a combination of natural and supplemental lighting for cultivation.

"Live plants" means living cannabis flowers and plants, including seeds, sprouts, immature plants (including unrooted clones), and vegetative stage plants.

"Manufactured cannabis" means raw cannabis that has undergone a process whereby the raw agricultural product has been transformed into a concentrate, extraction or other manufactured product intended for internal consumption through inhalation or oral ingestion or for topical application.

"Manufacturer" means a person that conducts the production, preparation, propagation, or compounding of manufactured cannabis, as defined in this section, or cannabis products either directly or indirectly or by extraction methods, or independently by means of chemical synthesis at a fixed location that packages or repackages cannabis or cannabis products or labels or relabels its container, where the operator holds a valid commercial cannabis business permit for manufacturing from the city of Hanford and, after January 1, 2018 or as soon as permitted by the state granting agency, department or division, a valid state license for manufacturing pursuant to MCRSA and/or AUMA. A manufacturer may also be a person that infuses cannabis in its products but does not perform its own extraction.

"Manufacturing site" means a location that produces, prepares, propagates, or compounds cannabis or cannabis products, directly or indirectly, by extraction methods, independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis, and is owned and operated by a person issued a valid commercial cannabis business permit for manufacturing from the city of Hanford and, a valid state license as required for manufacturing of cannabis products.

"Microbusiness" shall have the same meaning as that contained in Section 26070(a)(3) of the Business and Professions Code of the State of California.

"Nursery" means a person that produces only clones, immature plants, seeds and other agricultural products used specifically for the planting, propagation, and cultivation of cannabis.

"Patient" or "qualified patient" shall have the same definition as California Health and Safety Code Section 11362.7 et seq., as it may be amended, and which means a person who is entitled to the protections of California Health and Safety Code Section 11362.5.

"Person" means an individual, firm, partnership, joint venture, association, corporation, limited liability company, estate, trust, business trust, receiver, syndicate, or any other group or combination acting as a unit and includes the plural as well as the singular number.

"Person with an identification card" shall have the meaning given that term by California Health and Safety Code Section 11362.7.

"State license" means a permit or license issued by the state of California, or one of its departments or divisions, under MCRSA or AUMA to engage in commercial cannabis activity.

"Topical cannabis" means a product intended for external application and/or absorption through the skin. A topical cannabis product is not considered a drug as defined by Section 109925 of the California Health and Safety Code.

"Testing laboratory" means a facility, entity, or site in the city of Hanford that offers or performs tests of cannabis or cannabis products and that is both of the following:

- 1. Accredited by an accrediting body that is independent from all other persons involved in the cannabis industry in the state.
- 2. Licensed by the Bureau of Cannabis Control, and is owned and operated by a person issued a valid commercial medical cannabis business permit for laboratory testing from the city of Hanford.

"Transport" means the transfer of cannabis products from the permitted business location of one licensee to the permitted business location of another licensee, for the purposes of conducting commercial cannabis activity authorized by the MCRSA and/or AUMA.

"Transporter" means a person issued a state license, and a commercial cannabis business permit by the city of Hanford, authorizing the transport of cannabis or cannabis products in amounts authorized by the state of California, or by one of its departments or divisions under the MCRSA and/or AUMA.

# 5.56.060 Commercial cannabis business permit required to engage in commercial cannabis business.

- A. No person may engage in any commercial cannabis business or activity within the city of Hanford including cultivation, manufacture, processing, laboratory testing, transporting, dispensing, distribution, or sale of cannabis or a cannabis product unless the person: (1) has a valid commercial cannabis business permit from the city of Hanford; and (2) is currently in compliance with all applicable state and local laws and regulations pertaining to the commercial cannabis business or activities, including the duty to obtain any required state licenses.
- B. Until Health and Safety Code Section 11362.775, subdivision (a), is repealed, the city intends that person's eligible to operate collectives or cooperatives under that subdivision shall be eligible to apply for a city permit to conduct commercial cannabis activities, but only to the degree those activities are authorized under state law for collectives and cooperatives. When the Health and Safety Code Section 11362.775, subdivision (a), is repealed, or as soon as collectives and cooperatives are no longer permitted to engage in commercial cannabis activity under state law, any city permit holder operating a commercial cannabis business under a collective or cooperative who has not already obtained a state license for the commercial cannabis activities they are engaged in shall automatically forfeit his or her city commercial cannabis business permit. At that point, they shall no longer be authorized to engage in any commercial cannabis activities in the city until they obtain both a city issued commercial cannabis business permit and a state license for that commercial cannabis activity.

# 5.56.070 Cannabis employee permit required.

- A. Any person who is an employee or who otherwise works or volunteers within a commercial cannabis business must be legally authorized to do so under applicable state law. Employees, workers, or volunteers at businesses that are permitted by the city of Hanford as cannabis business cultivators, manufacturers, distributors, or delivers that are operating pursuant to Health and Safety Code Section 11362.775(a) as collectives or cooperatives until that subsection is repealed must be qualified patients or primary caregivers as required by state law.
- B. Any person who is an employee or who otherwise works or volunteers within a commercial cannabis business must obtain a commercial cannabis employee work permit from the city prior to performing any work at any commercial cannabis business.

- C. Applications for a commercial cannabis employee work permit shall be developed and made available by the City Manager or his/her designee(s), and shall include, but not be limited to, the following information:
  - 1. Name, address, and phone number of the applicant;
- 2. Age and verification of applicant. A copy of a birth certificate, driver's license, government issued identification card, passport or other proof that the applicant is at least twenty-one (21) years of age must be submitted with the application;
- 3. Name, address of the commercial cannabis businesses where the person will be employed, and the name of the primary manager of that business;
- 4. A list of any crimes enumerated in California Business and Professions Code Section 26507(b)(4) for which the applicant has been convicted;
- 5. Name, address, and contact person for any previous employers from which the applicant was fired, resigned, or asked to leave and the reasons for such dismissal or firing;
- 6. The application shall be accompanied by fingerprints and a recent photograph of the applicant in a form and manner as required by the Chief of Police or his/her designee(s);
  - 7. A signed statement under penalty of perjury that the information provided is true and correct;
  - 8. If applicable, verification that the applicant is a qualified patient or primary caregiver;
- 9. A fee paid in an amount set by resolution of the City Council in an amount necessary to cover the costs of administering the employee work permit programs. The fee is non-refundable and shall not be returned in the event the work permit is denied or revoked.
- D. The Chief of Police or his/her designee(s) shall conduct a background check to determine whether the applicant was convicted of a crime or left a previous employer for reasons that show the applicant:
- 1. Has been convicted of a crime involving dishonesty, fraud or deceit, including but not limited to fraud, forgery, theft, or embezzlement as those offenses are defined in California Penal Code Sections 186.11, 470, 484, and 504a, respectively; or equivalent offenses in other states.
  - 2. Has committed a felony or misdemeanor involving fraud, deceit, embezzlement; or
  - 3. Was convicted of a violent felony, a crime of moral turpitude; or
- 4. The illegal use, possession, transportation, distribution or similar activities related to controlled substances, as defined in the Federal Controlled Substances Act, except for cannabis related offenses for which the conviction occurred after the passage of the Compassionate Use Act of 1996.

Discovery of these facts showing that the applicant has been convicted of a crime involving dishonesty, fraud or deceit are grounds for denial of the permit. Where the applicant's sentence (including any term of probation, incarceration, or supervised release) for possession of, possession for sale, sale, manufacture, transportation, or cultivation of a controlled substance is completed, such underlying conviction shall not be the sole ground for denial of a commercial cannabis work permit. Furthermore, an applicant shall not be denied a permit if the denial is based solely on any of the following: (i) a conviction for any crime listed in subsection (D)(4) for which the applicant has obtained a certificate of rehabilitation pursuant to Chapter 3.5 (commencing with Section 4852.01) of Title 6 of Part 3 of the California Penal Code; or (ii) a conviction that was subsequently dismissed pursuant to Section 1203.4, 1203.4a, or

1203.41 of the California Penal Code or any other provision of state law allowing for dismissal of a conviction.

- E. The City Manager or his/her designee(s) shall issue the commercial cannabis work permit or a written denial to the applicant within ninety (90) days of the date the application was deemed complete. Upon the request of a commercial cannabis business and while processing the application for a work permit, the City Manager or his/her designee(s) may issue a temporary work permit for an employee if the business demonstrates to the City Manager or his/her designee(s) that the employee is necessary for the operation of the business. The temporary permit may be immediately revoked by the City Manager or his/her designee(s) upon determination that the applicant has failed the background check.
- F. A work permit shall be valid for a twelve (12) month period and must be renewed on an annual basis. Renewal applications shall contain all the information required in subsection B including the payment of a renewal application fee in an amount to be set by resolution of the City Council.
- G. In the event a person changes employment from one commercial cannabis business in the city to another, the work permit holder shall notify the City Manager or his/her designee(s) in writing of the change within ten (10) days, or the work permit shall be suspended or revoked and such person shall not be permitted to work at any commercial cannabis business in the city.
- H. The city may immediately revoke the commercial cannabis work permit should the permit holder be convicted of a crime listed in subsections C and D or if facts become known to the chief of police or designee(s) that the permit holder has engaged in activities showing that he or she is dishonest.
- I. The City Manager or his/her designee(s) is hereby authorized to promulgate all regulations necessary to implement the work permit process and requirements.
- J. The applicant may appeal the denial or revocation of a commercial cannabis work permit by filing a notice of appeal with the City Clerk within ten (10) days of the date the applicant received the notice of denial, which appeal shall be conducted as set forth in Section 5.56.140 of this chapter.
- K. The City Manager or his/her designee(s) shall issue a permit in the form of a personal identification card that can be worn by the employee. The personal identification card shall be worn approximately chest-high on their outermost garment, in a prominent and visible location. The identification card shall be maintained in good and readable condition at all times.

# 5.56.080 Maximum number and type of authorized commercial cannabis businesses permitted.

The number of each type of commercial cannabis business that shall be permitted to operate in the city shall be established by resolution of the City Council.

- A. This section is only intended to create a maximum number of commercial cannabis businesses that may be issued permits to operate in the city under each category. Nothing in this chapter creates a mandate that the City issue any or all of the commercial cannabis business permits if it is determined that the applicants do not meet the standards which are established in the application requirements or further amendments to the application process.
- B. At any time, in the City Council's discretion, the City Council may reassess the number of commercial cannabis business permits which are authorized for issuance. The City Council, in its discretion, may determine by resolution that the number of commercial cannabis permits should stay the same, or be expanded.

# 5.56.090 Initial application procedure.

- A. The City Council shall adopt by resolution the procedures which will govern the application process, and the manner in which the decision will ultimately be made regarding the issuance of any commercial cannabis business permit(s). The City Manager or his/her designee(s) is hereby authorized to prepare the necessary forms, adopt any necessary rules to the application, regulations and processes, solicit applications, conduct initial evaluations of the applicants, and to ultimately select the applicant(s) that will be awarded a permit.
- B. At the time of filing, each applicant shall pay an application fee established by resolution of the City Council, to cover all costs incurred by the city in the application process.
- C. After the initial review, the City Manager or his/her designee(s) will select the applicant(s) to be awarded a permit based upon the available permits and the ranking of the applicants during the review process.
- D. The City's Reservation of Rights. The city reserves the right to reject any or all applications. The city may also modify, postpone, or cancel any request for applications, or the entire program under this title, at any time without liability, obligation, or commitment to any party, firm, or organization. Persons submitting applications assume the risk that all or any part of the program, or any particular category of permit potentially authorized under this chapter, may be cancelled at any time prior to permit issuance. The City further reserves the right to request and obtain additional information from any candidate submitting an application. In addition to any other justification provided, a failure to comply with other requirements in this chapter, an application risks being rejected for any of the following reasons:
  - 1. Proposal received after designated time and date.
  - 2. Proposal not containing the required elements, exhibits, nor organized in the required format.
  - 3. Proposal considered not fully responsive to this request for permit application.
- 4. Proposal contains excess or extraneous material not called for in the request for permit application.

## 5.56.100 Expiration of commercial cannabis business permits.

Each commercial cannabis business permit issued pursuant to this chapter shall expire twelve (12) months after the date of its issuance. Commercial cannabis permits may be renewed as provided in Section 5.56.120.

### 5.56.110 Revocation of permits.

Commercial cannabis business permits may be revoked for any violation of any law and/or any rule, regulation and/or standard adopted pursuant to this chapter.

## 5.56.120 Renewal applications.

A. An application for renewal of a commercial cannabis business permit shall be filed at least Thirty (30) calendar days prior to the expiration date of the current permit.

- B. The renewal application shall contain all the information required for new applications.
- C. The applicant shall pay a fee in an amount to be set by the City Council to cover the costs of processing the renewal permit application, together with any costs incurred by the city to administer the program created under this chapter.
- D. An application for renewal of a commercial cannabis business permit may be rejected if any of the following exists:
  - 1. The application is filed less than thirty (30) days before its expiration.
- 2. The commercial cannabis business permit is suspended or revoked at the time of the application.
- 3. The commercial cannabis business has not been in regular and continuous operation in the four (4) months prior to the renewal application.
- 4. The commercial cannabis business has failed to conform to the requirements of this chapter, or of any regulations adopted pursuant to this chapter.
  - 5. The permittee fails or is unable to renew its state of California license.
- 6. If the city or state has determined, based on substantial evidence, that the permittee or applicant is in violation of the requirements of this chapter, of the city's municipal code, or of the state rules and regulations, and the city or state has determined that the violation is grounds for termination or revocation of the commercial cannabis business permit.
- E. The City Manager or his/her designee(s) is authorized to make all decisions concerning the issuance of a renewal permit. In making the decision, the City Manager or his/her designee(s) is authorized to impose additional conditions to a renewal permit, if it is determined to be necessary to ensure compliance with state or local laws and regulations or to preserve the public health, safety or welfare. Appeals from the decision of the City Manager or his/her designee(s) shall be handled pursuant to Section 5.56.140.
- F. If a renewal application is rejected, a person may file a new application pursuant to this chapter no sooner than one year from the date of the rejection. An application may be approved, conditionally approved, or rejected at the discretion of the City Manager or his/her designee(s). Any correction required for a conditionally approved application must be done in a timely manner as set forth by the City Manager or his/her designee(s).

## 5.56.130 Effect of state license suspension, revocation, or termination.

Suspension of a license issued by the state of California, or by any of its departments or divisions, shall immediately suspend the ability of a commercial cannabis business to operate within the city, until the state of California, or its respective department or division, reinstates or reissues the state license. Should the state of California, or any of its departments or divisions, revoke or terminate the license of a commercial cannabis business, such revocation or termination shall also revoke or terminate the ability of a commercial cannabis business to operate within the City of Hanford.

# 5.56.140 Appeals.

Unless specifically provided elsewhere to the contrary, an appeal of a City decision or action occurring under this chapter City Manager or his/her designee(s) shall be conducted as prescribed hereinafter.

## 5.56.150 Written request for appeal.

- A. Within ten (10) calendar days after the date of a decision or action of the City Manager or his/her designee(s) occurring pursuant to this chapter, an aggrieved party may appeal such action by filing a written appeal with the City Clerk setting forth the reasons why the decision was not proper. The failure to file a timely appeal shall constitute the failure to exhaust administrative remedies.
- B. At the time of filing the appellant shall pay the designated appeal fee, established by resolution of the City Council from time to time.

## 5.56.160 Appeal hearing process.

- A. Upon receipt of the written appeal, the City Clerk shall set the matter for a hearing before the City Council or its designee. The City Council or its designee shall hear the matter de novo.
- B. The appeal shall be held within a reasonable time after the filing the appeal, but in no event later than ninety (90) days from the date of such filing. The city shall notify the appellant of the time and location at least ten (10) days prior to the date of the hearing.
- C. At the hearing, the appellant may present any information they deem relevant to the decision appealed. The formal rules of evidence and procedure applicable in a court of law shall not apply to the hearing.
- D. The failure of an appealing party to appear at the appeal hearing shall constitute a failure to exhaust his/her/its/their administrative remedies.
- E. At the conclusion of the hearing the City Council or its designee may affirm, reverse or modify the decision appealed. The decision of the City Council or its designee shall be final.
- F. Following the appeal hearing, an aggrieved party may seek judicial review of the City Council or its designee's appeal decision by filing a complaint with the Superior Court of Kings County, California during the period identified by California Code of Civil Procedure Section 1094.6, as may be amended.

## 5.56.170 Permittee selection process.

- A. The City Manager or his/her designee(s) shall develop procedures and review criteria by which the applicants for a commercial cannabis business permit shall be evaluated.
- B. Applications shall be vetted by the City Manager or his/her designee(s) and a committee of his/her choice or his/her designee's choice. At the conclusion of the vetting process, the committee shall prepare a report ranking the applications and submit that report for consideration to the City Manager or his/her designee(s). The recommendations shall include a summary of the concerns which need to be mitigated by the applicant prior to the issuance of the permit.

- C. At least twenty (20) days prior to the selection of the applicants, notice shall be sent to all property owners located within five hundred (500) feet of the proposed business locations of each of the finalists to be considered.
- D. The City Manager or his/her designee(s) shall either deny or approve the final candidates. The decision of the City Manager or his/her designee(s) shall be subject to appeal in accordance with the appeal provisions of this chapter.
- E. Official issuance of the commercial cannabis business permit(s), however, is conditioned upon the prevailing candidate(s) obtaining all required land use approvals. Following the selection, the prevailing candidate(s) shall apply to the city's Community Development department to obtain any required land use approvals or entitlements for the permittee's location, if any. Land use approvals shall include compliance with all applicable provisions of CEQA. The City Manager or his/her designee(s) shall formally issue the commercial cannabis business permit(s) once it has been affirmed that all of the required land use approvals have been obtained.
- F. Issuance of a commercial cannabis business permit does not create a land use entitlement. The commercial cannabis business permit shall only be for a term of twelve (12) months, and shall expire at the end of the twelve (12) month period unless it is renewed as provided herein. Furthermore, no permittee may begin operations, notwithstanding the issuance of a permit, unless all of the state and local laws and regulations, including, but not limited to, the requirements of this chapter and of the permit, have been complied with.
- G. Notwithstanding anything in this chapter to the contrary, the City reserves the right to reject any or all applications if it determines it would be in the best interest of the city, taking into account any health, safety and welfare impacts on the community. Applicants shall have no right to a commercial cannabis business permit until a permit is actually issued, and then only for the duration of the permits term. Each applicant assumes the risk that, at any time prior to the issuance of a permit, the City Council may terminate or delay the program created under this chapter.
- H. If an application is denied, a new application may not be filed for one year from the date of the denial.
- I. Each applicant granted a commercial cannabis business permit shall be required to pay the permit fee established by resolution of the City Council, to cover the costs of administering the commercial cannabis business permit program created in this chapter.

