



SPECIAL CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY MEETING AGENDA

**June 6, 2018
1:05 PM**

The Mission of the City of Coalinga is to provide for the preservation of the community character by delivering quality, responsive City services, in an efficient and cost-effective manner, and to develop, encourage, and promote a diversified economic base in order to ensure the future financial stability of the City for its citizens.

Notice is hereby given that the City Council will hold a Special Meeting, on June 6, 2018 in the City Council Chambers located at 155 West Durian, Coalinga, CA. Persons with disabilities who may need assistance should contact the Deputy City Clerk at least 24 hours prior to this meeting at 935-1533 x113. Anyone interested in translation services should contact the Deputy City Clerk at least 24 hours prior to the meeting at 935-1533 x113. The Special Meeting will begin at 1:05 p.m. and the agenda will be as follows:

1. CALL TO ORDER

1. Pledge of Allegiance
2. Changes to the Agenda
3. Council's Approval of Agenda

2. AWARDS, PRESENTATIONS, APPOINTMENTS AND PROCLAMATIONS

1. Discussion and Presentation regarding City of Coalinga establishing a Community Choice Aggregation with Efficient Power for Independent Communities (EPIC) Joint Powers Authority, Michael A. Chapin of Conner Energy

3. CITIZEN COMMENTS

This section of the agenda allows members of the public to address the City Council on any item not otherwise on the agenda. Members of the public, when recognized by the Mayor, should come forward to the lectern, identify themselves and use the microphone. Comments are normally limited to three (3) minutes. In accordance with State Open Meeting Laws, no action will be taken by the City Council this evening and all items will be referred to staff for follow up and a report.

4. PUBLIC HEARINGS

1. Public Hearing regarding Public Input on District Boundaries for City-wide District Elections (4th Reading)

5. CONSENT CALENDAR

1. Authorize the City Manager to Enter into a Professional Services Agreement with CannaRegs
2. Consideration of a Letter of Intent Submitted by Have A Heart Compassion Care to Lease 15 Parking Stalls at the City Parking Facility Located at 6th Street and Elm Ave
3. Introduce and Waive First Reading of Ordinance No. 811 Adding Sections 2-1.402, 2-1.403, 2-1.404 relating to District Election Procedures
4. Adopt Resolution No. 3818 Approving the City Council District Residency Policy

6. ORDINANCE PRESENTATION, DISCUSSION AND POTENTIAL ACTION ITEMS (NONE)

7. CITIZEN COMMENTS

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8. ANNOUNCEMENTS

1. City Manager's Announcements
2. Councilmembers' Announcements/Reports
3. Mayor's Announcements

9. FUTURE AGENDA ITEMS

10. CLOSED SESSION

1. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION - Government Code Section 54956.9(d)(1): Fresno County Superior Court Case No. 16 CE CG 02009 Henry/Minor v. City of Coalinga, et al.
2. CITY MANAGER'S PERFORMANCE EVALUATION – Government Code 54957(b)

11. ADJOURNMENT

Closed Session: A "Closed" or "Executive" Session of the City Council, Successor Agency, or Public Finance Authority may be held as required for items as follows: personnel matters; labor negotiations; security matters; providing instructions to real property negotiators; legal counsel regarding pending litigation; and protection of records exempt from public disclosure. Closed session will be held in the Administration Building at 155 W. Durian Avenue and any announcements or discussion will be held at the same location following Closed Session.

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject: Discussion and Presentation regarding City of Coalinga establishing a Community Choice Aggregation with Efficient Power for Independent Communities (EPIC) Joint Powers Authority, Michael A. Chapin of Conner Energy

Meeting Date: June 6, 2018

From: Marissa Trejo, City Manager

Prepared by: Michael A. Chapin, Conner Energy

I. RECOMMENDATION:

Receive presentation on Community Choice Aggregation.

II. BACKGROUND:

On May 22, 2018 the City Manager attended the South San Joaquin League of City Managers Meeting held in Kingsburg, CA where Community Choice Aggregation presentations were conducted. Interest from several Central Valley communities have risen over the past several months, and City of Hanford recently approved City fund expenditures (\$63,000) independently to conduct a feasibility study on establishing a Community Choice Aggregation for the City of Hanford.