# 5.56.180 Change in location—Updated registration form.

- A. Any time the dispensing, cultivation, manufacturing, transportation and distribution location specified in the regulatory permit is changed, the applicant shall re-register with the City Manager or his/her designee(s). The process and the fees for re-registration shall be the same as the process and fees set forth for registration in Sections 5.56.090 and 5.56.120.
- B. Within fifteen (15) calendar days of any other change in the information provided in the registration form or any change in status of compliance with the provisions of this chapter, including any change in the commercial cannabis business ownership or management members, the applicant shall file an updated registration form with the City Manager or his/her designee(s) for review along with a registration amendment fee, as set forth in Sections 5.56.090 and 5.56.120.

## 5.56.185 Sale and assignment of license.

No commercial cannabis business permit may be sold, assigned, or otherwise transferred without the approval of the City Manager or his/her designee(s). As a condition of approval, the proposed purchaser, assignee, or transferee of a commercial cannabis business permit shall undergo the application and approval process described in Section 5.56.090 above.

## 5.56.190 City business license.

Prior to commencing operations, a commercial cannabis business shall obtain a city of Hanford business license.

# 5.56.200 Building permits and inspection.

Prior to commencing operations, a commercial cannabis business shall be subject to a mandatory building inspection, and must obtain all required permits and approvals which would otherwise be required for any business of the same size and intensity operating in that zone. This includes, but is not limited to, obtaining any required building permit(s), fire department approvals, health department approvals and other zoning and land use permit(s) and approvals.

## 5.56.210 Certification from the City Manager or his/her designee(s).

Prior to commencing operations, a commercial cannabis business must obtain a certification from the City Manager or his/her designee(s) certifying that the business is located on a site that meets all of the requirements of Title 17 of the city's municipal code.

## 5.56.220 Right to occupy and to use property.

As a condition precedent to the city's issuance of a commercial cannabis business permit pursuant to this chapter, any person intending to open and to operate a commercial cannabis business shall provide sufficient evidence of the legal right to occupy and to use the proposed location. In the event the proposed location will be leased from another person, the applicant shall be required to provide a signed and notarized statement from the owner of the property, acknowledging that the property owner has read this chapter and consents to the operation of the commercial cannabis business on the owner's property.

## 5.56.230 Limitations on City's liability.

To the fullest extent permitted by law, the City of Hanford shall not assume any liability whatsoever with respect to having issued a commercial cannabis business permit pursuant to this chapter or otherwise approving the operation of any commercial cannabis business. As a condition to the approval of any commercial cannabis business permit, the applicant shall be required to meet all of the following conditions before they can receive the commercial cannabis business permit:

A. They must execute an agreement, in a form approved by the City Attorney, agreeing to indemnify, defend (at applicant's sole cost and expense), and hold the City of Hanford, and its officers, officials, employees, representatives, and agents, harmless, from any and all claims, losses, damages, injuries, liabilities or losses which arise out of, or which are in any way related to, the City's issuance of

the commercial cannabis business permit, the City's decision to approve the operation of the commercial cannabis business or activity, the process used by the city in making its decision, or the alleged violation of any federal, state or local laws by the commercial cannabis business or any of its officers, employees or agents.

- B. Maintain insurance at coverage limits, and with conditions thereon determined necessary and appropriate from time to time by the City Attorney.
- C. Reimburse the City of Hanford for all costs and expenses, including, but not limited to, attorney fees and costs and court costs, which the city of Hanford may be required to pay as a result of any legal challenge related to the city's approval of the applicant's commercial cannabis business permit, or related to the city's approval of a commercial cannabis activity. The City of Hanford may, at its sole discretion, participate at its own expense in the defense of any such action, but such participation shall not relieve any of the obligations imposed hereunder.

## 5.56.240 Records and recordkeeping.

- A. Each owner and operator of a commercial cannabis business shall maintain accurate books and records in an electronic format, detailing all of the revenues and expenses of the business, and all of its assets and liabilities. On no less than an annual basis (at or before the time of the renewal of a commercial cannabis business permit issued pursuant to this chapter), or at any time upon reasonable request of the city, each commercial cannabis business shall file a sworn statement detailing the number of sales by the commercial cannabis business during the previous twelve (12) month period (or shorter period based upon the timing of the request), provided on a per-month basis. The statement shall also include gross sales for each month, and all applicable taxes paid or due to be paid. On an annual basis, each owner and operator shall submit to the city a financial audit of the business's operations conducted by an independent certified public accountant. Each permittee shall be subject to a regulatory compliance review and financial audit as determined by the City Manager or his/her designee(s).
- B. Each owner and operator of a commercial cannabis business shall maintain a current register of the names and the contact information (including the name, address, and telephone number) of anyone owning or holding an interest in the commercial cannabis business, and separately of all the officers, managers, employees, agents and volunteers currently employed or otherwise engaged by the commercial cannabis business. The register required by this paragraph shall be provided to the City Manager or his/her designee(s) upon a reasonable request.
- C. Each commercial cannabis business shall maintain a record of all persons, patients, collectives and primary caregivers served by the commercial cannabis business, for a period of no less than four (4) years.
- D. All commercial cannabis businesses shall maintain an inventory control and reporting system that accurately documents the present location, amounts, and descriptions of all cannabis and cannabis products for all stages of the growing and production or manufacturing, laboratory testing and distribution processes until purchase by or distribution to a qualified patient, primary caregiver for purpose or an adult twenty-one (21) years of age or older who qualifies to purchase cannabis as set forth in AUMA.
- E. Subject to any restrictions under the Health Insurance Portability and Accountability Act (HIPPA) regulations, each commercial cannabis business shall allow city of Hanford officials to have access to the business's books, records, accounts, together with any other data or documents relevant to its permitted commercial cannabis activities, for the purpose of conducting an audit or examination.

Books, records, accounts, and any and all relevant data or documents will be produced no later than twenty-four (24) hours after receipt of the city's request, unless otherwise stipulated by the city. The city may require the materials to be submitted in an electronic format that is compatible with the city's software and hardware.

## 5.56.250 Security measures.

- A. A permitted commercial cannabis business shall implement sufficient security measures to deter and prevent the unauthorized entrance into areas containing cannabis or cannabis products, and to deter and prevent the theft of cannabis or cannabis products at the commercial cannabis business. Except as may otherwise be determined by the chief of police or designee(s), these security measures shall include, but shall not be limited to, all of the following:
- 1. Preventing individuals from remaining on the premises of the commercial cannabis business if they are not engaging in an activity directly related to the permitted operations of the commercial cannabis business.
- 2. Establishing limited access areas accessible only to authorized commercial cannabis business personnel.
- 3. Except for live growing plants which are being cultivated at a cultivation facility, all cannabis and cannabis products shall be stored in a secured and locked room, safe, or vault. All cannabis and cannabis products, including live plants which are being cultivated, shall be kept in a manner as to prevent diversion, theft, and loss,
- 4. Installing twenty-four (24) hour security surveillance cameras of at least HD-quality to monitor all entrances and exits to and from the premises, all interior spaces within the commercial cannabis business which are open and accessible to the public, all interior spaces where cannabis, cash or currency, is being stored for any period of time on a regular basis and all interior spaces where diversion of cannabis could reasonably occur. The commercial cannabis business shall be responsible for ensuring that the security surveillance camera's footage is remotely accessible by the Hanford Police Department, and that it is compatible with the city's software and hardware. In addition, remote and real-time, live access to the video footage from the cameras shall be provided to the Hanford Police Department. Video recordings shall be maintained for a minimum of forty-five (45) days, and shall be made available to the Hanford Police Department upon request. Video shall be of sufficient quality for effective prosecution of any crime found to have occurred on the site of the commercial cannabis business.
  - 5. Sensors shall be installed to detect entry and exit from all secure areas.
  - 6. Panic buttons shall be installed in all commercial cannabis businesses.
  - 7. Having a professionally installed, maintained, and monitored alarm system.
- 8. Any bars installed on the windows or the doors of the commercial cannabis business shall be installed only on the interior of the building.
- 9. Security personnel shall be on-site twenty-four (24) hours a day or alternative security as authorized by the Chief of Police or his/her designee(s). Security personnel must be licensed by the State of California Bureau of Security and Investigative Services personnel and shall be subject to the prior review and approval of the Hanford Police Department, with such approval not to be unreasonably withheld.

- 10. Each commercial cannabis business shall have the capability to remain secure during a power outage and shall ensure that all access doors are not solely controlled by an electronic access panel to ensure that locks are not released during a power outage.
- B. Each commercial cannabis business shall identify a designated security representative/liaison to the city of Hanford, who shall be reasonably available to meet with the Chief of Police or his/her designee(s) regarding any security related measures or any operational issues.
- C. As part of the application and permitting process each commercial cannabis business shall have a storage and transportation plan, which describes in detail the procedures for safely and securely storing and transporting all cannabis, cannabis products, and any currency.
- D. The commercial cannabis business shall cooperate with the city whenever the City Manager or his/her designee(s) makes a request, upon reasonable notice to the commercial cannabis business, to inspect or audit the effectiveness of any security plan or of any other requirement of this chapter.
- E. A commercial cannabis business shall notify the City Manager or his/her designee(s) within twenty-four (24) hours after discovering any of the following:
- 1. Significant discrepancies identified during inventory. The level of significance shall be determined by the regulations promulgated by the City Manager or his/her designee(s).
- 2. Diversion, theft, loss, or any criminal activity involving the commercial cannabis business or any agent or employee of the commercial cannabis business.
- 3. The loss or unauthorized alteration of records related to cannabis, registering qualifying patients, primary caregivers, or employees or agents of the commercial cannabis business.
  - 4. Any other breach of security.

## 5.56.260 Restriction on alcohol sales.

No person shall cause or permit the sale, dispensing, or consumption of alcoholic beverages on or about the premises of the commercial cannabis business.

# 5.56.270 Fees and charges.

- A. No person may commence or continue any commercial cannabis activity in the city, without timely paying in full all fees and charges required for the operation of a commercial cannabis activity. Fees and charges associated with the operation of a commercial cannabis activity shall be established by resolution of the City Council which may be amended from time to time.
- B. All commercial cannabis businesses authorized to operate under this chapter shall pay all sales, use, business and other applicable taxes, and all license, registration, and other fees required under federal, state and local law. Each commercial cannabis business shall cooperate with the city with respect to any reasonable request to audit the commercial cannabis business' books and records for the purpose of verifying compliance with this section, including, but not limited to, a verification of the amount of taxes required to be paid during any period.

## 5.56.280 Miscellaneous operating requirements.

- A. Commercial cannabis businesses may operate only during the hours specified in the commercial cannabis business permit issued by the city.
- B. Restriction on Consumption. Cannabis shall not be consumed on the premises of any commercial cannabis businesses or elsewhere in the City of Hanford other than within private residences.
- C. No cannabis or cannabis products or graphics depicting cannabis or cannabis products shall be visible from the exterior of any property issued a commercial cannabis business permit, or on any of the vehicles owned or used as part of the commercial cannabis business. No outdoor storage of cannabis or cannabis products is permitted at any time.
- D. Reporting and Tracking of Product and of Gross Sales. Each commercial cannabis business shall have in place a point-of-sale or management inventory tracking system to track and report on all aspects of the commercial cannabis business including, but not limited to, such matters as cannabis tracking, inventory data, gross sales (by weight and by sale) and other information which may be deemed necessary by the city. The commercial cannabis business shall ensure that such information is compatible with the city's record-keeping systems. In addition, the system must have the capability to produce historical transactional data for review. Furthermore, any system selected must be approved and authorized by the City Manager or his/her designee(s) prior to being used by the permittee.
- E. All cannabis and cannabis products sold, distributed or manufactured shall be cultivated, manufactured, and transported by licensed facilities that maintain operations in full conformance with the state and local regulations.
- F. There shall not be a physician located in or around any commercial cannabis business at any time for the purpose of evaluating patients for the issuance of a cannabis recommendation or card where applicable.
- G. Emergency Contact. Each commercial cannabis business shall provide the City Manager or his/her designee(s) with the name, telephone number (both land line and mobile, if available) of an on-site employee or owner to whom emergency notice can be provided at any hour of the day.
  - H. Signage and Notices.
- 1. In addition to the requirements otherwise set forth in this section, business identification signage for a commercial cannabis business shall conform to the requirements of the Hanford Municipal Code, including, but not limited to, seeking the issuance of a city sign permit.
- 2. No signs placed on the premises of a commercial cannabis business shall obstruct any entrance or exit to the building or any window.
- 3. Each entrance to a commercial cannabis business shall be visibly posted with a clear and legible notice indicating that smoking, ingesting, or otherwise consuming cannabis on the premises or in the areas adjacent to the commercial cannabis business is prohibited.
- 4. Business identification signage shall be limited to that needed for identification only, and shall not contain any logos or information that identifies, advertises, or lists the services or the products offered. No commercial cannabis business shall advertise by having a person holding a sign and advertising the business to passersby, whether such person is on the premises of the commercial cannabis business or elsewhere including, but not limited to, the public right-of-way.
- 5. Signage shall not be directly illuminated, internally or externally. No banners, flags, billboards or other prohibited signs may be used at any time.

6. Holders of commercial cannabis business permits agree that, as an express and ongoing condition of permit issuance and subsequent renewal, the holder of the permit shall be prohibited from advertising any commercial cannabis business located in the City of Hanford utilizing a billboard (fixed or mobile), bus shelter, placard, aircraft, or other similar forms of advertising, anywhere in the state. This paragraph is not intended to place limitations on the ability of a commercial cannabis business to advertise in other legally authorized forms, including on the internet, in magazines, or in other similar ways.

### I. Minors.

- 1. Persons under the age of twenty-one (21) years shall not be allowed on the premises of a commercial cannabis business and shall not be allowed to serve as a driver for a mobile delivery service. It is unlawful and a violation of this chapter for any person to employ any person at a commercial cannabis business who is not at least twenty-one (21) years of age.
- 2. Notwithstanding Section 5.56.280 I.1., persons aged 18 to 20 years shall be allowed on the premises of a commercial cannabis business if they can produce a physician's recommendation. In that event, such persons can lawfully purchase cannabis for the sole purpose of addressing the medical need that is the subject of the physician's recommendation.
- 3. The entrance to the commercial cannabis business shall be clearly and legibly posted with a notice that no person under the age of twenty-one (21) years of age is permitted to enter upon the premises of the commercial cannabis business.
- J. Odor Control. Odor control devices and techniques shall be incorporated in all commercial cannabis businesses to ensure that odors from cannabis are not detectable off-site. Commercial cannabis businesses shall provide a sufficient odor absorbing ventilation and exhaust system so that odor generated inside the commercial cannabis business that is distinctive to its operation is not detected outside of the facility, anywhere on adjacent property or public rights-of-way, on or about the exterior or interior common area walkways, hallways, breezeways, foyers, lobby areas, or any other areas available for use by common tenants or the visiting public, or within any other unit located inside the same building as the commercial cannabis business. As such, commercial cannabis businesses must install and maintain the following equipment, or any other equipment which the City Manager or his/her designee(s) determine is a more effective method or technology:
- 1. An exhaust air filtration system with odor control that prevents internal odors from being emitted externally;
- 2. An air system that creates negative air pressure between the commercial cannabis business's interior and exterior, so that the odors generated inside the commercial cannabis business are not detectable on the outside of the commercial cannabis business.
- K. Display of Permit and City Business License. The original copy of the commercial cannabis business permit issued by the city pursuant to this chapter and the city issued business license shall be posted inside the commercial cannabis business in a location readily-visible to the public.
- L. Background Check. Pursuant to California Penal Code Sections 11105(b)(11) and 13300(b)(11), which authorizes city authorities to access state and local summary criminal history information for employment, licensing, or certification purposes; and authorizes access to federal level criminal history information by transmitting fingerprint images and related information to the Department of Justice to be transmitted to the Federal Bureau of Investigation, every person listed as an owner, manager, supervisor, employee or volunteer, of the commercial cannabis business must submit

fingerprints and other information deemed necessary by the chief of police or designee(s) for a background check by the Hanford police department. Pursuant to California Penal Code Sections 11105(b)(11) and 13300(b)(11), which requires that there be a requirement or exclusion from employment, licensing or certification based on specific criminal conduct on the part of the subject of the record. No person shall be issued a permit to operate a commercial cannabis business or a related work permit unless they have first cleared the background check, as determined by the chief of police or designee(s), as required by this section. A fee for the cost of the background investigation, which shall be the actual cost to the city of Hanford to conduct the background investigation as it deems necessary and appropriate, shall be paid at the time the application for a commercial cannabis business permit is submitted.

- M. Loitering. The owner and/or operator of a commercial cannabis business shall prohibit loitering by persons outside the facility both on the premises and within fifty (50) feet of the premises.
- N. Permits and Other Approvals. Prior to the establishment of any commercial cannabis business or the operation of any such business, the person intending to establish a commercial cannabis business must first obtain all applicable planning, zoning, building, and other applicable permits from the relevant governmental agency which may be applicable to the zoning district in which such commercial cannabis business intends to establish and to operate.
- O. If a commercial cannabis business permittee is operating as a collective or cooperative under Health and Safety Code Section 11362.775, subdivision (a), members of the applicant authorized to possess cannabis shall sign an agreement with the commercial cannabis business which states that members shall not distribute cannabis or cannabis products to non-members or in violation of the "Memorandum for all United States Attorneys," issued by the United States Department of Justice, from James M. Cole, Deputy Attorney General and any other applicable state and federal laws, regulations, or guidelines.
- P. If the commercial cannabis business permittee is operating as a collective or cooperative under Health and Safety Code Section 11362.775, subdivision (a), the commercial cannabis business shall terminate the membership of any member violating any of the provisions of this chapter.

## 5.56.300 Operational requirements.

The City Manager or his/her designee(s) may develop other commercial cannabis business operational requirements or regulations as are determined to be necessary to protect the public health, safety and welfare.

## 5.56.310 Operating requirements for dispensaries/storefront retail facilities.

- A. No more than the number of cannabis retailers adopted by resolution may operate within the City of Hanford at any one time and shall be issued a permit by the City of Hanford.
- B. Retailers shall verify the age and all necessary documentation of each individual to ensure the customer is not under the age of eighteen (18) years. If the potential customer is 18 to 20 years old, retailer shall confirm the customer's possession of a valid doctor's recommendation and/or identification card (Medical Cannabis Card) pursuant to Health & Safety Code Section 11362.71. For adult-use purchases, retailers shall verify that all customers are 21 years of age or older for the purchase of cannabis or cannabis products.