A presentation was made by the Efficient Power for Independent Communities, Joint Powers Authority (in formation), to inform City Managers on the highlights and status of CCA formations across California. The summary of the items presented include:

- EPIC is providing interested public agencies with a turnkey, all-inclusive, approach to establishing a CCA. All start-up costs, including the CCA feasibility study, are included at ***no cost*** to the public agency.
- Since the first public Agency in California, Marin County, established their CCA in 2010, several other public agencies have followed their lead and, to date, over 100 public agencies now operate Community Choice Aggregation in their jurisdictions;
- Southern California Edison (SCE), has stated as of early 2018, **72%** of their service area is currently under review and/or is already conducting CCA operations;
- EPIC operations team consists of Calpine Energy Solutions, Connor Energy, and the Energy Authority, these team members currently operate and manage energy services on behalf of CCA's across the US.

III. DISCUSSION:

The EPIC services team will be available to provide a brief presentation to City Council on the benefits and risks of establishing a CCA.

Summary on Community Choice Aggregation:

- Authorized by California law in 2002, Community Choice Aggregation, also known as Community Choice Energy, enables cities and county governments to pool the electricity demand within their jurisdictions in order to procure or generate electrical power supplies on behalf of the residents and businesses in their communities.
- Primary reasons for pursuing a CCA program include:
 - 1) The ability to achieve Climate Action Plan goals through significant reductions in greenhouse gas emissions;
 - 2) Offering customers an energy choice and competitive electrical rates (energy generation savings of an average 3-5%); and
 - 3) Local economic development benefits including jobs creation associated with the development of local power and new energy programs in the region.

The CCA procures and/or generates electricity on behalf of its customers while the utility service providers (such as PG&E and SCE) continues to deliver power to homes and businesses, handles customer billing, and maintains the grid.

A CCA can also offer positive economic development and employment benefits to the City. CCA's are announcing various opportunities in creating hundreds of jobs at the local and/or regional levels, with the proportion of local jobs depending on the degree of direct local renewable energy investment.

The EPIC team and sub-consultants bring together a team that provides a reasonable and necessary foundation and technical service suite for the successful launch and operation of a CCA Program. Advantages in working with this team include their experience, their ability to provide their credit and upfront capital for power procurement, their knowledge of CCA best practices, and their collaborative approach to providing support for our emerging CCA.

The City of Coalinga is not at risk by evaluating a CCA feasibility study conducted by EPIC, and with certain time constraints on establishing a CCA requesting energy load data from the utility company, this would be valuable information for the City of Coalinga to consider in moving forward with a CCA.

IV. ALTERNATIVES:

Do not direct City Manager to negotiate with EPIC team members.

V. FISCAL IMPACT:

No City funds will be required in the establishment of the CCA with EPIC. The funding for CCA operations will come from payment of utility bills by customers once the CCA launch occurs and we begin serving customers. The initial start up expenses will be established by EPIC and provided by EPIC service team members and covers the first several months of operations, staffing, legal and other administrative functions until a revenue stream is established.

ATTACHMENTS:

File Name	Description
Community_Choice_Aggregation_-_EPIC.pdf	Community Choice Aggregation - EPIC



EFFICIENT POWER FOR INDEPENDENT COMMUNITIES



COMMUNITY CHOICE AGGREGATION

FOR CENTRAL VALLEY COMMUNITIES

Presented and Powered by



**CONNOR
ENERGY**

MUNICIPAL ENERGY EXPERTS.



EPIC MISSION

To deliver
cost-competitive
clean electricity,
product choice, price
stability, energy
efficiency, and
greenhouse gas
emission reductions
to its customers.