- C. Entrances into the retailer shall be strictly controlled in a manner approved by the Chief of Police or his/her designee(s). Individuals 18-21 years of age must show their physician's recommendation to gain access. Physician's recommendations are not to be obtained or provided at the retail location.
- D. Uniformed licensed security personnel shall be employed to monitor site activity, control loitering and site access, and to serve as a visual deterrent to unlawful activities. Security personnel may be allowed to carry firearms if authorized by the Chief of Police.
- E. Retailers may have only that quantity of cannabis and cannabis products to meet the daily demand readily available for sale on-site in the retail sales area of the retailer. Additional product may be stored in a secured, locked area to which customers, vendors, and visitors shall not have access.
- F. All restroom facilities shall remain locked and under the control of management.
- G. Retailers and microbusinesses authorized to conduct retail activities shall only serve customers who are within the licensed premises, or at a delivery address that meets the requirements of this division.
  - 1. All cannabis goods sold by a retail business shall be contained in child-resistant packaging.
  - Retailers shall record point-of-sale areas and areas where cannabis goods are displayed
    for sale on the video surveillance system. At each point-of-sale location, camera
    placement must allow for the recording of the facial features of any person purchasing or
    selling cannabis goods, or any person in the retail area, with sufficient clarity to
    determine identity.
  - 3. A retail licensee or microbusiness licensee who is engaged in retail sale shall hire or contract for security personnel who are at least 21 years of age to provide security services for the licensed retail premises. All security personnel hired or contracted for by the licensee shall be licensed by the Bureau of Security and Investigative Services and shall comply with Chapters 11.4 and 11.5 of Division 3 of the Business and Professions Code.

### H. Access to Retailer Premises.

- 1. Access to the premises of a retail licensee/permittee shall be limited to individuals who are at least 21 years of age.
- 2. Notwithstanding Section 5.56.310 (H)(1), individuals who are at least 18 years of age and in possession of a valid physician's recommendation shall be granted access to the premises of a retail licensee/permittee for the sole purpose of purchasing medicinal cannabis consistent with the physician's recommendation.
- I. Authorized Sales. A retailer shall only sell adult-use cannabis and adult-use cannabis products to individuals who are at least 21 years of age. A retailer shall only sell medicinal cannabis or medicinal cannabis products to individuals who are at least 18 years of age, but not yet 21, if those individuals are in possession of a valid physician's recommendation. Medicinal cannabis sales to individuals 21 years of age and older are unrestricted.
- J. Limited Access Areas. A retailer shall establish limited-access areas and permit only authorized individuals to enter the limited-access areas. Authorized individuals include individuals

employed by the retailer as well as any outside vendors, contractors, or other individuals conducting business that requires access to the limited access area. All individuals granted access to the limited access area shall be at least 21 years of age, and if not employed by the retailer, shall be escorted at all times by an employee of the licensee/permittee. A retailer shall maintain a log of all individuals who are not employees who are granted access to the limited access area. These logs shall be made available to the City Manager or his/her designee(s) upon request.

- K. Microbusiness Commercial Activity. All cultivation, manufacturing, distribution, and retail activities performed by a licensee under a Type 12-Microbusiness permit shall occur on the same licensed premises. Areas of the premises for manufacturing and cultivation shall be separated from the distribution and retail areas by a wall and all doors between the areas shall remain closed when not in use.
- L. Operating hours of the Store Front Retailer License shall be limited to the hours of 9:00 a.m. through 9:00 p.m., seven days a week.
- **M.** Store Front/Retail Security Requirements. All provisions incorporated within Section 5.56.250 of this Chapter (Security Measures), are directly applicable to and binding on all commercial cannabis businesses, including all Store Front/Retail businesses.

# 5.56.320. Operating requirements for delivery services.

Prior to commencing operations, a cannabis delivery service shall comply with the following requirements:

- (1) Obtain from the City a permit authorizing the delivery of cannabis and cannabis products within the city limits. A copy of this permit shall be retained by all drivers.
- (2) The retail business operating the delivery service shall provide the City Manager or his/her designee(s) with evidence of a valid state license for a commercial cannabis business on whose authorization the delivery service is performing the delivery function.
- (3) The retail business operating the delivery service shall furnish to the City Manager or his/her designee(s), directly or via the jurisdiction from which the business has received an operating permit, the names and driver's license numbers of all the business' delivery drivers, and evidence verifying that criminal background checks have been conducted for all the business' drivers.
- (4) The retail business operating the delivery service shall furnish to the City Manager or his/her designee(s) the year, make, model, color, license plate number, and numerical Vehicle Identification Number (VIN) for any and all vehicles that will be used to deliver cannabis goods.

## 5.56.330 Operating requirements for non-storefront retail.

A. Non-Store Front Retailer (Delivery) License Owners and Operators are required to verify the age and the necessary documentation of each medical customer to ensure the customer is not under the

age of eighteen (18) years, and to verify that the potential customer has a valid doctor's recommendation. Doctor recommendations are not to be obtained or provided at the retail location.

- B. All Store Front Retailers, Non-Store Front Retailers (delivery) and Microbusinesses which conduct deliveries into or within the City of Hanford shall be required to obtain a permit from the City of Hanford in order to conduct retail sales regardless if they are located in the city or another local jurisdiction.
- C. Operating hours of the Non-Store Front Retailer License shall be limited to the hours of 9:00 a.m. through 9:00 p.m., seven days a week.
- D. The commercial Non-Store Front Retailer shall only sell cannabis or cannabis products to a person 21 years of age or older, or a natural person 18 years of age or older who possesses a physician's recommendation for medical cannabis use only.
- E. Except as otherwise provided herein, the commercial cannabis non-storefront retailer may only have on site that quantity of cannabis and cannabis products reasonably anticipated to meet the weekly demand for which they may need to be readily available for sale.
  - a. The commercial cannabis non-store front dispensary may store additional product on-site if they meet the following requirements.
  - b. Product must be secured in a locked vault to which customers, visitors and vendors shall not have access.
  - c. Must have 24-hour security.
  - d. All product must be entered into the state mandated track and trace system.
  - e. Excess product storage shall not exceed the amount that would typically be used in a 6 week period.
  - f. Separate security plan for the additional product being stored shall be approved by the Chief of Police or his/her designee.

# 5.56.340 Operating requirements for cultivation facilities.

- A. Outdoor Cultivation Prohibited. The cultivation of all cannabis must occur indoors. All outdoor cultivation is prohibited.
- B. In no case, shall cannabis plants be visible from a public or private road, sidewalk, park or any common public viewing area.
- C. If a commercial cannabis cultivation is permitted in the city of Hanford then it shall only be allowed to cultivate the square feet of canopy space permitted by state law.
- D. Cannabis cultivation shall be conducted in accordance with state and local laws related to land conversion, grading, electricity, water usage, water quality, woodland and riparian habitat protection, agricultural discharges, and similar matters.
- E. Pesticides and fertilizers shall be properly labeled and stored to avoid contamination through erosion, leakage or inadvertent damage from pests, rodents or other wildlife.
- F. The cultivation of cannabis shall at all times be operated in such a way as to ensure the health, safety, and welfare of the public, the employees working at the commercial cannabis business, visitors to

the area, neighboring properties, and the end users of the cannabis being cultivated, to protect the environment from harm to streams, fish, and wildlife; to ensure the security of the cannabis being cultivated; and to safeguard against the diversion of cannabis.

- G. All applicants for a cannabis cultivation permit shall submit the following in addition to the information generally otherwise required for a commercial cannabis business:
- 1. A cultivation and operations plan that meets or exceeds minimum legal standards for water usage, conservation and use; drainage, runoff, and erosion control; watershed and habitat protection; and proper storage of fertilizers, pesticides, and other regulated products to be used on the parcel, and a description of the cultivation activities (indoor, mixed-light) and schedule of activities during each month of growing and harvesting, or explanation of growth cycles and anticipated harvesting schedules for all-season harvesting (indoor, mixed-light).
  - 2. A description of a legal water source, irrigation plan, and projected water use.
- 3. Identification of the source of electrical power and plan for compliance with applicable Building Codes and related codes.
- 4. Plan for addressing odor and other public nuisances which may derive from the cultivation site.

# 5.56.350 Cannabis manufacturing—Edibles and other cannabis products—Sale or distribution of edible and other cannabis products.

The manufacturing of food or other products infused with or which otherwise contain cannabis may be manufactured within the appropriate manufacturing zoning districts as described in Title 17, subject to the regulations set forth in this chapter, and subject to whatever additional regulations may be promulgated hereunder by an ordinance or resolution of the City Council.

## 5.56.360 Packaging and labeling.

- A. Before a commercial cannabis manufacturer delivers any edible cannabis or edible cannabis product to a dispensary, the same shall be labeled and placed in tamper-evident packaging which at least meets the requirements of California Business and Professions Code Section 19347, as the same may be amended from time to time or superseded or replaced by subsequent state legislation or by any department or division of the state of California.
- B. All items to be sold or distributed shall be individually wrapped at the original point of preparation by the business permitted as a commercial cannabis manufacturer.
- C. Labeling must include a warning if nuts or other known allergens are used, and must include the total weight (in ounces or grams) of cannabis in the package.
- D. A warning that the item is a medication and not a food must be clearly legible on the front of the package and/or must comply with state packing requirements.
  - E. The package must have a label warning that the product is to be kept away from children.
- F. The label must also state that the product contains cannabis and must specify the date of manufacture.

- G. Any edible cannabis product that is made to resemble a typical food product must be in a properly labeled opaque (non-see-through) package before it leaves the commercial cannabis manufacturing business.
  - H. Deliveries must be in a properly labeled opaque package when delivered.
- I. The City Council may impose additional packaging and labeling requirements on cannabis or cannabis products by resolution, as permitted by law.

## 5.56.370 Operating requirements for cannabis manufacturing (levels one and two)—Extraction, etc.

- A. Cannabis manufacturing facilities requiring a Type 6 or Type 7 state license (using non-volatile and volatile solvents) as defined in Business and Professions Code Section 19341, may be permitted to operate within those zone districts as defined in Title 17 of the city of Hanford Municipal Code.
- B. Any compressed gases used in the manufacturing process shall not be stored on any property within the city of Hanford in containers that exceeds the amount which is approved by the fire department and authorized by the regulatory permit. Each site or parcel subject to a commercial cannabis business permit shall be limited to a total number of tanks as authorized by the fire department on the property at any time.
- C. Cannabis manufacturing facilities may use the hydrocarbons N-butane, isobutane, propane, or heptane or other solvents or gases exhibiting low to minimal potential human-related toxicity approved by the community development department. These solvents must be of at least ninety-nine percent (99%) purity and any extraction process must use them in a professional grade closed loop extraction system designed to recover the solvents, work an environment with proper ventilation, controlling all sources of ignition where a flammable atmosphere is or may be present.
- D. If an extraction process uses a professional grade closed loop CO<sub>2</sub> gas extraction system where every vessel is certified by the manufacturer for its safe use as referenced in subsection F. The CO<sub>2</sub> must be of at least ninety-nine percent (99%) purity.
- E. Closed loop systems for compressed gas extraction systems must be commercially manufactured and bear a permanently affixed and visible serial number.
- F. Certification from an engineer licensed by the state of California must be provided to the community development department for a professional grade closed loop system used by any commercial cannabis manufacturer to certify that the system was commercially manufactured, is safe for its intended use, and was built to codes of recognized and generally accepted good engineering practices, including, but not limited to:
  - 1. The American Society of Mechanical Engineers (ASME);
  - 2. American National Standards Institute (ANSI);
  - 3. Underwriters Laboratories (UL); or
  - 4. The American Society for Testing and Materials (ASTM).
- G. The certification document must contain the signature and stamp of the professional engineer and serial number of the extraction unit being certified.

- H. Professional closed loop systems, other equipment used, the extraction operation, and facilities must be approved for their use by the fire department and meet any required fire, safety, and building code requirements specified in the California Building Reference Codes.
- I. Cannabis manufacturing facilities may use heat, screens, presses, steam distillation, ice water, and other methods without employing solvents or gases to create keef, hashish, bubble hash, or infused dairy butter, or oils or fats derived from natural sources, and other extracts.
- J. Cannabis manufacturing facilities may use food grade glycerin, ethanol, and propylene glycol solvents to create or refine extracts. All ethanol must be removed from the extract in a manner to recapture the solvent and ensure that it is not vented into the atmosphere.
- K. Cannabis manufacturing facilities creating cannabis extracts must develop standard operating procedures, good manufacturing practices, and a training plan prior to producing extracts for the marketplace.
- L. Any person using solvents or gases in a closed loop system to create cannabis extracts must be fully trained on how to use the system, have direct access to applicable material safety data sheets and handle and store the solvents and gases safely.
- M. Parts per million for one gram of finished extract cannot exceed state standards for any residual solvent or gas when quality assurance tested.

## 5.56.372 Operating requirements for Distributors.

- A. A distributor shall not store non-cannabis goods or non-cannabis accessories that are to be sold to another party on any licensed premises. Additionally, a distributor shall not distribute non-cannabis goods or non-cannabis accessories at a licensed premise. For the purposes of this section, non-cannabis goods are any goods that do not meet the definition of cannabis goods as defined in Title 16, Section 5000(c) of the California Code of Regulations.
- B. After taking physical possession of a cannabis goods batch, the distributor shall contact a testing laboratory and arrange for a laboratory employee to come to the distributor's licensed premises to select a representative sample for laboratory testing.
- C. A distributor shall ensure that all cannabis goods batches are stored separately and distinctly from other cannabis goods batches on the distributor's premises.
- D. The distributor shall ensure that the batch size from which the sample is taken meets the requirements of state law, specifically the testing provisions within the California Code of Regulations.
- E. A distributor or an employee of the distributor shall be physically present to observe the laboratory employee obtain the sample of cannabis goods for testing and shall ensure that the increments are taken from throughout the batch. The sampling shall be video-recorded, and the recording kept available to state and local authorities for a minimum of 180 days, pursuant to Section Title 16, 5305 of the California Code of Regulations.
- **F.** A distributor shall not transport cannabis or cannabis products to a licensed retail facility until and unless it has verified that the cannabis or cannabis products have been tested and certified by a testing lab as being in compliance with state health and safety requirements pursuant to Title 16, Sections 5705, 5710 and 5714 of the California Code of Regulations.

#### **5.56.374** Operating requirements for Testing Laboratories.

A. Testing Labs shall be required to conduct all testing in a manner pursuant to Business and Professions Code Section 26100 and shall be subject to state and local law. Each Testing Lab shall be subject to additional regulations as determined from time to time as more regulations

- are developed under this Chapter and any subsequent State of California legislation regarding the same.
- B. Testing Labs shall conduct all testing in a manner consistent with general requirements for the competence of testing and calibrations activities, including sampling using verified methods.
- C. All cannabis testing laboratories performing testing shall obtain and maintain ISO/IEC 17025 accreditation as required by the Bureau of Cannabis Control.
- D. Testing labs shall destroy any harvest batch whose testing sample indicates noncompliance with health and safety standards required by the Bureau unless remedial measures can bring the cannabis or cannabis products into compliance with quality standards as specified by law and implemented by the bureau.
- E. Each operator shall ensure that a testing laboratory employee takes the sample of cannabis or cannabis products from the distributor's premises for testing required by state law and that the testing laboratory employee transports the sample to the testing laboratory.
- F. Except as provided by state law, a testing laboratory shall not acquire or receive cannabis or cannabis products except from a licensee in accordance with state law, and shall not distribute, sell, or dispense cannabis, or cannabis products, from the licensed premises from which the cannabis or cannabis products were acquired or received. All transfer or transportation shall be performed pursuant to a specified chain of custody protocol as established in approved security measures by the Chief of Police.
- G. A testing laboratory may receive and test samples of cannabis or cannabis products from a qualified patient or primary caregiver only if the qualified patient or primary caregiver presents the qualified patient's valid physician's recommendation for cannabis for medicinal purpose. A testing lab shall not certify samples from a qualified patient or primary caregiver for resale or transfer to another party or licensee. All tests performed by a testing laboratory for a qualified patient or primary caregiver shall be recorded with the name of the qualified patient or primary caregiver and the amount of the cannabis or cannabis products received.

## 5.56.376 Operating requirements for Microbusinesses.

Microbusinesses must comply with the local operating requirements and all requirements imposed by state law that apply to the specific activities operating under the umbrella of the individual microbusiness.

- A. Outdoor Commercial Cultivation is prohibited.
- B. In no case, shall cannabis plants be visible from a public or private road, sidewalk, park or any common public viewing area.
- C. Commercial cannabis cultivation which is permitted in the City of Hanford shall not exceed 10,000 square feet of canopy space permitted by state law as part of a microbusiness license.
- D. Cannabis cultivation shall be conducted in accordance with state and local laws related to land conversion, grading, electricity, water usage, water quality, woodland and riparian habitat protection, agricultural discharges, and similar matters.

- E. Pesticides and fertilizers shall be properly labeled and stored to avoid contamination through erosion, leakage or inadvertent damage from pests, rodents or other wildlife.
- F. The cultivation of cannabis shall at all times be operated in such a way as to ensure the health, safety, and welfare of the public, the employees working at the commercial cannabis business, visitors to the area, neighboring properties, and the end users of the cannabis being cultivated, to protect the environment from harm to streams, fish, and wildlife; to ensure the security of the cannabis being cultivated; and to safeguard against the diversion of cannabis.
- G. All applicants for a cannabis cultivation permit shall submit to the following in addition to the information generally otherwise required for a commercial cannabis business:
  - (1) A cultivation and operations plan that meets or exceeds minimum legal standards for water usage, conservation and use; drainage, runoff, and erosion control; watershed and habitat protection; and proper storage of fertilizers, pesticides, and other regulated products to be used on the parcel, and a description of the cultivation activities and schedule of activities during each month of growing and harvesting, or explanation of growth cycles and anticipated harvesting schedules for all-season harvesting.
  - (2) A description of a legal water source, irrigation plan, and projected water use.
  - (3) Identification of the source of electrical power and plan for compliance with applicable Building Codes and related codes.
  - (4) Plan for addressing odor and other public nuisances that may derive from the cultivation site.

## 5.56.380 Promulgation of regulations, standards and other legal duties.

- A. In addition to any regulations adopted by the City Council, the City Manager or his/her designee(s) is authorized to establish any additional rules, regulations and standards governing the issuance, denial or renewal of commercial cannabis business permits, the ongoing operation of commercial cannabis businesses and the city's oversight, or concerning any other subject determined to be necessary to carry out the purposes of this chapter.
  - B. Regulations shall be published on the city's website.
- C. Regulations promulgated by the City Manager shall become effective upon date of publication. Commercial cannabis businesses shall be required to comply with all state and local laws and regulations, including, but not limited to, any rules, regulations or standards adopted by the City Manager or his/her designee(s).
- D. Testing labs, transporters and distribution facilities shall be subject to state law and shall be subject to additional regulations as determined from time to time as more regulations are developed under subsection A.

#### 5.56.390 Community relations.

- A. Each commercial cannabis business shall provide the name, telephone number, and email address of a community relations contact to whom notice of problems associated with the commercial cannabis business can be provided. Each commercial cannabis business shall also provide the above information to all businesses and residences located within one hundred (100) feet of the commercial cannabis business.
- B. During the first year of operation pursuant to this chapter, the owner, manager, and community relations representative from each commercial cannabis business holding a permit issued pursuant to this chapter shall attend a quarterly meeting with the City Manager or his/her designee(s) and other interested parties as deemed appropriate by the City Manager, to discuss costs, benefits, and other community issues arising as a result of implementation of this chapter. After the first year of operation, the owner, manager, and community relations representative from each such commercial cannabis business shall meet with the City Manager or his/her designee(s) when and as requested by the City Manager or his/her designee(s).
- C. Commercial cannabis businesses to which a permit is issued pursuant to this chapter shall develop and make available to youth organizations and educational institutions a public education plan that outlines the risks of youth addiction to cannabis, and that identifies resources available to youth related to drugs and drug addiction.

### 5.56.400 Fees deemed debt to city of Hanford.

The amount of any fee, cost or charge imposed pursuant to this chapter shall be deemed a debt to the city of Hanford that is recoverable via an authorized administrative process as set forth in the municipal code, or in any court of competent jurisdiction.

## **5.56.410** Permit holder responsible for violations.

The person to whom a permit is issued pursuant to this chapter shall be responsible for all violations of the laws of the state of California or of the regulations and/or the ordinances of the City of Hanford, whether committed by the permittee or any employee or agent of the permittee, which violations occur in or about the premises of the commercial cannabis business whether or not said violations occur within the permit holder's presence.

### 5.56.420 Inspection and enforcement.

- A. Representatives of the City, charged with enforcing the provisions of the Hanford Municipal Code, or any provision thereof, may enter the location of a commercial cannabis business at any time, without notice, and inspect the location of any commercial cannabis business as well as any recordings and records required to be maintained pursuant to this chapter or under applicable provisions of state law.
- B. It is unlawful for any person having responsibility over the operation of a commercial cannabis business, to impede, obstruct, interfere with, or otherwise not to allow, the city to conduct an inspection, review or copy records, recordings or other documents required to be maintained by a commercial cannabis business under this chapter or under state or local law. It is also unlawful for a person to conceal, destroy, deface, damage, or falsify any records, recordings or other documents required to be maintained by a commercial cannabis business under this chapter or under state or local law.
- C. Representatives of the City, charged with enforcing the provisions of this chapter may enter the location of a commercial cannabis business at any time during the hours of operation and without notice

to obtain samples of the cannabis to test for public safety purposes. Any samples obtained by the city of Hanford shall be logged, recorded, and maintained in accordance with the Hanford Police department standards for evidence.

#### 5.56.430 Concurrent regulation with state.

It is the stated intent of this chapter to regulate commercial cannabis activity in the city of Hanford concurrently with the state of California.

#### 5.56.440 Violations declared a public nuisance.

Each and every violation of the provisions of this chapter is hereby deemed unlawful and a public nuisance per se. The nuisance abatement remedies and procedures identified in Chapter 17.94, which are incorporated herein by reference, shall apply to nuisances existing under this Chapter 5.56.

## 5.56-450 Each violation a separate offense.

Each and every violation of this chapter shall constitute a separate violation and shall be subject to all remedies and enforcement measures authorized by the Hanford Municipal Code or by state law. Each day a violation is committed or permitted to continue shall constitute a separate violation. Additionally, as a nuisance per se, any violation of this chapter shall be subject to injunctive relief, any permit issued pursuant to this chapter being deemed null and void, disgorgement and payment to the city of any monies unlawfully obtained, costs of abatement, costs of investigation, attorney fees, and any other relief or remedy available at law or in equity. The city of Hanford may also pursue any and all remedies and actions available and applicable under state and local laws for any violations committed by the commercial cannabis business or persons related to, or associated with, the commercial cannabis activity. Additionally, when there is determined to be an imminent threat to public health, safety or welfare, the City Manager or his/her designee(s) may take immediate action to temporarily suspend or revoke a commercial cannabis business permit issued by the city, pending a hearing before the City Council or its designee.

#### 5.56.460 Criminal penalties.

Each and every violation of the provisions of this chapter may be prosecuted as a misdemeanor and upon conviction be subject to a fine not to exceed one thousand dollars (\$1,000.00) or imprisonment in the County Jail for a period of not more than twelve (12) months, or by both such fine and imprisonment. Each day a violation is committed or permitted to continue shall constitute a separate offense. (Ord. 17-08 § 2, 2017)

## 5.56.470 Administrative penalties and costs.

In addition to any other remedy available at law, an administrative citation may be issued to any person or entity who violates this chapter.

A. Issuance of Citation.

- 1. Whenever the city's Police Chief, his/her designee, or a city Code Enforcement Officer determines that a violation of this chapter has occurred, the Police Chief, his/her designee, or a City Code Enforcement Officer shall have the authority to issue an administrative citation to any person or entity responsible for the violation.
- 2. Each administrative citation shall contain the following information:
  - i. The date of the violation or, if the date of the violation is unknown, then the date the violation is identified;
  - ii. The address or a definite description of the location where the violation occurred;
  - iii. The section of this chapter that was violated and a description of the violation;
  - iv. The amount of the fine for the violation;
  - v. A description of the fine payment process, including a description of the time within which and the place at which the fine shall be paid;
  - vi. An order prohibiting the continuation or repeated occurrence of the code violation described in the administrative citation;
  - vii. A description of the administrative citation review process, including the time within which the administrative citation may be contested and the place from which a request for hearing form to contest the administrative citation may be obtained; and
  - viii. The name and signature of the individual issuing the citation.

## B. Amount of Fines.

- 1. The amounts of the administrative citation fines for violations of this chapter shall be set forth in a schedule of fines established by resolution of the City Council.
- 2. The schedule of fines shall specify any increased fines for repeat violations of the same code provision by the same person or entity.

## C. Payment of Fines.

- 1. Fines shall be paid to the city within thirty (30) days from the date of the administrative citation.
- 2. Any administrative citation fine paid shall be refunded if it is determined, after an appeal hearing, that a person or entity charged in the administrative citation was not responsible for the violation or that there was no violation as charged in the citation.

3. Payment of a fine under this chapter shall not excuse, discharge, or permit any continuation or repeated occurrence of the code violation that is the subject of the administrative citation.

#### D. Hearing Request.

- 1. Any recipient of an administrative citation may appeal the citation by submitting a written request for hearing to the City Clerk or his/her designee within thirty (30) days from the date of the administrative citation, together with an advance deposit of the fine and appeal fee.
- 2. If the Police Chief, his/her designee, or a Code Enforcement Officer submits an additional written report concerning the administrative citation to the hearing body, then a copy of such report shall be served on the person requesting the hearing at least five (5) days prior to the date of the hearing.

## E. Hearing Procedure.

- 1. The appeal procedures described in Section 5.56.160 shall apply to appeals involving administrative citations.
- 2. No hearing to contest an administrative citation shall be held unless the fine has been deposited with the city in advance.
- 3. At the hearing, the party contesting the administrative citation shall be given the opportunity to testify and to present evidence concerning the administrative citation.
- 4. The administrative citation and any additional report submitted by the Police Chief, his/her designee, or a Code Enforcement Officer shall constitute prima facie evidence of the respective facts contained in those documents.
- 5. The hearing body may continue the hearing and request additional information from the Police Chief, his/her designee, Code Enforcement Officer, or the recipient of the administrative citation prior to issuing a written decision.

## F. Hearing Body's Decision.

- 1. After considering all of the testimony and evidence submitted at the hearing, the hearing body shall issue a written decision to uphold, modify, or cancel the administrative citation and shall list in the decision the reasons for the decision. The decision of the hearing body shall be final.
- 2. If the hearing body determines that the administrative citation should be upheld, then the fine amount on deposit with the city shall be retained by the city.
- 3. If the hearing body determines that the administrative citation should be canceled, then the city shall promptly refund the amount of the deposited fine.
- 4. If the hearing body determines that the fine levied under the administrative citation should be adjusted, then the city will promptly refund the amount of the deposited

fine that exceeds the amount fixed by the hearing body or the recipient of the administrative citation will promptly pay to the city an additional amount fixed by the hearing body if the body finds that the fine assessed under the administrative citation to be insufficient.

5. The recipient of the administrative citation shall be served with a copy of the hearing body's written decision.

#### G. Late Payment Charges.

Any person or entity who fails to pay to the city any fine imposed or amount owed pursuant to the provisions of this chapter on or before the date that the fine or amount is due shall also be liable for a late payment charge equal to ten percent (10%) of the unpaid amount, and interest shall accrue thereafter at a rate of one and one half percent (1.5%) per month on the unpaid fine; provided however, the additional penalty and/or interest shall not apply if collection of the same by the city would violate State law.

H. Recovery of Administrative Citation Fines and Costs.

Any person or entity who violates this chapter shall be responsible for the enforcement costs incurred by the city with respect to such violation. The City may collect any past due administrative citation fines, enforcement and collection costs, and late payment charges by use of all available legal means. Collection costs shall be in addition to any interest and/or late charges imposed upon the delinquent obligation and shall be added to and become a part of the underlying obligation. Any partial payment of an obligation, when a partial payment is permitted, will be applied first to the principal amount of the underlying obligation, then to any penalties, and then to interest.

I. Recovery of Administrative Citation Fines and Costs.

Any person or entity who violates this Chapter shall be responsible for the enforcement costs incurred by the City with respect to such violation. The City may collect any past due administrative citation fines, enforcement and collection costs, and late payment charges by use of all available legal means, including, without limitation, the lien procedures identified in Sections 17.94.180 and 17.94.190 of this Code, which are incorporated herein by reference. Collection costs shall be in addition to any interest and/or late charges imposed upon the delinquent obligation and shall be added to and become a part of the underlying obligation. Any partial payment of an obligation, when a partial payment is permitted, will be applied first to the principal amount of the underlying obligation, then to any penalties, and then to interest.

J. Right to Judicial Review.

Any person or entity aggrieved by a decision of the hearing body on an administrative citation may obtain review of the decision by filing a petition for review with the Superior Court for Kings County, California in accordance with the timelines and provisions set forth in California Government Code Section 53069.4, as may be amended.

K. Notices.

The administrative citation and all notices required to be given by this chapter shall be served by personal delivery thereof to the person or entity to be notified or by deposit in the United States Mail, certified mail with return receipt requested, addressed to such person to be notified at his/her/its last-known address as the same appears in the public records or other records pertaining to the matter to which such notice is directed. Service by mail shall be deemed to have been completed at the time of deposit in the mail.

### 5.56.480 Remedies cumulative and not exclusive.

The remedies provided herein are not to be construed as exclusive remedies. The city is authorized to pursue any proceedings or remedies provided by law.

## **Chapter 5.56 COMMERCIAL CANNABIS ACTIVITY.**

#### 5.56.010 Purpose and intent.

It is the purpose and intent of this chapter to accommodate the needs of medically-ill persons in need of cannabis for medical purposes, as advised and recommended by their health care provider(s), and to implement the Adult Use Cannabis Act which was passed by the voters of California while imposing regulations on the use of land to protect the city's neighborhoods, residents, and businesses from negative impacts. It is a further purpose and intent of this chapter to regulate the cultivation, manufacturing, processing, testing, transporting, delivery, and distribution of cannabis and cannabis-related products in a manner which is responsible, which protects the health, safety, and welfare of the residents of Hanford, and to enforce rules and regulations consistent with state law. In part to meet these objectives, an annual permit shall be required to own and/or to operate a commercial cannabis business within Hanford. Nothing in this chapter is intended to authorize the possession, use, or provision of cannabis for purposes which violate state or federal law. The provisions of this chapter are in addition to any other permits, licenses and approvals which may be required to conduct business in the city, and are in addition to any permits, licenses and approval required under state, county, or other law.

## 5.56.020 Legal authority.

Pursuant to Sections 5 and 7 of Article XI of the California Constitution, and the provisions of the Medical Cannabis Regulation and Safety Act (hereinafter "MCRSA"), and the Adult Use Cannabis Act (hereinafter "AUMA" the city of Hanford is authorized to adopt ordinances that establish standards, requirements and regulations for local licenses and permits for cannabis and cannabis-related activity. Any standards, requirements, and regulations regarding health and safety, security, and worker protections established by the state of California, or any of its departments or divisions, shall be the minimum standards applicable in the city of Hanford to cannabis, and/or cannabis-related activity.

## 5.56.030 Cannabis cultivation and commercial cannabis business activities prohibited unless specifically authorized by this chapter.

Except as specifically authorized in this chapter, the cultivation, possession, manufacture, processing, storing, laboratory testing, labeling, transporting, dispensing, distribution, delivery, or sale of cannabis or cannabis product is expressly prohibited in the city of Hanford.

### 5.56.040 Compliance with state and local laws.

It is the responsibility of the owners and operators of the commercial cannabis business to ensure that it is, always, operating in a manner compliant with all applicable state and local laws, and any regulations promulgated thereunder. Nothing in this chapter shall be construed as authorizing any actions which violate federal, state law or local law with respect to the operation of a commercial cannabis business. It shall be the responsibility of the owners and the operators of the commercial cannabis business to ensure that the commercial cannabis business is, at all times, operating in a manner compliant with all applicable federal, state and local laws, the 2008 Attorney General Guidelines, any subsequently enacted state law or regulatory, licensing, or certification requirements, and any specific, additional operating procedures or requirements which may be imposed as conditions of approval of the commercial

cannabis business permit. Nothing in this chapter shall be construed as authorizing any actions which violate federal or state law regarding the operation of a commercial cannabis business.

#### 5.56.050 Definitions.

When used in this chapter, the following words shall have the meanings ascribed to them as set forth herein. Any reference to California statutes includes any regulations promulgated thereunder, and is deemed to include any successor or amended version of the referenced statute or regulatory provision.

"Bureau" means the Bureau of Cannabis Control within the California Department of Consumer Affairs.

"Cannabis" refers to "marijuana," and means all parts of the Cannabis sativa Linnaeus, Cannabis indica, or Cannabis ruderalis, whether medical or nonmedical, growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. "Cannabis" also means the separated resin, whether crude or purified, obtained from cannabis. "Cannabis" also means marijuana as defined by Section 11018 of the California Health and Safety Code as enacted by Chapter 14017 of the Statutes of 1972. "Cannabis" does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. For the purpose of this chapter, "cannabis" does not mean industrial hemp as that term is defined by Section 81000 of the California Food and Agricultural Code or Section 11018.5 of the California Health and Safety Code.

"Cannabis business park" means a park or campus that is one contiguous commercial area of land which has many cannabis related businesses grouped together. Each individual business is clearly defined, having a unique entrance and immovable physical barriers between uniquely licensed premises.

"Cannabis concentrate" means manufactured cannabis that has undergone a process to concentrate the cannabinoid active ingredient, thereby increasing the product's potency.

"Cannabis product" means a product containing cannabis, including, but not limited to, manufactured cannabis intended to be sold for use by cannabis patients in California pursuant to the Compassionate Use Act of 1996 (Proposition 215), found at Section 11362.5 of the California Health and Safety Code(as the same may be amended from time to time) or pursuant to the Adult Use of Marijuana Act. For purposes of this chapter, "medical cannabis" does not include industrial hemp as defined by Section 81000 of the California Food and Agricultural Code or Section 11018.5 of the California Health and Safety Code.

"Canopy" means all areas occupied by any portion of a cannabis plant, inclusive of all vertical planes, whether contiguous or noncontiguous on any one site.

"Caregiver" or "primary caregiver" has the same meaning as that term is defined in Section 11362.7 of the California Health and Safety Code.

"City" or "city of Hanford" means the city of Hanford, a California general law city.

"Commercial cannabis activity" includes cultivation, manufacture, processing, laboratory testing, transporting, delivery, distribution, or sale of cannabis product, within the meaning of California Business and Professions Code Section 26001and California Business and Professions Code Section 26050, et seq.

"Commercial cannabis business" means any business or operation which engages in cannabis activity.

"Commercial cannabis business permit" means a regulatory permit issued by the city of Hanford pursuant to this chapter to a commercial cannabis business, and is required before any commercial cannabis activity may be conducted in the city. The initial permit and annual renewal of a commercial cannabis business permit is made expressly contingent upon the business' ongoing compliance with all of the requirements of this chapter and any regulations adopted by the city governing the commercial cannabis activity at issue.

"Cultivation" means any activity, whether occurring indoors or outdoors, involving the propagation, planting, growing, harvesting, drying, curing, grading, and/or trimming of cannabis plants or any part thereof for any purpose, including cannabis.

"Cultivation site" means a facility where cannabis is cultivated, propagated, planted, grown, harvested, dried, cured, graded, or trimmed, or that does all or any combination of those activities, and where the operator holds a valid commercial cannabis business permit for cultivation from the city of Hanford and a valid state license to cultivate cannabis as required by state law.

"Delivery" means the commercial transfer of cannabis or cannabis products from a dispensary, up to an amount determined to be authorized by the state of California, or any of its departments or divisions, to anyone for any purpose. "Delivery" also includes the use by a dispensary of any technology platform owned, controlled, and/or licensed by the dispensary, or independently licensed by the state of California under the MCRSA or AUMA (as the same may be amended from time-to-time), that enables anyone to arrange for or facilitate the commercial transfer by a licensed dispensary of cannabis or cannabis products.

"Dispensary" means a commercial cannabis business facility where cannabis, cannabis products, or devices for the use of cannabis or cannabis products are offered, either individually or in any combination, for retail sale, including an establishment (whether fixed or mobile) that delivers, pursuant to express authorization, cannabis and cannabis products as part of a retail sale, and where the operator holds a valid commercial cannabis business permit from the city of Hanford authorizing the operation of a dispensary, and a valid state license as required by state law to operate a dispensary.

"Dispensing" means any activity involving the retail sale of cannabis or cannabis products from a dispensary.

"Distribution" means the wholesale procurement, and sale, of cannabis or cannabis products between entities licensed pursuant to MCRSA, AUMA and any subsequent state of California legislation regarding the same.

"Distributor" means a person holding a valid commercial cannabis business permit for distribution issued by the city of Hanford, and, a valid state license for distribution, required by state law to engage in the business of purchasing cannabis from a licensed cultivator, or cannabis products from a license manufacturer, for sale to a licensed dispensary.

"Dried flower" means all dead cannabis that has been harvested, dried, cured, or otherwise processed, excluding leaves and stems.