EPIC ENERGY TEAM

Complete servicing for
of the **EPIC** Community
Energy Program



CCA's Serviced by EPIC Energy Team Members:



LA County & cities within LA County



Cities such as
Palm Springs,
Cathedral City,
and Palm Desert



Humboldt County
(including Incorporated
Cities) CCA



City of Solana
Beach CCA

EPIC

HIGHLIGHTS OF CCA BENEFITS

ENERGY SAVINGS

Cut electricity costs for all customers (average 3-5%)

ENVIRONMENTAL BENEFITS

Average CCA renewable energy mix is around 40% (RPS current standard is 25%)



COMMUNITY BENEFITS

Local Labor for “Green Collar” jobs building local renewable projects servicing the local communities

REDISTRIBUTION OF IOU PROFITS

100% of CCA operations and programs are funded by former IOU revenues. Not a tax or ratepayer funded program

CCA'S ON THE RISE IN CALIFORNIA



SUCCESS STORY: SONOMA CLEAN POWER



Started in 2014

- Now the dominant energy supplier in Sonoma county with over 200,000 customers
 - 90% share of residential and commercial
 - Includes all cities except Healdsburg, which had its own power company
- Customer plans
 - Standard 33% renewable at rates 5% below incumbent utility
 - Option of 100% renewable option at 20% premium to regular rates (sourced from Calpine local geothermal)

Customers
saved
**\$6 million in
first year**

HOW MUCH DOES IT COST TO START A CCA?

\$10M

appropriated by LA County to start LACCE (now Clean Power Alliance)

\$750k

appropriated by City of Pico Rivera to initiate PRIME (Pico Rivera Innovative Municipal Energy CCA)



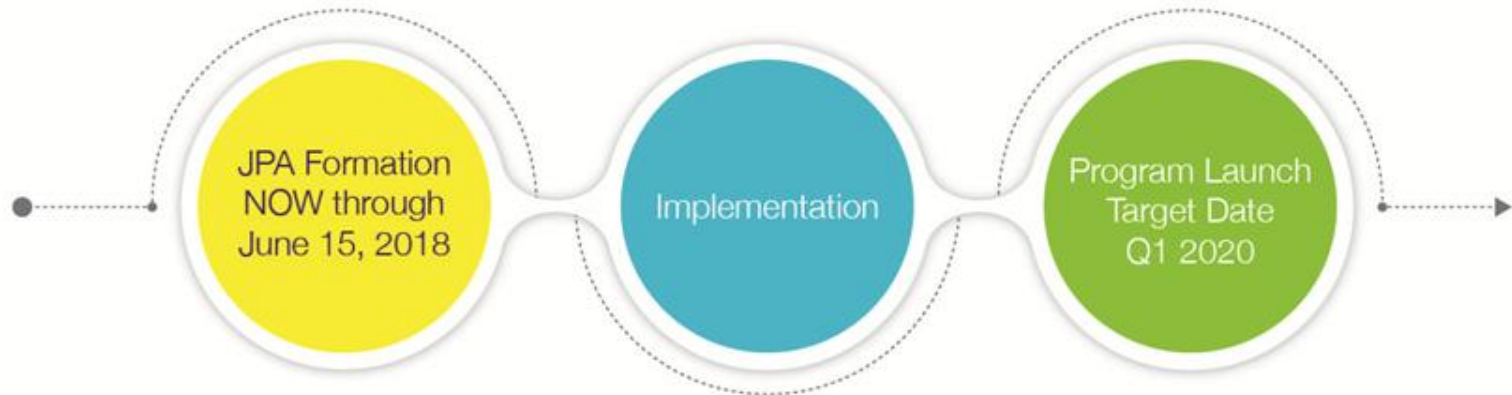
EPIC member agencies = \$0 startup costs

Initial funding from Calpine Energy Solutions for start-up and implementation costs (financing @ 3% interest cost).

Program team and consultants can accrue most fees to be paid out of operational revenues from the initial 12 months of operation.

CCA Feasibility studies conducted at no cost to interested public agencies (Generally around \$60,000 to \$150,000).

LAUNCH TIMETABLE & IMPORTANT DATES



JPA FORMATION

Meet with founding City member to discuss formation

- Approve JPA structure, mission, purpose, and operational structure of the JPA.
- Deadline for Founding member agency is June 15, 2018. Ongoing continued acceptance for all interested public agencies.

IMPLEMENTATION

Review Feasibility studies for member agencies

- Submit JPA approval for CCA operation with CPUC.
- Process required public notices, and meetings for each member agency.
- Develop long term and short term goals for Renewable Energy supply for EPIC.