"Edible cannabis product" means manufactured cannabis that is intended to be used, in whole or in part, for human consumption. An edible cannabis product is not considered food as defined by Section 109935 of the California Health and Safety Code or a drug as defined by Section 109925 of the

California Health and Safety Code. An edible cannabis product shall not be deemed to be adulterated pursuant to Section 19347.6 of the Business and Professions Code solely because it contains cannabis.

"Greenhouse" means a fully enclosed permanent structure that is clad in transparent material with climate control, such as heating and ventilation capabilities and supplemental artificial lighting, and that uses a combination of natural and supplemental lighting for cultivation.

"Live plants" means living cannabis flowers and plants, including seeds, sprouts, immature plants (including unrooted clones), and vegetative stage plants.

"Manufactured cannabis" means raw cannabis that has undergone a process whereby the raw agricultural product has been transformed into a concentrate, extraction or other manufactured product intended for internal consumption through inhalation or oral ingestion or for topical application.

"Manufacturer" means a person that conducts the production, preparation, propagation, or compounding of manufactured cannabis, as defined in this section, or cannabis products either directly or indirectly or by extraction methods, or independently by means of chemical synthesis at a fixed location that packages or repackages cannabis or cannabis products or labels or relabels its container, where the operator holds a valid commercial cannabis business permit for manufacturing from the city of Hanford and, after January 1, 2018 or as soon as permitted by the state granting agency, department or division, a valid state license for manufacturing pursuant to MCRSA and/or AUMA. A manufacturer may also be a person that infuses cannabis in its products but does not perform its own extraction.

"Manufacturing site" means a location that produces, prepares, propagates, or compounds cannabis or cannabis products, directly or indirectly, by extraction methods, independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis, and is owned and operated by a person issued a valid commercial cannabis business permit for manufacturing from the city of Hanford and, a valid state license as required for manufacturing of cannabis products.

"Microbusiness" shall have the same meaning as that contained in Section 26070(a)(3) of the Business and Professions Code of the State of California.

"Nursery" means a person that produces only clones, immature plants, seeds and other agricultural products used specifically for the planting, propagation, and cultivation of cannabis.

"Patient" or "qualified patient" shall have the same definition as California Health and Safety Code Section 11362.7 et seq., as it may be amended, and which means a person who is entitled to the protections of California Health and Safety Code Section 11362.5.

"Person" means an individual, firm, partnership, joint venture, association, corporation, limited liability company, estate, trust, business trust, receiver, syndicate, or any other group or combination acting as a unit and includes the plural as well as the singular number.

"Person with an identification card" shall have the meaning given that term by California Health and Safety Code Section 11362.7.

"State license" means a permit or license issued by the state of California, or one of its departments or divisions, under MCRSA or AUMA to engage in commercial cannabis activity.

"Topical cannabis" means a product intended for external application and/or absorption through the skin. A topical cannabis product is not considered a drug as defined by Section 109925 of the California Health and Safety Code.

"Testing laboratory" means a facility, entity, or site in the city of Hanford that offers or performs tests of cannabis or cannabis products and that is both of the following:

- 1. Accredited by an accrediting body that is independent from all other persons involved in the cannabis industry in the state.
- 2. Licensed by the Bureau of Cannabis Control, and is owned and operated by a person issued a valid commercial medical cannabis business permit for laboratory testing from the city of Hanford.

"Transport" means the transfer of cannabis products from the permitted business location of one licensee to the permitted business location of another licensee, for the purposes of conducting commercial cannabis activity authorized by the MCRSA and/or AUMA.

"Transporter" means a person issued a state license, and a commercial cannabis business permit by the city of Hanford, authorizing the transport of cannabis or cannabis products in amounts authorized by the state of California, or by one of its departments or divisions under the MCRSA and/or AUMA.

## 5.56.060 Commercial cannabis business permit required to engage in commercial cannabis business.

- A. No person may engage in any commercial cannabis business or activity within the city of Hanford including cultivation, manufacture, processing, laboratory testing, transporting, dispensing, distribution, or sale of cannabis or a cannabis product unless the person: (1) has a valid commercial cannabis business permit from the city of Hanford; and (2) is currently in compliance with all applicable state and local laws and regulations pertaining to the commercial cannabis business or activities, including the duty to obtain any required state licenses.
- B. Until Health and Safety Code Section 11362.775, subdivision (a), is repealed, the city intends that person's eligible to operate collectives or cooperatives under that subdivision shall be eligible to apply for a city permit to conduct commercial cannabis activities, but only to the degree those activities are authorized under state law for collectives and cooperatives. When the Health and Safety Code Section 11362.775, subdivision (a), is repealed, or as soon as collectives and cooperatives are no longer permitted to engage in commercial cannabis activity under state law, any city permit holder operating a commercial cannabis business under a collective or cooperative who has not already obtained a state license for the commercial cannabis activities they are engaged in shall automatically forfeit his or her city commercial cannabis business permit. At that point, they shall no longer be authorized to engage in any commercial cannabis activities in the city until they obtain both a city issued commercial cannabis business permit and a state license for that commercial cannabis activity.

#### 5.56.070 Cannabis employee permit required.

- A. Any person who is an employee or who otherwise works or volunteers within a commercial cannabis business must be legally authorized to do so under applicable state law. Employees, workers, or volunteers at businesses that are permitted by the city of Hanford as cannabis business cultivators, manufacturers, distributors, or delivers that are operating pursuant to Health and Safety Code Section 11362.775(a) as collectives or cooperatives until that subsection is repealed must be qualified patients or primary caregivers as required by state law.
- B. Any person who is an employee or who otherwise works or volunteers within a commercial cannabis business must obtain a commercial cannabis employee work permit from the city prior to performing any work at any commercial cannabis business.

- C. Applications for a commercial cannabis employee work permit shall be developed and made available by the chief of police or designee(s), and shall include, but not be limited to, the following information:
  - 1. Name, address, and phone number of the applicant;
- 2. Age and verification of applicant. A copy of a birth certificate, driver's license, government issued identification card, passport or other proof that the applicant is at least twenty-one (21) years of age must be submitted with the application;
- 3. Name, address of the commercial cannabis businesses where the person will be employed, and the name of the primary manager of that business;
- 4. A list of any crimes enumerated in California Business and Professions Code Section 26507(b)(4) for which the applicant has been convicted;
- 5. Name, address, and contact person for any previous employers from which the applicant was fired, resigned, or asked to leave and the reasons for such dismissal or firing;
- 6. The application shall be accompanied by fingerprints and a recent photograph of the applicant in a form and manner as required by the chief of police or designee(s);
  - 7. A signed statement under penalty of perjury that the information provided is true and correct;
  - 8. If applicable, verification that the applicant is a qualified patient or primary caregiver;
- 9. A fee paid in an amount set by resolution of the city council in an amount necessary to cover the costs of administering the employee work permit programs. The fee is non-refundable and shall not be returned in the event the work permit is denied or revoked.
- D. The chief of police or designee(s) shall review the application for completeness, shall conduct a background check to determine whether the applicant was convicted of a crime or left a previous employer for reasons that show the applicant:
- 1. Has been convicted of a crime involving dishonesty, fraud or deceit, including but not limited to fraud, forgery, theft, or embezzlement as those offenses are defined in California Penal Code Sections 186.11, 470, 484, and 504a, respectively; or equivalent offenses in other states.
  - 2. Has committed a felony or misdemeanor involving fraud, deceit, embezzlement; or
  - 3. Was convicted of a violent felony, a crime of moral turpitude; or
- 4. The illegal use, possession, transportation, distribution or similar activities related to controlled substances, as defined in the Federal Controlled Substances Act, except for cannabis related offenses for which the conviction occurred after the passage of the Compassionate Use Act of 1996.

Discovery of these facts showing that the applicant has been convicted of a crime involving dishonesty, fraud or deceit are grounds for denial of the permit. Where the applicant's sentence (including any term of probation, incarceration, or supervised release) for possession of, possession for sale, sale, manufacture, transportation, or cultivation of a controlled substance is completed, such underlying conviction shall not be the sole ground for denial of a commercial cannabis work permit. Furthermore, an applicant shall not be denied a permit if the denial is based solely on any of the following: (i) a conviction for any crime listed in subsection (D)(4) for which the applicant has obtained a certificate of rehabilitation pursuant to Chapter 3.5 (commencing with Section 4852.01) of Title 6 of Part 3 of the California Penal Code; or (ii) a conviction that was subsequently dismissed pursuant to Section 1203.4, 1203.4a, or

1203.41 of the California Penal Code or any other provision of state law allowing for dismissal of a conviction.

- E. The chief of police or designee(s) shall issue the commercial cannabis work permit or a written denial to the applicant within ninety (90) days of the date the application was deemed complete. Upon the request of a commercial cannabis business and while processing the application for a work permit, the chief of police or designee(s) may issue a temporary work permit for an employee if the business demonstrates to the chief of police or designee(s) that the employee is necessary for the operation of the business. The temporary permit may be immediately revoked by the chief of police or designee(s) upon determination that the applicant has failed the background check.
- F. A work permit shall be valid for a twelve (12) month period and must be renewed on an annual basis. Renewal applications shall contain all the information required in subsection B including the payment of a renewal application fee in an amount to be set by resolution of the city council.
- G. In the event a person changes employment from one commercial cannabis business in the city to another, the work permit holder shall notify the chief of police or designee(s) in writing of the change within ten (10) days, or the work permit shall be suspended or revoked and such person shall not be permitted to work at any commercial cannabis business in the city.
- H. The city may immediately revoke the commercial cannabis work permit should the permit holder be convicted of a crime listed in subsections C and D or if facts become known to the chief of police or designee(s) that the permit holder has engaged in activities showing that he or she is dishonest.
- I. The chief of police or designee(s) is hereby authorized to promulgate all regulations necessary to implement the work permit process and requirements.
- J. The applicant may appeal the denial or revocation of a commercial cannabis work permit by filing a notice of appeal with the city clerk within ten (10) days of the date the applicant received the notice of denial, which appeal shall be conducted as set forth in Section 5.56.140 of this chapter.
- K. The chief of police or designee(s) shall issue a permit in the form of a personal identification card that can be worn by the employee. The personal identification card shall be worn approximately chest-high on their outermost garment, in a prominent and visible location. The identification card shall be maintained in good and readable condition at all times.

# 5.56.080 Maximum number and type of authorized commercial cannabis businesses permitted.

The number of each type of commercial cannabis business that shall be permitted to operate in the city shall be established by resolution of the city council.

- A. This section is only intended to create a maximum number of commercial cannabis businesses that may be issued permits to operate in the city under each category. Nothing in this chapter creates a mandate that the city council must issue any or all of the commercial cannabis business permits if it is determined that the applicants do not meet the standards which are established in the application requirements or further amendments to the application process.
- B. Each year following the city council's initial award of permits, if any, or at any time in the city council's discretion, the city council may reassess the number of commercial cannabis business permits which are authorized for issuance. The city council, in its discretion, may determine by resolution that the number of commercial cannabis permits should stay the same, or be expanded.

#### 5.56.090 Initial application procedure.

- A. The city council shall adopt by resolution the procedures which will govern the application process, and the manner in which the decision will ultimately be made regarding the issuance of any commercial cannabis business permit(s). The resolution shall authorize the community development directorCity Manager or his/her designee(s) or designee(s) is hereby authorized to prepare the necessary forms, adopt any necessary rules to the application, regulations and processes, solicit applications, conduct initial evaluations of the applicants, and to ultimately select the applicant(s) that will be awarded a permit.provide a final recommendation to the city council.
- B. At the time of filing, each applicant shall pay an application fee established by resolution of the city council, to cover all costs incurred by the city in the application process.
- C. After the initial review, the community development directorCity Manager or his/her designee(s) will make a selection for the applicant(s) to be awarded a permit based upon the available permits and the ranking of the applicants during the review process.director or designee(s) will make a recommendation to the city council, and the city council shall make a final determination in accordance with this section.
- D. The City's Reservation of Rights. The city reserves the right to reject any or all applications. The city may also modify, postpone, or cancel any request for applications, or the entire program under this title, at any time without liability, obligation, or commitment to any party, firm, or organization. Persons submitting applications assume the risk that all or any part of the program, or any particular category of permit potentially authorized under this chapter, may be cancelled at any time prior to permit issuance. The city further reserves the right to request and obtain additional information from any candidate submitting an application. In addition to any other justification provided, a failure to comply with other requirements in this chapter, an application risks being rejected for any of the following reasons:
  - 1. Proposal received after designated time and date.
  - 2. Proposal not containing the required elements, exhibits, nor organized in the required format.
  - 3. Proposal considered not fully responsive to this request for permit application.
- 4. Proposal contains excess or extraneous material not called for in the request for permit application.

## 5.56.100 Expiration of commercial cannabis business permits.

Each commercial cannabis business permit issued pursuant to this chapter shall expire twelve (12) months after the date of its issuance. Commercial cannabis permits may be renewed as provided in Section 5.56.120.

## 5.56.110 Revocation of permits.

Commercial cannabis business permits may be revoked for any violation of any law and/or any rule, regulation and/or standard adopted pursuant to this chapter.

## 5.56.120 Renewal applications.

- A. An application for renewal of a commercial cannabis business permit shall be filed at least Thirtysixty (360) calendar days prior to the expiration date of the current permit.
  - B. The renewal application shall contain all the information required for new applications.
- C. The applicant shall pay a fee in an amount to be set by the city council to cover the costs of processing the renewal permit application, together with any costs incurred by the city to administer the program created under this chapter.
- D. An application for renewal of a commercial cannabis business permit shall may be rejected if any of the following exists:
  - 1. The application is filed less than thirtysixty (360) days before its expiration.
- 2. The commercial cannabis business permit is suspended or revoked at the time of the application.
- 3. The commercial cannabis business has not been in regular and continuous operation in the four (4) months prior to the renewal application.
- 4. The commercial cannabis business has failed to conform to the requirements of this chapter, or of any regulations adopted pursuant to this chapter.
  - 5. The permittee fails or is unable to renew its state of California license.
- 6. If the city or state has determined, based on substantial evidence, that the permittee or applicant is in violation of the requirements of this chapter, of the city's municipal code, or of the state rules and regulations, and the city or state has determined that the violation is grounds for termination or revocation of the commercial cannabis business permit.
- E. The community development directorCity Manager or his/her designee(s) or designee(s) is authorized to make all decisions concerning the issuance of a renewal permit. In making the decision, the community development directorCity Manager or his/her designee(s) or designee(s) is authorized to impose additional conditions to a renewal permit, if it is determined to be necessary to ensure compliance with state or local laws and regulations or to preserve the public health, safety or welfare. Appeals from the decision of the community development directorCity Manager or his/her designee(s) or designee(s) shall be handled pursuant to Section 5.56.140.
- F. If a renewal application is rejected, a person may file a new application pursuant to this chapter no sooner than one year from the date of the rejection. An application may be approved, conditionally approved, corrected or rejected at the discretion of the community development directorCity Manager or his/her designee(s)-or his/her designee. Any correction required for a conditionally approved application must be done in a timely manner as set forth by the community development directorCity Manager or his/her designee(s)-or his/her designee.

#### 5.56.130 Effect of state license suspension, revocation, or termination.

Suspension of a license issued by the state of California, or by any of its departments or divisions, shall immediately suspend the ability of a commercial cannabis business to operate within the city, until the state of California, or its respective department or division, reinstates or reissues the state license. Should the state of California, or any of its departments or divisions, revoke or terminate the license of a commercial cannabis business, such revocation or termination shall also revoke or terminate the ability of a commercial cannabis business to operate within the city of Hanford.

#### 5.56.140 Appeals.

Unless specifically provided elsewhere to the contrary, whenever an appeal of a City decision or action occurring under is provided for in this chapter from a decision of the chief of police or community development director or designee(s), the appeal shall be conducted as prescribed in this sectionhereinafter.

#### 5.56.150 Written request for appeal.

- A. Within ten (10) calendar days after the date of a decision or action of the City Manager or his/her designee(s)chief of police or community development director or designee(s) to revoke, suspend or deny a permit, or to add conditions to a permitoccurring pursuant to this chapter, an aggrieved party may appeal such action by filing a written appeal with the city clerk setting forth the reasons why the decision was not proper. The failure to file a timely appeal shall constitute the failure to exhaust administrative remedies.
- B. At the time of filing the appellant shall pay the designated appeal fee, established by resolution of the city council from time to time.

#### 5.56.160 Appeal hearing process.

- A. Upon receipt of the written appeal, the city clerk shall set the matter for a hearing before the city council <u>or its designee</u>. The city council <u>or its designee</u> shall hear the matter de novo<del>, and shall conduct the hearing pursuant to the procedures set forth by the city</del>.
- B. The appeal shall be held within a reasonable time after the filing the appeal, but in no event later than ninety (90) days from the date of such filing. The city shall notify the appellant of the time and location at least ten (10) days prior to the date of the hearing.
- C. At the hearing, the appellant may present any information they deem relevant to the decision appealed. The formal rules of evidence and procedure applicable in a court of law shall not apply to the hearing.
- D. The failure of an appealing party to appear at the appeal hearing shall constitute a failure to exhaust his/her/its/their administrative remedies.
- **<u>DE</u>**. At the conclusion of the hearing the city council <u>or its designee</u> may affirm, reverse or modify the decision appealed. The decision of the city council shall be final.
- F. Following the appeal hearing, an aggrieved party may seek judicial review of the City Council or its designee's appeal decision by filing a complaint with the Superior Court of Kings County, California during the period identified by California Code of Civil Procedure Section 1094.6, as may be amended.

#### 5.56.170 Permittee selection process.

A. The Community Development Director City Manager or his/her designee(s) or his/her designee shall develop procedures and review criteria by which the applicants for a commercial cannabis business permit shall be evaluated. The city council shall adopt by resolution a procedure

guideline by which the top applicants in each category of each commercial cannabis business will be presented to the city council for a final determination at a public hearing.

- B. Applications shall be vetted by the Community Development DirectorCity Manager or his/her designee(s) or his/her designee and a committee of his/her choice or his/her designee's choice. At the conclusion of the vetting process, the committee shall prepare a report ranking the applications and submit that report for consideration to the Community Development DirectorCity Manager or his/her designee(s). The recommendations shall include a summary of the concerns which need to be mitigated by the applicant prior to the issuance of the permit. The top final applicants for each category may be invited to attend the city council meeting, where they may be expected to make a public presentation introducing their team and providing an overview of their proposal. In order to provide adequate time, presentations may be divided over more than one meeting over multiple days as determined to be necessary.
- C. At least twentyen (240) days prior to the <u>selection of the applicants</u> hearing, notice of the hearing shall be sent to all property owners located within five hundred (500) feet of the proposed business locations of each of the finalists to be considered. by the city council.
- D. The <u>community development directorCity Manager or his/her designee(s)</u> eity council shall either deny or approve the final candidates and shall select the top candidates in each category of the <u>community development directorCity Manager or his/her designee(s)</u> shall be subject to appeal in accordance with the appeal provisions of this chapter. The <u>city council's decision as to the selection of the prevailing candidates shall be final.</u>
- E. Official issuance of the commercial cannabis business permit(s), however, is conditioned upon the prevailing candidate(s) obtaining all required land use approvals. Following the council's selection, the prevailing candidate(s) shall apply to the city's community development department to obtain any required land use approvals or entitlements for the permittee's location, if any. Land use approvals shall include compliance with all applicable provisions of CEQA. The <a href="City Manager or his/her">City Manager or his/her</a> <a href="designee(s)ehief of police or designee(s)">designee(s)ehief of police or designee(s)</a> shall formally issue the commercial cannabis business permit(s) once the <a href="Community dDevelopment dDirector">Community dDevelopment dDirector or <a href="his/her">his/her</a> designee(s) affirms that all of the required land use approvals have been obtained.
- F. Issuance of a commercial cannabis business permit does not create a land use entitlement. The commercial cannabis business permit shall only be for a term of twelve (12) months, and shall expire at the end of the twelve (12) month period unless it is renewed as provided herein. Furthermore, no permittee may begin operations, notwithstanding the issuance of a permit, unless all of the state and local laws and regulations, including, but not limited to, the requirements of this chapter and of the permit, have been complied with.
- G. Notwithstanding anything in this chapter to the contrary, the city council reserves the right to reject any or all applications if it determines it would be in the best interest of the city, taking into account any health, safety and welfare impacts on the community. Applicants shall have no right to a commercial cannabis business permit until a permit is actually issued, and then only for the duration of the permits term. Each applicant assumes the risk that, at any time prior to the issuance of a permit, the city council may terminate or delay the program created under this chapter.
- H. If an application is denied, a new application may not be filed for one year from the date of the denial.

I. Each <u>person-applicant</u> granted a commercial cannabis business permit shall be required to pay the permit fee established by resolution of the city council, to cover the costs of administering the commercial cannabis business permit program created in this chapter.

## 5.56.180 Change in location—Updated registration form.

- A. Any time the dispensing, cultivation, manufacturing, transportation and distribution location specified in the regulatory permit is changed, the applicant shall re-register with the <u>chief of policeCity</u> <u>Manager or his/her designee(s)-or designee(s)</u>. The process and the fees for re-registration shall be the same as the process and fees set forth for registration in Sections 5.56.090 and 5.56.120.
- B. Within fifteen (15) calendar days of any other change in the information provided in the registration form or any change in status of compliance with the provisions of this chapter, including any change in the commercial cannabis business ownership or management members, the applicant shall file an updated registration form with the <a href="mailto:chief-of-policeCity Manager or his/her designee(s)-or designee(s)">chief-of-policeCity Manager or his/her designee(s)-or designee(s)</a> for review along with a registration amendment fee, as set forth in Sections 5.56.090 and 5.56.120.

## 5.56.185 Sale and assignment of license.

No commercial cannabis business permit may be sold, assigned, or otherwise transferred without the approval of the Community Development DirectorCity Manager or his/her designee(s). As a condition of approval, the proposed purchaser, assignee, or transferree of a commercial cannabis business permit shall undergo the application and approval process described in Section 5.56.090 above.

## 5.56.190 City business license.

Prior to commencing operations, a commercial cannabis business shall obtain a city of Hanford business license.

### 5.56.200 Building permits and inspection.

Prior to commencing operations, a commercial cannabis business shall be subject to a mandatory building inspection, and must obtain all required permits and approvals which would otherwise be required for any business of the same size and intensity operating in that zone. This includes, but is not limited to, obtaining any required building permit(s), fire department approvals, health department approvals and other zoning and land use permit(s) and approvals.

# 5.56.210 Certification from the community development director City Manager or his/her designee(s).

Prior to commencing operations, a commercial cannabis business must obtain a certification from the community development directorCity Manager or his/her designee(s) or designee(s) certifying that the business is located on a site that meets all of the requirements of Title 17 of the city's municipal code.

## 5.56.220 Right to occupy and to use property.

As a condition precedent to the city's issuance of a commercial cannabis business permit pursuant to this chapter, any person intending to open and to operate a commercial cannabis business shall provide sufficient evidence of the legal right to occupy and to use the proposed location. In the event the proposed location will be leased from another person, the applicant shall be required to provide a signed and notarized statement from the owner of the property, acknowledging that the property owner has read this chapter and consents to the operation of the commercial cannabis business on the owner's property.

## 5.56.230 Limitations on city's liability.

To the fullest extent permitted by law, the city of Hanford shall not assume any liability whatsoever with respect to having issued a commercial cannabis business permit pursuant to this chapter or otherwise approving the operation of any commercial cannabis business. As a condition to the approval of any commercial cannabis business permit, the applicant shall be required to meet all of the following conditions before they can receive the commercial cannabis business permit:

- A. They must execute an agreement, in a form approved by the city attorney, agreeing to indemnify, defend (at applicant's sole cost and expense), and hold the city of Hanford, and its officers, officials, employees, representatives, and agents, harmless, from any and all claims, losses, damages, injuries, liabilities or losses which arise out of, or which are in any way related to, the city's issuance of the commercial cannabis business permit, the city's decision to approve the operation of the commercial cannabis business or activity, the process used by the city in making its decision, or the alleged violation of any federal, state or local laws by the commercial cannabis business or any of its officers, employees or agents.
- B. Maintain insurance at coverage limits, and with conditions thereon determined necessary and appropriate from time to time by the city attorney.
- C. Reimburse the city of Hanford for all costs and expenses, including, but not limited to, attorney fees and costs and court costs, which the city of Hanford may be required to pay as a result of any legal challenge related to the city's approval of the applicant's commercial cannabis business permit, or related to the city's approval of a commercial cannabis activity. The city of Hanford may, at its sole discretion, participate at its own expense in the defense of any such action, but such participation shall not relieve any of the obligations imposed hereunder.

#### 5.56.240 Records and recordkeeping.

A. Each owner and operator of a commercial cannabis business shall maintain accurate books and records in an electronic format, detailing all of the revenues and expenses of the business, and all of its assets and liabilities. On no less than an annual basis (at or before the time of the renewal of a commercial cannabis business permit issued pursuant to this chapter), or at any time upon reasonable request of the city, each commercial cannabis business shall file a sworn statement detailing the number of sales by the commercial cannabis business during the previous twelve (12) month period (or shorter period based upon the timing of the request), provided on a per-month basis. The statement shall also include gross sales for each month, and all applicable taxes paid or due to be paid. On an annual basis, each owner and operator shall submit to the city a financial audit of the business's operations conducted by an independent certified public accountant. Each permittee shall be subject to a regulatory compliance review and financial audit as determined by the Ceity mManager or his/her designee(s).

- B. Each owner and operator of a commercial cannabis business shall maintain a current register of the names and the contact information (including the name, address, and telephone number) of anyone owning or holding an interest in the commercial cannabis business, and separately of all the officers, managers, employees, agents and volunteers currently employed or otherwise engaged by the commercial cannabis business. The register required by this paragraph shall be provided to the chief of police or designee(s) upon a reasonable request.
- C. Each commercial cannabis business shall maintain a record of all persons, patients, collectives and primary caregivers served by the commercial cannabis business, for a period of no less than four (4) years.
- D. All commercial cannabis businesses shall maintain an inventory control and reporting system that accurately documents the present location, amounts, and descriptions of all cannabis and cannabis products for all stages of the growing and production or manufacturing, laboratory testing and distribution processes until purchase by or distribution to a qualified patient, primary caregiver for purpose or an adult twenty-one (21) years of age or older who qualifies to purchase cannabis as set forth in AUMA.
- E. Subject to any restrictions under the Health Insurance Portability and Accountability Act (HIPPA) regulations, each commercial cannabis business shall allow city of Hanford officials to have access to the business's books, records, accounts, together with any other data or documents relevant to its permitted commercial cannabis activities, for the purpose of conducting an audit or examination. Books, records, accounts, and any and all relevant data or documents will be produced no later than twenty-four (24) hours after receipt of the city's request, unless otherwise stipulated by the city. The city may require the materials to be submitted in an electronic format that is compatible with the city's software and hardware.

#### 5.56.250 Security measures.

- A. A permitted commercial cannabis business shall implement sufficient security measures to deter and prevent the unauthorized entrance into areas containing cannabis or cannabis products, and to deter and prevent the theft of cannabis or cannabis products at the commercial cannabis business. Except as may otherwise be determined by the <a href="mailto:chief of police or designee(s)City Manager or his/her designee(s)">chief of police or designee(s)</a>. these security measures shall include, but shall not be limited to, all of the following:
- 1. Preventing individuals from remaining on the premises of the commercial cannabis business if they are not engaging in an activity directly related to the permitted operations of the commercial cannabis business.
- 2. Establishing limited access areas accessible only to authorized commercial cannabis business personnel.
- 3. Except for live growing plants which are being cultivated at a cultivation facility, all cannabis and cannabis products shall be stored in a secured and locked room, safe, or vault. All cannabis and cannabis products, including live plants which are being cultivated, shall be kept in a manner as to prevent diversion, theft, and loss,
- 4. Installing twenty-four (24) hour security surveillance cameras of at least HD-quality to monitor all entrances and exits to and from the premises, all interior spaces within the commercial cannabis business which are open and accessible to the public, all interior spaces where cannabis, cash or currency, is being stored for any period of time on a regular basis and all interior spaces where diversion of cannabis could reasonably occur. The commercial cannabis business shall be responsible for ensuring that

the security surveillance camera's footage is remotely accessible by the chief of police or designee(s), and that it is compatible with the city's software and hardware. In addition, remote and real-time, live access to the video footage from the cameras shall be provided to the chief of police or designee(s). Video recordings shall be maintained for a minimum of forty-five (45) days, and shall be made available to the chief of police or designee(s) upon request. Video shall be of sufficient quality for effective prosecution of any crime found to have occurred on the site of the commercial cannabis business.

- 5. Sensors shall be installed to detect entry and exit from all secure areas.
- 6. Panic buttons shall be installed in all commercial cannabis businesses.
- 7. Having a professionally installed, maintained, and monitored alarm system.
- 8. Any bars installed on the windows or the doors of the commercial cannabis business shall be installed only on the interior of the building.
- 9. Security personnel shall be on-site twenty-four (24) hours a day or alternative security as authorized by the police chief or designee(s). Security personnel must be licensed by the State of California Bureau of Security and Investigative Services personnel and shall be subject to the prior review and approval of the chief of police or designee(s), with such approval not to be unreasonably withheld.
- 10. Each commercial cannabis business shall have the capability to remain secure during a power outage and shall ensure that all access doors are not solely controlled by an electronic access panel to ensure that locks are not released during a power outage.
- B. Each commercial cannabis business shall identify a designated security representative/liaison to the city of Hanford, who shall be reasonably available to meet with the chief of police or designee(s) regarding any security related measures or any operational issues.
- C. As part of the application and permitting process each commercial cannabis business shall have a storage and transportation plan, which describes in detail the procedures for safely and securely storing and transporting all cannabis, cannabis products, and any currency.
- D. The commercial cannabis business shall cooperate with the city whenever the chief of police or designee(s) makes a request, upon reasonable notice to the commercial cannabis business, to inspect or audit the effectiveness of any security plan or of any other requirement of this chapter.
- E. A commercial cannabis business shall notify the chief of police or designee(s) within twenty-four (24) hours after discovering any of the following:
- 1. Significant discrepancies identified during inventory. The level of significance shall be determined by the regulations promulgated by the chief of police or designee(s).
- 2. Diversion, theft, loss, or any criminal activity involving the commercial cannabis business or any agent or employee of the commercial cannabis business.
- 3. The loss or unauthorized alteration of records related to cannabis, registering qualifying patients, primary caregivers, or employees or agents of the commercial cannabis business.
  - 4. Any other breach of security.

#### 5.56.260 Restriction on alcohol sales.

No person shall cause or permit the sale, dispensing, or consumption of alcoholic beverages on or about the premises of the commercial cannabis business.

#### 5.56.270 Fees and charges.

- A. No person may commence or continue any commercial cannabis activity in the city, without timely paying in full all fees and charges required for the operation of a commercial cannabis activity. Fees and charges associated with the operation of a commercial cannabis activity shall be established by resolution of the city council which may be amended from time to time.
- B. All commercial cannabis businesses authorized to operate under this chapter shall pay all sales, use, business and other applicable taxes, and all license, registration, and other fees required under federal, state and local law. Each commercial cannabis business shall cooperate with the city with respect to any reasonable request to audit the commercial cannabis business' books and records for the purpose of verifying compliance with this section, including, but not limited to, a verification of the amount of taxes required to be paid during any period.

#### 5.56.280 Miscellaneous operating requirements.

- A. Commercial cannabis businesses may operate only during the hours specified in the commercial cannabis business permit issued by the city.
- B. Restriction on Consumption. Cannabis shall not be consumed on the premises of any commercial cannabis businesses or elsewhere in the city of Hanford other than within private residences.
- C. No cannabis or cannabis products or graphics depicting cannabis or cannabis products shall be visible from the exterior of any property issued a commercial cannabis business permit, or on any of the vehicles owned or used as part of the commercial cannabis business. No outdoor storage of cannabis or cannabis products is permitted at any time.
- D. Reporting and Tracking of Product and of Gross Sales. Each commercial cannabis business shall have in place a point-of-sale or management inventory tracking system to track and report on all aspects of the commercial cannabis business including, but not limited to, such matters as cannabis tracking, inventory data, gross sales (by weight and by sale) and other information which may be deemed necessary by the city. The commercial cannabis business shall ensure that such information is compatible with the city's record-keeping systems. In addition, the system must have the capability to produce historical transactional data for review. Furthermore, any system selected must be approved and authorized by the chief of police or designee(s) prior to being used by the permittee.
- E. All cannabis and cannabis products sold, distributed or manufactured shall be cultivated, manufactured, and transported by licensed facilities that maintain operations in full conformance with the state and local regulations.
- F. There shall not be a physician located in or around any commercial cannabis business at any time for the purpose of evaluating patients for the issuance of a cannabis recommendation or card where applicable.
- G. Emergency Contact. Each commercial cannabis business shall provide the chief of police or designee(s) with the name, telephone number (both land line and mobile, if available) of an on-site employee or owner to whom emergency notice can be provided at any hour of the day.
  - H. Signage and Notices.

- 1. In addition to the requirements otherwise set forth in this section, business identification signage for a commercial cannabis business shall conform to the requirements of the Hanford Municipal Code, including, but not limited to, seeking the issuance of a city sign permit.
- 2. No signs placed on the premises of a commercial cannabis business shall obstruct any entrance or exit to the building or any window.
- 3. Each entrance to a commercial cannabis business shall be visibly posted with a clear and legible notice indicating that smoking, ingesting, or otherwise consuming cannabis on the premises or in the areas adjacent to the commercial cannabis business is prohibited.
- 4. Business identification signage shall be limited to that needed for identification only, and shall not contain any logos or information that identifies, advertises, or lists the services or the products offered. No commercial cannabis business shall advertise by having a person holding a sign and advertising the business to passersby, whether such person is on the premises of the commercial cannabis business or elsewhere including, but not limited to, the public right-of-way.
- 5. Signage shall not be directly illuminated, internally or externally. No banners, flags, billboards or other prohibited signs may be used at any time.
- 6. Holders of commercial cannabis business permits agree that, as an express and ongoing condition of permit issuance and subsequent renewal, the holder of the permit shall be prohibited from advertising any commercial cannabis business located in the city of Hanford utilizing a billboard (fixed or mobile), bus shelter, placard, aircraft, or other similar forms of advertising, anywhere in the state. This paragraph is not intended to place limitations on the ability of a commercial cannabis business to advertise in other legally authorized forms, including on the internet, in magazines, or in other similar ways.

#### I. Minors.

- 1. Persons under the age of twenty-one (21) years shall not be allowed on the premises of a commercial cannabis business and shall not be allowed to serve as a driver for a mobile delivery service. It is unlawful and a violation of this chapter for any person to employ any person at a commercial cannabis business who is not at least twenty-one (21) years of age.
- 2. Notwithstanding Section 5.56.280 I.1., persons aged 18 to 20 years shall be allowed on the premises of a commercial cannabis business if they can produce a physician's recommendation. In that event, such persons can lawfully purchase cannabis for the sole purpose of addressing the medical need that is the subject of the physician's recommendation.
- 3. The entrance to the commercial cannabis business shall be clearly and legibly posted with a notice that no person under the age of twenty-one (21) years of age is permitted to enter upon the premises of the commercial cannabis business.
- J. Odor Control. Odor control devices and techniques shall be incorporated in all commercial cannabis businesses to ensure that odors from cannabis are not detectable off-site. Commercial cannabis businesses shall provide a sufficient odor absorbing ventilation and exhaust system so that odor generated inside the commercial cannabis business that is distinctive to its operation is not detected outside of the facility, anywhere on adjacent property or public rights-of-way, on or about the exterior or interior common area walkways, hallways, breezeways, foyers, lobby areas, or any other areas available for use by common tenants or the visiting public, or within any other unit located inside the same building as the commercial cannabis business. As such, commercial cannabis businesses must install and maintain the

following equipment, or any other equipment which the community development director City Manager or his/her designee(s) or designee(s) determine is a more effective method or technology:

- 1. An exhaust air filtration system with odor control that prevents internal odors from being emitted externally;
- 2. An air system that creates negative air pressure between the commercial cannabis business's interior and exterior, so that the odors generated inside the commercial cannabis business are not detectable on the outside of the commercial cannabis business.
- K. Display of Permit and City Business License. The original copy of the commercial cannabis business permit issued by the city pursuant to this chapter and the city issued business license shall be posted inside the commercial cannabis business in a location readily-visible to the public.
- Background Check. Pursuant to California Penal Code Sections 11105(b)(11) and 13300(b)(11), which authorizes city authorities to access state and local summary criminal history information for employment, licensing, or certification purposes; and authorizes access to federal level criminal history information by transmitting fingerprint images and related information to the Department of Justice to be transmitted to the Federal Bureau of Investigation, every person listed as an owner, manager, supervisor, employee or volunteer, of the commercial cannabis business must submit fingerprints and other information deemed necessary by the chief of police or designee(s) for a background check by the Hanford police department. Pursuant to California Penal Code Sections 11105(b)(11) and 13300(b)(11), which requires that there be a requirement or exclusion from employment, licensing or certification based on specific criminal conduct on the part of the subject of the record. No person shall be issued a permit to operate a commercial cannabis business or a related work permit unless they have first cleared the background check, as determined by the chief of police or designee(s), as required by this section. A fee for the cost of the background investigation, which shall be the actual cost to the city of Hanford to conduct the background investigation as it deems necessary and appropriate, shall be paid at the time the application for a commercial cannabis business permit is submitted.
- M. Loitering. The owner and/or operator of a commercial cannabis business shall prohibit loitering by persons outside the facility both on the premises and within fifty (50) feet of the premises.
- N. Permits and Other Approvals. Prior to the establishment of any commercial cannabis business or the operation of any such business, the person intending to establish a commercial cannabis business must first obtain all applicable planning, zoning, building, and other applicable permits from the relevant governmental agency which may be applicable to the zoning district in which such commercial cannabis business intends to establish and to operate.
- O. If a commercial cannabis business permittee is operating as a collective or cooperative under Health and Safety Code Section 11362.775, subdivision (a), members of the applicant authorized to possess cannabis shall sign an agreement with the commercial cannabis business which states that members shall not distribute cannabis or cannabis products to non-members or in violation of the "Memorandum for all United States Attorneys," issued by the United States Department of Justice, from James M. Cole, Deputy Attorney General and any other applicable state and federal laws, regulations, or guidelines.
- P. If the commercial cannabis business permittee is operating as a collective or cooperative under Health and Safety Code Section 11362.775, subdivision (a), the commercial cannabis business shall terminate the membership of any member violating any of the provisions of this chapter.