OPERATION

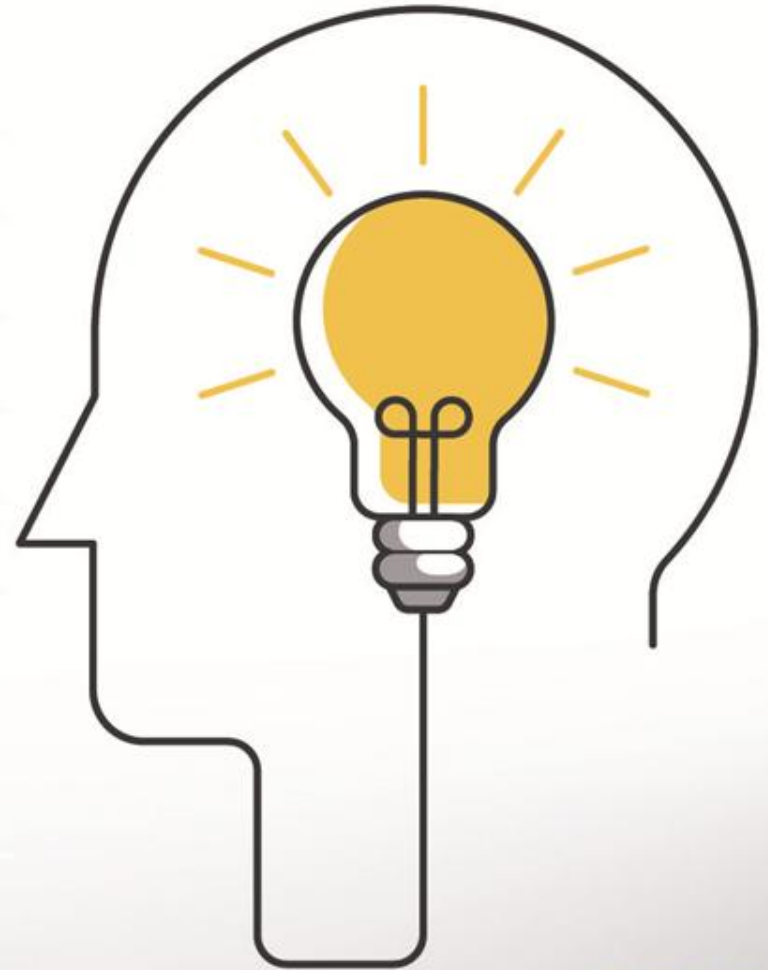
- Target operational date is Jan / Feb 2020.
- Continued operational support and provide continuous program and financial updates to member agencies.

PROPOSED IMPLEMENTATION TIMELINE

	2018					2019							
	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG
PRO FORMA AND LOAD ANALYSIS													
IMPLEMENTATION DRAFT													
CCA ORDINANCE / PLAN APPROVAL													
IMPLEMENTATION PLAN FILED													
CPUC PLAN CERTIFICATION													
COMMUNITY OUTREACH													
EXECUTE SCE SERVICES AGREEMENT													
POWER PROCUREMENT													
REGISTER AS CCA AND POST CPUC BOND													
BINDING NOTICE OF INTENT													
RATE SETTING													
CUSTOMER NOTICING													
LAUNCH													

PUBLIC POWER HAS ATTAINED NEARLY UNIVERSAL SUCCESS AND SO WILL CCAS!

- ✓ Establish sound protocols
- ✓ Long-term conservative view
- ✓ Employ capable staff
- ✓ Set good examples and expectations
- ✓ Set priorities
- ✓ Ask lots of questions
- ✓ Do the right thing (way underutilized)
- ✓ Can't know "everything" --- trust staff, consultants, and your business intuition



thank you



**CONNOR
ENERGY**
MUNICIPAL ENERGY EXPERTS.

CONNOR ENERGY

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Mr. Don Dame

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San Diego, CA 92123

(858) 337-4022

mchapin@connorenergy.com
donald.b.dame@gmail.com



THE ENERGY AUTHORITY

Mr. Jeff Fuller

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(425) 460-1110
jfuller@teainc.org