#### 5.56.300 Operational requirements.

The city manager or designee may develop other commercial cannabis business operational requirements or regulations as are determined to be necessary to protect the public health, safety and welfare.

## 5.56.310 Operating requirements for dispensaries/storefront retail facilities.

- A. No more than the number of cannabis retailers adopted by resolution may operate within the City of Hanford at any one time and shall be issued a permit by the City of Hanford.
- B. Retailers shall verify the age and all necessary documentation of each individual to ensure the customer is not under the age of eighteen (18) years. If the potential customer is 18 to 20 years old, retailer shall confirm the customer's possession of a valid doctor's recommendation and/or identification card (Medical Cannabis Card) pursuant to Health & Safety Code Section 11362.71. For adult-use purchases, retailers shall verify that all customers are 21 years of age or older for the purchase of cannabis or cannabis products.
- C. Entrances into the retailer shall be strictly controlled in a manner approved by the Chief of Police or designee, be locked at all times with entry strictly controlled. A "buzz in" electronic/mechanical entry system shall be utilized to limit access and entry to the retail area to separate it from the reception/lobby area. \_ Individuals 18-21 years of age must show their physician's recommendation to gain access., or a cannabis card issued pursuant to Health and Safety Code Section 11362.71 in order to gain access into the retailer. Physician's recommendations are not to be obtained or provided at the retail location.
- D. Uniformed licensed security personnel shall be employed to monitor site activity, control loitering and site access, and to serve as a visual deterrent to unlawful activities. Security personnel may be allowed to carry firearms if authorized by the Chief of Police.
- E. Retailers may have only that quantity of cannabis and cannabis products to meet the daily demand readily available for sale on-site in the retail sales area of the retailer. Additional product may be stored in a secured, locked area to which customers, vendors, and visitors shall not have access.
- F. All restroom facilities shall remain locked and under the control of management.
- G. Retailers and microbusinesses authorized to conduct retail activities shall only serve customers who are within the licensed premises, or at a delivery address that meets the requirements of this division.
  - 1. All cannabis goods sold by a retail business shall be contained in child-resistant packaging.
  - Retailers shall record point-of-sale areas and areas where cannabis goods are displayed
    for sale on the video surveillance system. At each point-of-sale location, camera
    placement must allow for the recording of the facial features of any person purchasing or
    selling cannabis goods, or any person in the retail area, with sufficient clarity to
    determine identity.
  - 3. A retail licensee or microbusiness licensee who is engaged in retail sale shall hire or contract for security personnel who are at least 21 years of age to provide security

services for the licensed retail premises. All security personnel hired or contracted for by the licensee shall be licensed by the Bureau of Security and Investigative Services and shall comply with Chapters 11.4 and 11.5 of Division 3 of the Business and Professions Code.

### H. Access to Retailer Premises.

- 1. Access to the premises of a retail licensee/permittee shall be limited to individuals who are at least 21 years of age.
- 2. Notwithstanding Section 5.56.310 (H)(1), individuals who are at least 18 years of age and in possession of a valid physician's recommendation shall be granted access to the premises of a retail licensee/permittee for the sole purpose of purchasing medicinal cannabis consistent with the physician's recommendation.
- I. Authorized Sales. A retailer shall only sell adult-use cannabis and adult-use cannabis products to individuals who are at least 21 years of age. A retailer shall only sell medicinal cannabis or medicinal cannabis products to individuals who are at least 18 years of age, but not yet 21, if those individuals are in possession of a valid physician's recommendation. Medicinal cannabis sales to individuals 21 years of age and older are unrestricted.
- J. Limited Access Areas. A retailer shall establish limited-access areas and permit only authorized individuals to enter the limited-access areas. Authorized individuals include individuals employed by the retailer as well as any outside vendors, contractors, or other individuals conducting business that requires access to the limited access area. All individuals granted access to the limited access area shall be at least 21 years of age, and if not employed by the retailer, shall be escorted at all times by an employee of the licensee/permittee. A retailer shall maintain a log of all individuals who are not employees who are granted access to the limited access area. These logs shall be made available to the Chief of Police or the Development Services Director upon request.
- K. Microbusiness Commercial Activity. All cultivation, manufacturing, distribution, and retail activities performed by a licensee under a Type 12-Microbusiness permit shall occur on the same licensed premises. Areas of the premises for manufacturing and cultivation shall be separated from the distribution and retail areas by a wall and all doors between the areas shall remain closed when not in use.
- L. Operating hours of the Store Front Retailer License shall be limited to the hours of 9:00 a.m. through 9:00 p.m., seven days a week.
- **M.** Store Front/Retail Security Requirements. All provisions incorporated within Section 5.56.250 of this Chapter (Security Measures), are directly applicable to and binding on all commercial cannabis businesses, including all Store Front/Retail businesses.

#### 5.56.320. Operating requirements for delivery services.

Prior to commencing operations, a cannabis delivery service shall comply with the following requirements:

(1) Obtain from the City a permit authorizing the delivery of cannabis and cannabis products within the city limits. A copy of this permit shall be retained by all drivers.

- (2) The retail business operating the delivery service shall provide the Community

  Development DirectorCity Manager or his/her designee(s) with evidence of a valid state license for a commercial cannabis business on whose authorization the delivery service is performing the delivery function.
- (3) The retail business operating the delivery service shall furnish to the Community Development DirectorCity Manager or his/her designee(s), directly or via the jurisdiction from which the business has received an operating permit, the names and driver's license numbers of all the business' delivery drivers, and evidence verifying that criminal background checks have been conducted for all the business' drivers.
- (4) The retail business operating the delivery service shall furnish to the Community Development DirectorCity Manager or his/her designee(s) the year, make, model, color, license plate number, and numerical Vehicle Identification Number (VIN) for any and all vehicles that will be used to deliver cannabis goods.

## 5.56.330 Operating requirements for non-storefront retail.

- A. Non-Store Front Retailer (Delivery) License Owners and Operators are required to verify the age and the necessary documentation of each medical customer to ensure the customer is not under the age of eighteen (18) years, and to verify that the potential customer has a valid doctor's recommendation. Doctor recommendations are not to be obtained or provided at the retail location.
- B. All Store Front Retailers, Non-Store Front Retailers (delivery) and Microbusinesses which conduct deliveries into or within the City of Hanford shall be required to obtain a permit from the City of Hanford in order to conduct retail sales regardless if they are located in the city or another local jurisdiction.
- C. Operating hours of the Non-Store Front Retailer License shall be limited to the hours of 9:00 a.m. through 9:00 p.m., seven days a week.
- D. The commercial Non-Store Front Retailer shall only sell cannabis or cannabis products to a natural person 21 years of age or older, or a natural person 18 years of age or older who possesses a physician's recommendation for medical cannabis use only.
- E. Except as otherwise provided herein, the commercial cannabis non-storefront retailer may only have on site that quantity of cannabis and cannabis products reasonably anticipated to meet the weekly demand for which they may need to be readily available for sale.
  - a. The commercial cannabis non-store front dispensary may store additional product on-site if they meet the following requirements.
  - b. Product must be secured in a locked vault to which customers, visitors and vendors shall not have access.
  - c. Must have 24-hour security.
  - d. All product must be entered into the state mandated track and trace system.
  - e. Excess product storage shall not exceed the amount that would typically be used in a 6 week period.
  - f. Separate security plan for the additional product being stored shall be approved by the

Chief of Police or his/her designee.

### 5.56.340 Operating requirements for cultivation facilities.

- A. Outdoor Cultivation Prohibited. The cultivation of all cannabis must occur indoors. All outdoor cultivation is prohibited.
- B. In no case, shall cannabis plants be visible from a public or private road, sidewalk, park or any common public viewing area.
- C. If a commercial cannabis cultivation is permitted in the city of Hanford then it shall only be allowed to cultivate the square feet of canopy space permitted by state law.
- D. Cannabis cultivation shall be conducted in accordance with state and local laws related to land conversion, grading, electricity, water usage, water quality, woodland and riparian habitat protection, agricultural discharges, and similar matters.
- E. Pesticides and fertilizers shall be properly labeled and stored to avoid contamination through erosion, leakage or inadvertent damage from pests, rodents or other wildlife.
- F. The cultivation of cannabis shall at all times be operated in such a way as to ensure the health, safety, and welfare of the public, the employees working at the commercial cannabis business, visitors to the area, neighboring properties, and the end users of the cannabis being cultivated, to protect the environment from harm to streams, fish, and wildlife; to ensure the security of the cannabis being cultivated; and to safeguard against the diversion of cannabis.
- G. All applicants for a cannabis cultivation permit shall submit the following in addition to the information generally otherwise required for a commercial cannabis business:
- 1. A cultivation and operations plan that meets or exceeds minimum legal standards for water usage, conservation and use; drainage, runoff, and erosion control; watershed and habitat protection; and proper storage of fertilizers, pesticides, and other regulated products to be used on the parcel, and a description of the cultivation activities (indoor, mixed-light) and schedule of activities during each month of growing and harvesting, or explanation of growth cycles and anticipated harvesting schedules for all-season harvesting (indoor, mixed-light).
  - 2. A description of a legal water source, irrigation plan, and projected water use.
- 3. Identification of the source of electrical power and plan for compliance with applicable Building Codes and related codes.
- 4. Plan for addressing odor and other public nuisances which may derive from the cultivation site.

## 5.56.350 Cannabis manufacturing—Edibles and other cannabis products—Sale or distribution of edible and other cannabis products.

The manufacturing of food or other products infused with or which otherwise contain cannabis may be manufactured within the appropriate manufacturing zoning districts as described in Title 17, subject to the regulations set forth in this chapter, and subject to whatever additional regulations may be promulgated hereunder by an ordinance or resolution of the city council.

#### 5.56.360 Packaging and labeling.

- A. Before a commercial cannabis manufacturer delivers any edible cannabis or edible cannabis product to a dispensary, the same shall be labeled and placed in tamper-evident packaging which at least meets the requirements of California Business and Professions Code Section 19347, as the same may be amended from time to time or superseded or replaced by subsequent state legislation or by any department or division of the state of California.
- B. All items to be sold or distributed shall be individually wrapped at the original point of preparation by the business permitted as a commercial cannabis manufacturer.
- C. Labeling must include a warning if nuts or other known allergens are used, and must include the total weight (in ounces or grams) of cannabis in the package.
- D. A warning that the item is a medication and not a food must be clearly legible on the front of the package and/or must comply with state packing requirements.
  - E. The package must have a label warning that the product is to be kept away from children.
- F. The label must also state that the product contains cannabis and must specify the date of manufacture.
- G. Any edible cannabis product that is made to resemble a typical food product must be in a properly labeled opaque (non-see-through) package before it leaves the commercial cannabis manufacturing business.
  - H. Deliveries must be in a properly labeled opaque package when delivered.
- I. The city council may impose additional packaging and labeling requirements on cannabis or cannabis products by resolution, as permitted by law.

## 5.56.370 Operating requirements for cannabis manufacturing (levels one and two)—Extraction, etc.

- A. Cannabis manufacturing facilities requiring a Type 6 or Type 7 state license (using non-volatile and volatile solvents) as defined in Business and Professions Code Section 19341, may be permitted to operate within those zone districts as defined in Title 17 of the city of Hanford Municipal Code.
- B. Any compressed gases used in the manufacturing process shall not be stored on any property within the city of Hanford in containers that exceeds the amount which is approved by the fire department and authorized by the regulatory permit. Each site or parcel subject to a commercial cannabis business permit shall be limited to a total number of tanks as authorized by the fire department on the property at any time.
- C. Cannabis manufacturing facilities may use the hydrocarbons N-butane, isobutane, propane, or heptane or other solvents or gases exhibiting low to minimal potential human-related toxicity approved by the community development department. These solvents must be of at least ninety-nine percent (99%) purity and any extraction process must use them in a professional grade closed loop extraction system designed to recover the solvents, work an environment with proper ventilation, controlling all sources of ignition where a flammable atmosphere is or may be present.

- D. If an extraction process uses a professional grade closed loop CO<sub>2</sub> gas extraction system where every vessel is certified by the manufacturer for its safe use as referenced in subsection F. The CO<sub>2</sub> must be of at least ninety-nine percent (99%) purity.
- E. Closed loop systems for compressed gas extraction systems must be commercially manufactured and bear a permanently affixed and visible serial number.
- F. Certification from an engineer licensed by the state of California must be provided to the community development department for a professional grade closed loop system used by any commercial cannabis manufacturer to certify that the system was commercially manufactured, is safe for its intended use, and was built to codes of recognized and generally accepted good engineering practices, including, but not limited to:
  - 1. The American Society of Mechanical Engineers (ASME);
  - 2. American National Standards Institute (ANSI);
  - 3. Underwriters Laboratories (UL); or
  - 4. The American Society for Testing and Materials (ASTM).
- G. The certification document must contain the signature and stamp of the professional engineer and serial number of the extraction unit being certified.
- H. Professional closed loop systems, other equipment used, the extraction operation, and facilities must be approved for their use by the fire department and meet any required fire, safety, and building code requirements specified in the California Building Reference Codes.
- I. Cannabis manufacturing facilities may use heat, screens, presses, steam distillation, ice water, and other methods without employing solvents or gases to create keef, hashish, bubble hash, or infused dairy butter, or oils or fats derived from natural sources, and other extracts.
- J. Cannabis manufacturing facilities may use food grade glycerin, ethanol, and propylene glycol solvents to create or refine extracts. All ethanol must be removed from the extract in a manner to recapture the solvent and ensure that it is not vented into the atmosphere.
- K. Cannabis manufacturing facilities creating cannabis extracts must develop standard operating procedures, good manufacturing practices, and a training plan prior to producing extracts for the marketplace.
- L. Any person using solvents or gases in a closed loop system to create cannabis extracts must be fully trained on how to use the system, have direct access to applicable material safety data sheets and handle and store the solvents and gases safely.
- M. Parts per million for one gram of finished extract cannot exceed state standards for any residual solvent or gas when quality assurance tested.

## 5.56.372 Operating requirements for Distributors.

A. A distributor shall not store non-cannabis goods or non-cannabis accessories that are to be sold to another party on any licensed premises. Additionally, a distributor shall not distribute non-cannabis goods or non-cannabis accessories at a licensed premise. For the purposes of this section, non-cannabis goods are any goods that do not meet the definition of cannabis goods as defined in Title 16, Section 5000(c) of the California Code of Regulations.

- B. After taking physical possession of a cannabis goods batch, the distributor shall contact a testing laboratory and arrange for a laboratory employee to come to the distributor's licensed premises to select a representative sample for laboratory testing.
- C. A distributor shall ensure that all cannabis goods batches are stored separately and distinctly from other cannabis goods batches on the distributor's premises.
- D. The distributor shall ensure that the batch size from which the sample is taken meets the requirements of state law, specifically the testing provisions within the California Code of Regulations.
- E. A distributor or an employee of the distributor shall be physically present to observe the laboratory employee obtain the sample of cannabis goods for testing and shall ensure that the increments are taken from throughout the batch. The sampling shall be video-recorded, and the recording kept available to state and local authorities for a minimum of 180 days, pursuant to Section Title 16, 5305 of the California Code of Regulations.
- **F.** A distributor shall not transport cannabis or cannabis products to a licensed retail facility until and unless it has verified that the cannabis or cannabis products have been tested and certified by a testing lab as being in compliance with state health and safety requirements pursuant to Title 16, Sections 5705, 5710 and 5714 of the California Code of Regulations.

## 5.56.374 Operating requirements for Testing Laboratories.

- A. Testing Labs shall be required to conduct all testing in a manner pursuant to Business and Professions Code Section 26100 and shall be subject to state and local law. Each Testing Lab shall be subject to additional regulations as determined from time to time as more regulations are developed under this Chapter and any subsequent State of California legislation regarding the same.
- B. Testing Labs shall conduct all testing in a manner consistent with general requirements for the competence of testing and calibrations activities, including sampling using verified methods.
- C. All cannabis testing laboratories performing testing shall obtain and maintain ISO/IEC 17025 accreditation as required by the Bureau of Cannabis Control.
- D. Testing labs shall destroy any harvest batch whose testing sample indicates noncompliance with health and safety standards required by the Bureau unless remedial measures can bring the cannabis or cannabis products into compliance with quality standards as specified by law and implemented by the bureau.
- E. Each operator shall ensure that a testing laboratory employee takes the sample of cannabis or cannabis products from the distributor's premises for testing required by state law and that the testing laboratory employee transports the sample to the testing laboratory.
- F. Except as provided by state law, a testing laboratory shall not acquire or receive cannabis or cannabis products except from a licensee in accordance with state law, and shall not distribute, sell, or dispense cannabis, or cannabis products, from the licensed premises from which the cannabis or cannabis products were acquired or received. All transfer or transportation shall be performed pursuant to a specified chain of custody protocol as established in approved security measures by the Chief of Police.
- G. A testing laboratory may receive and test samples of cannabis or cannabis products from a qualified patient or primary caregiver only if the qualified patient or primary caregiver

presents the qualified patient's valid physician's recommendation for cannabis for medicinal purpose. A testing lab shall not certify samples from a qualified patient or primary caregiver for resale or transfer to another party or licensee. All tests performed by a testing laboratory for a qualified patient or primary caregiver shall be recorded with the name of the qualified patient or primary caregiver and the amount of the cannabis or cannabis products received.