CALPINE ENERGY SOLUTIONS

Mr. Drake Welch

401 West A Street, Suite 500
San Diego, CA 92101

(619) 684-8039
drake.welch@calpinesolutions.com

EPIC

**STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE
AUTHORITY**

Subject: Public Hearing regarding Public Input on District Boundaries for City-wide District Elections (4th Reading)
Meeting Date: June 6, 2018
From: Marissa Trejo, City Manager
Prepared by: Marissa Trejo, City Manager

I. RECOMMENDATION:

II. BACKGROUND:

III. DISCUSSION:

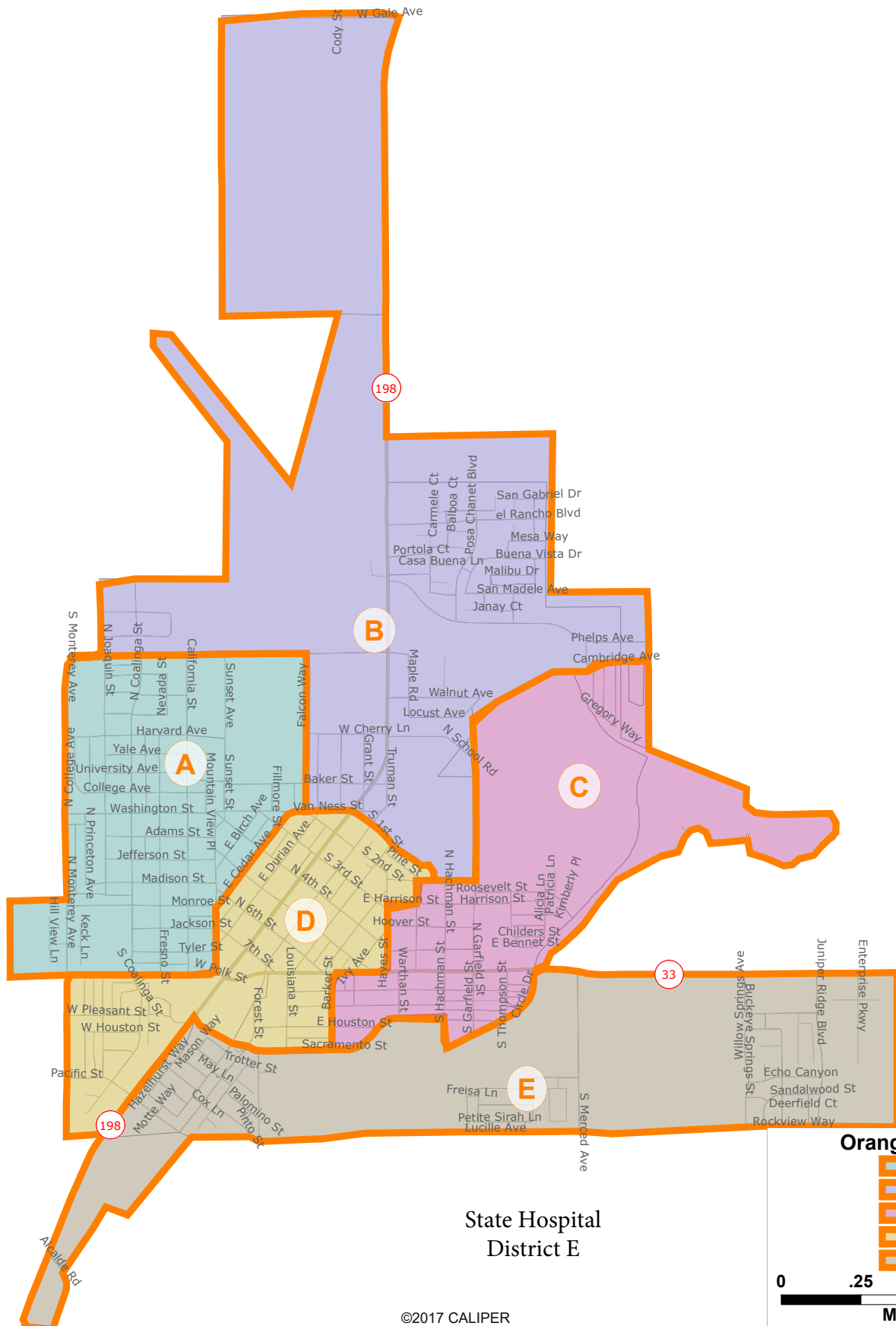
IV. ALTERNATIVES:

V. FISCAL IMPACT:

ATTACHMENTS:

	File Name	Description
▣	RED_053018.pdf	RED Map (Draft)
▣	ORANGE_Corrected_053018.pdf	ORANGE Map (Draft)
▣	GREEN_Corrected_053018.pdf	GREEN Map (Draft)
▣	BLUE_Corrected_053018.pdf	BLUE Map (Draft)

Red	A	B	C	D	E
Population	2661	2850	2708	2660	2768
Deviation	-68	121	-21	-69	39
% Deviation	-2.5%	4.4%	-0.8%	-2.5%	1.4%
Latino	38.9%	48.3%	66.4%	56.7%	61.6%
White	48.7%	39.2%	27.5%	39.1%	30.7%
Black	5.8%	8.8%	2.1%	1.1%	1.7%
Asian	4.3%	2.6%	3.0%	1.1%	4.7%
Voting Age Population					
Latino	34.4%	40.0%	57.7%	50.4%	56.2%
White	51.7%	45.5%	35.0%	45.0%	35.1%
Black	6.9%	10.9%	2.4%	1.2%	1.9%
Asian	4.6%	2.3%	3.8%	1.3%	5.5%
Citizen Voting Age (D16)					
Latino	28.0%	46.8%	56.6%	50.3%	43.6%
White	64.6%	41.9%	32.4%	44.7%	39.0%
Black	3.1%	6.4%	8.4%	2.8%	7.1%
Asian	3.0%	2.5%	1.9%	2.1%	6.5%



Orange	A	B	C	D	E
Population	2636	2593	2846	2839	2733
Deviation	-93	-136	117	110	4
% Deviation	-3.4%	-5.0%	4.3%	4.0%	0.1%
Latino	44.0%	49.1%	74.6%	60.5%	42.1%
White	51.4%	34.7%	23.1%	34.4%	42.3%
Black	1.3%	7.4%	0.5%	1.4%	9.5%
Asian	1.2%	7.2%	1.1%	1.9%	4.6%
Voting Age Population					
Latino	38.2%	41.9%	68.3%	53.4%	34.9%
White	57.1%	39.4%	29.1%	40.9%	47.1%
Black	1.2%	9.0%	0.6%	1.6%	11.8%
Asian	1.2%	7.8%	1.2%	2.3%	4.7%
Citizen Voting Age (D16)					
Latino	35.1%	42.4%	60.2%	53.1%	36.4%
White	62.9%	40.6%	35.9%	39.4%	41.5%
Black	0.0%	11.8%	1.4%	3.9%	10.9%
Asian	1.4%	3.9%	1.3%	3.2%	6.7%

Green	A	B	C	D	E
Population	2625	2838	2617	2790	2777
Deviation	-104	109	-112	61	48
% Deviation	-3.8%	4.0%	-4.1%	2.2%	1.8%
Latino	39.2%	63.2%	68.5%	58.6%	42.3%
White	48.4%	31.6%	25.4%	37.3%	42.3%
Black	5.9%	1.2%	2.4%	1.0%	9.4%
Asian	4.3%	2.9%	2.6%	1.3%	4.5%
Voting Age Population					
Latino	34.5%	56.6%	60.9%	52.0%	35.2%
White	51.6%	38.1%	31.5%	43.3%	47.1%
Black	6.9%	1.2%	2.8%	1.2%	11.6%
Asian	4.6%	2.9%	3.5%	1.6%	4.6%
Citizen Voting Age (D16)					
Latino	27.8%	53.7%	60.7%	49.0%	36.7%
White	64.8%	41.2%	28.1%	44.6%	41.6%
Black	3.1%	2.3%	9.1%	2.8%	10.7%
Asian	3.0%	2.0%	1.7%	2.7%	6.6%