#### 5.56.376 Operating requirements for Microbusinesses.

Microbusinesses must comply with the local operating requirements and all requirements imposed by state law that apply to the specific activities operating under the umbrella of the individual microbusiness.

- A. Outdoor Commercial Cultivation is prohibited.
- B. In no case, shall cannabis plants be visible from a public or private road, sidewalk, park or any common public viewing area.
- C. Commercial cannabis cultivation which is permitted in the City of Hanford shall not exceed 10,000 square feet of canopy space permitted by state law as part of a microbusiness license.
- D. Cannabis cultivation shall be conducted in accordance with state and local laws related to land conversion, grading, electricity, water usage, water quality, woodland and riparian habitat protection, agricultural discharges, and similar matters.
- E. Pesticides and fertilizers shall be properly labeled and stored to avoid contamination through erosion, leakage or inadvertent damage from pests, rodents or other wildlife.
- F. The cultivation of cannabis shall at all times be operated in such a way as to ensure the health, safety, and welfare of the public, the employees working at the commercial cannabis business, visitors to the area, neighboring properties, and the end users of the cannabis being cultivated, to protect the environment from harm to streams, fish, and wildlife; to ensure the security of the cannabis being cultivated; and to safeguard against the diversion of cannabis.
- G. All applicants for a cannabis cultivation permit shall submit to the following in addition to the information generally otherwise required for a commercial cannabis business:
  - (1) A cultivation and operations plan that meets or exceeds minimum legal standards for water usage, conservation and use; drainage, runoff, and erosion control; watershed and habitat protection; and proper storage of fertilizers, pesticides, and other regulated products to be used on the parcel, and a description of the cultivation activities and schedule of activities during each month of growing and harvesting, or explanation of growth cycles and anticipated harvesting schedules for all-season harvesting.
  - (2) A description of a legal water source, irrigation plan, and projected water use.
  - (3) Identification of the source of electrical power and plan for compliance with applicable Building Codes and related codes.
  - (4) Plan for addressing odor and other public nuisances that may derive from the cultivation site.

## 5.56.380 Promulgation of regulations, standards and other legal duties.

- A. In addition to any regulations adopted by the city council, the city manager or designee is authorized to establish any additional rules, regulations and standards governing the issuance, denial or renewal of commercial cannabis business permits, the ongoing operation of commercial cannabis businesses and the city's oversight, or concerning any other subject determined to be necessary to carry out the purposes of this chapter.
  - B. Regulations shall be published on the city's website.
- C. Regulations promulgated by the city manager shall become effective upon date of publication. Commercial cannabis businesses shall be required to comply with all state and local laws and regulations, including, but not limited to, any rules, regulations or standards adopted by the city manager or designee.
- D. Testing labs, transporters and distribution facilities shall be subject to state law and shall be subject to additional regulations as determined from time to time as more regulations are developed under subsection A.

#### 5.56.390 Community relations.

- A. Each commercial cannabis business shall provide the name, telephone number, and email address of a community relations contact to whom notice of problems associated with the commercial cannabis business can be provided. Each commercial cannabis business shall also provide the above information to all businesses and residences located within one hundred (100) feet of the commercial cannabis business.
- B. During the first year of operation pursuant to this chapter, the owner, manager, and community relations representative from each commercial cannabis business holding a permit issued pursuant to this chapter shall attend a quarterly meeting with the city manager or designee(s) and other interested parties as deemed appropriate by the city manager, to discuss costs, benefits, and other community issues arising as a result of implementation of this chapter. After the first year of operation, the owner, manager, and community relations representative from each such commercial cannabis business shall meet with the city manager or designee(s) when and as requested by the city manager or designee(s).
- C. Commercial cannabis businesses to which a permit is issued pursuant to this chapter shall develop and make available to youth organizations and educational institutions a public education plan that outlines the risks of youth addiction to cannabis, and that identifies resources available to youth related to drugs and drug addiction.

## 5.56.400 Fees deemed debt to city of Hanford.

The amount of any fee, cost or charge imposed pursuant to this chapter shall be deemed a debt to the city of Hanford that is recoverable via an authorized administrative process as set forth in the municipal code, or in any court of competent jurisdiction.

## 5.56.410 Permit holder responsible for violations.

The person to whom a permit is issued pursuant to this chapter shall be responsible for all violations of the laws of the state of California or of the regulations and/or the ordinances of the city of Hanford, whether committed by the permittee or any employee or agent of the permittee, which violations occur in or about the premises of the commercial cannabis business whether or not said violations occur within the permit holder's presence.

## 5.56.420 Inspection and enforcement.

- A. The city manager, chief of police or designee(s) charged with enforcing the provisions of the Hanford Municipal Code, or any provision thereof, may enter the location of a commercial cannabis business at any time, without notice, and inspect the location of any commercial cannabis business as well as any recordings and records required to be maintained pursuant to this chapter or under applicable provisions of state law.
- B. It is unlawful for any person having responsibility over the operation of a commercial cannabis business, to impede, obstruct, interfere with, or otherwise not to allow, the city to conduct an inspection, review or copy records, recordings or other documents required to be maintained by a commercial cannabis business under this chapter or under state or local law. It is also unlawful for a person to conceal, destroy, deface, damage, or falsify any records, recordings or other documents required to be maintained by a commercial cannabis business under this chapter or under state or local law.
- C. The city manager, chief of police or designee(s) charged with enforcing the provisions of this chapter may enter the location of a commercial cannabis business at any time during the hours of operation and without notice to obtain samples of the cannabis to test for public safety purposes. Any samples obtained by the city of Hanford shall be logged, recorded, and maintained in accordance with the Hanford police department standards for evidence.

## 5.56.430 Concurrent regulation with state.

It is the stated intent of this chapter to regulate commercial cannabis activity in the city of Hanford concurrently with the state of California.

## 5.56.440 Violations declared a public nuisance.

Each and every violation of the provisions of this chapter is hereby deemed unlawful and a public nuisance per se. The nuisance abatement remedies and procedures identified in Chapter 17.94, which are incorporated herein by reference, shall apply to nuisances existing under this Chapter 5.56.

## 5.56-450 Each violation a separate offense.

Each and every violation of this chapter shall constitute a separate violation and shall be subject to all remedies and enforcement measures authorized by the Hanford Municipal Code or by state law. Each day a violation is committed or permitted to continue shall constitute a separate violation. Additionally, as a nuisance per se, any violation of this chapter shall be subject to injunctive relief, any permit issued pursuant to this chapter being deemed null and void, disgorgement and payment to the city of any monies unlawfully obtained, costs of abatement, costs of investigation, attorney fees, and any other relief or

remedy available at law or in equity. The city of Hanford may also pursue any and all remedies and actions available and applicable under state and local laws for any violations committed by the commercial cannabis business or persons related to, or associated with, the commercial cannabis activity. Additionally, when there is determined to be an imminent threat to public health, safety or welfare, the city manager, chief of police or designee(s), may take immediate action to temporarily suspend or revoke a commercial cannabis business permit issued by the city, pending a hearing before the city council or its designee.

## 5.56.460 Criminal penalties.

Each and every violation of the provisions of this chapter may be prosecuted as a misdemeanor and upon conviction be subject to a fine not to exceed one thousand dollars (\$1,000.00) or imprisonment in the County Jail for a period of not more than twelve (12) months, or by both such fine and imprisonment. Each day a violation is committed or permitted to continue shall constitute a separate offense. (Ord. 17-08 § 2, 2017)

### 5.56.470 Administrative penalties and costs.

In addition to any other remedy available at law, an administrative citation may be issued to any person or entity who violates this chapter.

### A. Issuance of Citation.

- 1. Whenever the city's Police Chief, his/her designee, or a city Code Enforcement Officer determines that a violation of this chapter has occurred, the Police Chief, his/her designee, or a City Code Enforcement Officer shall have the authority to issue an administrative citation to any person or entity responsible for the violation.
- 2. Each administrative citation shall contain the following information:
  - i. The date of the violation or, if the date of the violation is unknown, then the date the violation is identified;
  - ii. The address or a definite description of the location where the violation occurred;
  - iii. The section of this chapter that was violated and a description of the violation;
  - iv. The amount of the fine for the violation;
  - v. A description of the fine payment process, including a description of the time within which and the place at which the fine shall be paid;
  - vi. An order prohibiting the continuation or repeated occurrence of the code violation described in the administrative citation;

- vii. A description of the administrative citation review process, including the time within which the administrative citation may be contested and the place from which a request for hearing form to contest the administrative citation may be obtained; and
- viii. The name and signature of the individual issuing the citation.

## B. Amount of Fines.

- 1. The amounts of the administrative citation fines for violations of this chapter shall be set forth in a schedule of fines established by resolution of the Hanford City Council (City Council).
- 2. The schedule of fines shall specify any increased fines for repeat violations of the same code provision by the same person or entity.

## C. Payment of Fines.

- 1. Fines shall be paid to the city within thirty (30) days from the date of the administrative citation.
- 2. Any administrative citation fine paid shall be refunded if it is determined, after an appeal hearing, that a person or entity charged in the administrative citation was not responsible for the violation or that there was no violation as charged in the citation.
- 3. Payment of a fine under this chapter shall not excuse, discharge, or permit any continuation or repeated occurrence of the code violation that is the subject of the administrative citation.

### D. Hearing Request.

- 1. Any recipient of an administrative citation may appeal the citation by submitting a written request for hearing to the City Clerk or his/her designee within thirty (30) days from the date of the administrative citation, together with an advance deposit of the fine and appeal fee.
- 2. The person or entity requesting the hearing shall be notified by the city of the time and place set for the hearing at least ten (10) days prior to the date of the hearing.
- 3.—If the Police Chief, his/her designee, or a Code Enforcement Officer submits an additional written report concerning the administrative citation to the hearing body, then a copy of such report shall be served on the person requesting the hearing at least five (5) days prior to the date of the hearing.

## E. Hearing Body.

The City Council or its designee(s) shall serve as the hearing body for appeals regarding administrative citations issued under chapter.

#### **GE**. *Hearing Procedure*.

- 1. The appeal procedures described in Section 5.56.160 shall apply to appeals involving administrative citations.
- 2. No hearing to contest an administrative citation shall be held unless the fine has been deposited with the city in advance.
- 2. A hearing shall be set for a date that is not less than fifteen (15) days and not more than sixty (60) days from the date that the request for hearing is filed in accordance with the provisions of this chapter.
- 3. At the hearing, the party contesting the administrative citation shall be given the opportunity to testify and to present evidence concerning the administrative citation.
- 4. The failure of any recipient of an administrative citation to appear at the appeal hearing shall constitute a forfeiture of the fine and a failure to exhaust his/her/its/their administrative remedies.
- 54. The administrative citation and any additional report submitted by the –Police Chief, his/her designee, or a Code Enforcement Officer shall constitute prima facie evidence of the respective facts contained in those documents.
- 65. The hearing body may continue the hearing and request additional information from the Police Chief, his/her designee, Code Enforcement Officer, or the recipient of the administrative citation prior to issuing a written decision.

### **HF**. Hearing Body's Decision.

- 1. After considering all of the testimony and evidence submitted at the hearing, the hearing body shall issue a written decision to uphold, modify, or cancel the administrative citation and shall list in the decision the reasons for the decision. The decision of the hearing body shall be final.
- 2. If the hearing body determines that the administrative citation should be upheld, then the fine amount on deposit with the city shall be retained by the city.
- 3. If the hearing body determines that the administrative citation should be canceled, then the city shall promptly refund the amount of the deposited fine.
- 4. If the hearing body determines that the fine levied under the administrative citation should be adjusted, then the city will promptly refund the amount of the deposited fine that exceeds the amount fixed by the hearing body or the recipient of the administrative citation will promptly pay to the city an additional amount fixed by the hearing body if the body finds that the fine assessed under the administrative citation to be insufficient.
- 5. The recipient of the administrative citation shall be served with a copy of the hearing body's written decision.
- **IG**. Late Payment Charges.

Any person or entity who fails to pay to the city any fine imposed or amount owed pursuant to the provisions of this chapter on or before the date that the fine or amount is due shall also be liable for a late payment charge equal to ten percent (10%) of the unpaid amount, and interest shall accrue thereafter at a rate of one and one half percent (1.5%) per month on the unpaid fine; provided however, the additional penalty and/or interest shall not apply if collection of the same by the city would violate State law.

## JH. Recovery of Administrative Citation Fines and Costs.

Any person or entity who violates this chapter shall be responsible for the enforcement costs incurred by the city with respect to such violation. The city may collect any past due administrative citation fines, enforcement and collection costs, and late payment charges by use of all available legal means. Collection costs shall be in addition to any interest and/or late charges imposed upon the delinquent obligation and shall be added to and become a part of the underlying obligation. Any partial payment of an obligation, when a partial payment is permitted, will be applied first to the principal amount of the underlying obligation, then to any penalties, and then to interest.

#### I. Recovery of Administrative Citation Fines and Costs.

Any person or entity who violates this Chapter shall be responsible for the enforcement costs incurred by the City with respect to such violation. The City may collect any past due administrative citation fines, enforcement and collection costs, and late payment charges by use of all available legal means, including, without limitation, the lien procedures identified in Sections 17.94.180 and 17.94.190 of this Code, which are incorporated herein by reference. Collection costs shall be in addition to any interest and/or late charges imposed upon the delinquent obligation and shall be added to and become a part of the underlying obligation. Any partial payment of an obligation, when a partial payment is permitted, will be applied first to the principal amount of the underlying obligation, then to any penalties, and then to interest.

#### **KJ**. Right to Judicial Review.

Any person or entity aggrieved by a decision of the hearing body on an administrative citation may obtain review of the decision by filing a petition for review with the Superior Court for Kings County, California in accordance with the timelines and provisions set forth in California Government Code Section 53069.4, as may be amended.

#### LK. Notices.

The administrative citation and all notices required to be given by this chapter shall be served by personal delivery thereof to the person or entity to be notified or by deposit in the United States Mail, certified mail with return receipt requested, addressed to such person to be notified at his/her/its last-known address as the same appears in the public records or other records pertaining to the matter to which such notice is directed. Service by mail shall be deemed to have been completed at the time of deposit in the mail.

## 5.56.480 Remedies cumulative and not exclusive.

The remedies provided herein are not to be construed as exclusive remedies. The city is authorized to pursue any proceedings or remedies provided by law.

#### RESOLUTION NO. 19-45-R

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HANFORD AMENDING THE NUMBER OF COMMERCIAL CANNABIS BUSINESS PERMITS IN ACCORDANCE WITH SECTION 5.56.080 OF THE HANFORD MUNICIPAL CODE.

At regular meeting of the City Council of the City of Hanford duly called and held on December 3, 2019, it was moved by Council Member Sorensen, and seconded by Council Member Brieno, and carried that the following resolution be adopted:

WHEREAS, Resolution 17-43-R, 17-59-R, and 19-08-R were adopted establishing a number of Commercial Cannabis Business Permits for the City of Hanford in accordance with Section 5.56.080; and,

WHEREAS, the City Council has determined that allowing additional Commercial Cannabis Business Permits is in the best interest of the City of Hanford, while still allowing the City to address potential impacts to health, safety and welfare and to adequately address issues or impacts that may result from the regulation of the Cannabis industry; and,

WHEREAS, it has been determined that large scale cannabis businesses take considerable staff time for review and that the City does not have the staff to process in the same timeline as smaller or single cannabis applications and will be processed separately; and,

WHEREAS, existing permittees of Cannabis permits may process an application for additional cannabis permits, subject to current City regulations and numbers, by submitting an application directly with the Community Development Director and processed as a site plan review, conditional use permit or amendment to existing conditional use permit as required by Title 17 of the City Municipal Code and approved by the Chief of Police; and,

WHEREAS, after awarding Cannabis permits for dispensaries, the City Council wished to consider awarding additional storefront dispensary permits in the future; and,

WHEREAS, the City of Hanford underwent a competitive application process for permits and wishes to establish a list for future permits, if they are considered; and,

NOW, THEREFORE, BE IT RESOLVED that the City Council finds that allowing additional Commercial Cannabis Business Permits is in the best interest of the City of Hanford and, in accordance with 5.56.080, establishes the following limits for the number of permits to be issued. The limitation on the number of permits shall remain in effect until changed by resolution of the City Council:

#### Cannabis Facilities (subject to award of permit)

(1) Cultivation; unlimited

- (2) Manufacturing: unlimited
- (3) Transporting: unlimited
- (4) Lab Testing: unlimited
- (5) Distribution: unlimited
- (6) Micro-business: unlimited
- (7) Dispensaries (storefront): Two (2)
- (8) Dispensary (non-storefront): Two (2)
- (9) Cannabis Campus: unlimited (campuses limited to 16 permits year one, 10 permits year 2, and each subsequent year.

NOW THEREFORE BE IT FURTHER RESOLVED that the issuance of additional cannabis business permits is subject to the following:

- That existing cannabis permittees in the City of Hanford may add additional cannabis permits through a streamlined process by paying all application fees for processing by the Community Development Director and Chief of Police and any entitlements required in Title 17.
- 2. That large scale cannabis business applications may be processed outside the application processing timeline.
- That the list of eligible cannabis business permits for storefront dispensaries, Exhibit A, shall be good for a period of 24 months.
- That City staff report to the City Council every January for evaluation if additional cannabis permits are warranted.

Passed and Adopted at a regular meeting of the City Council of the City of Hanford held on <u>December 3, 2019</u>, by the following vote:

AYES:

Council Member

Sociensen, Brieno, Drayler, Ramirez, Devine

NOES:

Council Member

Ø

ABSTAIN:

Council Member

ABSENT:

Council Member

MAYOR of the City of Hanford



## AGENDA STAFF REPORT

<b>MEETING DATE:</b> 10/5/2021	AGENDA SECTION:

**SUBJECT:** 

Council Future Agenda Items

**FISCAL IMPACT:** 

**ATTACHMENTS:** 

Council Future Agenda Items

Council Future Agenda Items					
Originated Date	Item	Originator	Staff Lead	Date Estimate	
4/7/20	Discussion of Pay for Parking Options in the Downtown Area	Council Consensus	John Doyel	After presentation of Downtown Plan	
9/9/20	Revised Refuse Ordinance	Public Works	Jim Ross	11/16/2021	
6/18/20	Discussion of Courthouse improvements and financing options	Council Consensus	Brad Albert	Delayed pending additional building review	
8/17/2021	Overview of City Code Enforcement and discussion on Blighted Areas and Nuisance issues	Council Consensus	Various Staff	10/19/2021	
9/7/2021	Review of the Parks Resource Officer program and direction from Council on the future of the program	Council Consensus	Parker Sever	11/2/2021	