Blue	A	B	C	D	E
Population	2625	2756	2833	2620	2813
Deviation	-104	27	104	-109	84
% Deviation	-3.8%	1.0%	3.8%	-4.0%	3.1%
Latino	39.2%	62.8%	69.1%	57.3%	42.8%
White	48.4%	29.4%	27.5%	38.5%	42.0%
Black	5.9%	2.5%	1.0%	1.1%	9.2%
Asian	4.3%	4.3%	1.4%	1.1%	4.5%
Voting Age Population					
Latino	34.5%	55.4%	62.0%	50.8%	35.7%
White	51.6%	35.9%	34.0%	44.6%	46.7%
Black	6.9%	2.7%	1.2%	1.2%	11.5%
Asian	4.6%	4.7%	1.8%	1.4%	4.6%
Citizen Voting Age (D16)					
Latino	27.8%	55.4%	55.6%	51.3%	36.2%
White	64.8%	33.7%	38.1%	44.0%	42.1%
Black	3.1%	7.8%	2.4%	2.8%	10.7%
Asian	3.0%	2.4%	2.4%	1.9%	6.6%

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject: Authorize the City Manager to Enter into a Professional Services Agreement with CannaRegs
Meeting Date: June 6, 2018
From: Marissa Trejo, City Manager
Prepared by: Sean Brewer, Community Development Director

I. RECOMMENDATION:

Authorize the City Manager to enter into a professional services agreement with CannaRegs.

II. BACKGROUND:

CannaRegs is a web-based subscription service that provides access to all cannabis-related rules and regulations from state, county, municipal and federal sources, and aggregates these rules and regulations in an intuitive, easy-to-use database.

By organizing the laws into distinct categories (such as taxation, zoning, application & licensing, and packaging & labeling) and sorting them by license type (such as cultivation, dispensary and testing), the City will be able to find and use the information we need in a few easy clicks. CannaRegs continuously monitors jurisdictions for any revisions to the laws, so the City is always up-to-date on any changes within the regulated industry.

CannaRegs currently provides comprehensive cannabis laws for the states of California, Colorado, Florida and Nevada, to be followed by all other states that permit medical and/or recreational marijuana. This allows the City to see what other states are doing as it relates to cannabis activities.

III. DISCUSSION:

CannaRegs would be a great tool for the City to keep track of the fluid situation that is occurring regarding taxation within the state. Staff will be able to provide accurate and up-to-date information regarding what other agencies are doing related to taxes and allow the City to remain competitive as taxes continue to evolve in the state.

In addition to taxes, CannaRegs is a great tool to stay up to date on current legislation, ever changing cannabis rules and regulations that directly impact the City of Coalinga. Having the information organized into keyword searches, rule making calendars, access to official publications would save several hours of time researching information via the web or contacting individual jurisdictions to see what is occurring in their City or County.

IV. ALTERNATIVES:

Do not enter into an agreement with CannaRegs - Staff does not recommend.

V. FISCAL IMPACT:

The total cost for CannaRegs is \$8,500 for a one (1) year contract or \$15,000 for the commitment of a (2) year contract. This cost would be a general fund expense that would be paid for out of the MMO professional services account (Account No. 101-404-8812) in the Community Development Departments budget that is reimbursed through the collection of Cannabis license fees and taxes.

ATTACHMENTS:

File Name	Description
▣ CannaRegs_for_Coalinga_(Proposal).docx	CannaRegs Proposal
▣ Master_Subscription_Agreement_(CannaRegs).pdf	CannaRegs Master Subscription Agreement



1776 Race St. #109 | Denver, CO 80206
860.944.0014 | info@cannaregs.com
www.CannaRegs.com

Attn: Sean Brewer
City of Coalinga
Department of Community Development, Director

155 West Durian Avenue
Coalinga, CA 93210
(559)935-1533 | sbrewer@coalinga.com

General Information:

Thank you for your interest in a CannaRegs subscription. CannaRegs is an online database that provides enhanced access to marijuana rules and regulations. CannaRegs aggregates and organizes laws from states, counties, and municipalities. By organizing the laws into distinct categories and sorting them by license type, subscribers can find the information they need in a few easy clicks! Features of CannaRegs include:

- **Searchable Cannabis Rules and Regulations:** The law on CannaRegs is searchable using three unique search functions—browse, smart search, and search laws. These search features were created by attorneys to address the difficulties encountered using conventional legal research tools. What previously took hours of research has been reduced to minutes.
- **No longer do you have to compile binders full of ordinances:** CannaRegs' technology and team of attorneys are constantly monitoring the law keeping the database up to date. As new regulations and ordinances are adopted CannaRegs is the reliable source for a current amalgamated version of the law.
- **Rule-making Event Calendar:** CannaRegs provides a consolidated schedule of rule and policy-making events happening around the U.S. In Dec. 2016, CannaRegs covered more than 160 municipal, county, and state-sanctioned meetings specific to marijuana.
- **Access to Official Publications:** Where most databases provide access to the law, CannaRegs goes beyond by providing quick access to any official publications including forms, official guidance documents, industry bulletins, position statements, product recalls, etc.
- **CannaRegs Resource Tools:** CannaRegs provides additional resource documents to help navigate the intricacies of cannabis rule making.



CannaRegs, Ltd.

1776 Race St. #109 | Denver, CO 80206
860.944.0014 | info@cannaregs.com
www.CannaRegs.com

- **Jurisdiction Quick View:** See the status of what license types are allowed or prohibited in all 539 California Cities and Counties in real time. CannaRegs staff is constantly monitoring for new laws and in doing so is able to keep this tool up to date in real time as cities are allowing and banning new license types on a daily basis. Through special filters you can quickly see every city that allows a specific license type, ex. Testing facilities. This tool is currently in beta and is scheduled for broad release in the coming weeks.

Sole Source:

CannaRegs is currently the only company that comprehensively aggregates, state, county, and municipal cannabis laws, regulations, and official government publications around the county. CannaRegs has sold subscriptions to multiple local government through direct purchase orders because it is a sole source for this information.

Contract Price for City of Coalinga:

City of Coalinga CannaRegs Pricing	Price for 1-year contract	Price for 2-year contract
Up to 5 Users	\$8,500	\$15,000
Up to 10 Users	\$12,500	\$20,500

Contract Terms:

The terms for this contract are those of the CannaRegs "Master Subscription Agreement" (located at https://cannaregs.com/documents/Master_Subscription_Agreement.pdf) with the following modifications for City of Coalinga:

- As required by the master subscription agreement, CannaRegs hereby gives Coalinga, a government entity, express written consent to access the CannaRegs Database with a subscription.



CannaRegs, Ltd.

1776 Race St. #109 | Denver, CO 80206
860.944.0014 | info@cannaregs.com
www.CannaRegs.com

- Section 3.4 of the Subscription Agreement is hereby amended to expressly allow for the City of Coalinga to distribute CannaRegs content to its Board of Supervisors and any other City staff members who need access to CannaRegs materials to assist in drafting City laws or who need access to CannaRegs materials for educational purposes.

Signature:

In Witness Whereof, City of Coalinga and CannaRegs, Ltd. have executed this agreement with the above agreed upon terms, effective upon the date of signature.

SIGNATURE: _____

BY:

TITLE:

DATE: _____

SIGNATURE: _____

BY: Amanda Ostrowitz, Esq.

TITLE: Co-founder & CEO

DATE:

Master Subscription Agreement

Master Subscription Agreement

THIS MASTER SUBSCRIPTION AGREEMENT GOVERNS YOUR ACQUISITION AND USE OF CANNAREGS' SERVICES.

YOU MUST CAREFULLY READ AND ACCEPT THIS MASTER SUBSCRIPTION AGREEMENT ("AGREEMENT"). IF YOU DO NOT AGREE TO THIS AGREEMENT, CLICK THE "DECLINE" BUTTON AT THE END OF THIS AGREEMENT. IF YOU AGREE TO THIS AGREEMENT, CLICK THE "ACCEPT" BUTTON AT THE END OF THIS AGREEMENT, WHICH SHALL INDICATE YOUR ACCEPTANCE OF THIS AGREEMENT.

IF YOU ARE ENTERING INTO THIS AGREEMENT ON BEHALF OF A COMPANY OR OTHER LEGAL ENTITY, YOU REPRESENT THAT YOU HAVE THE AUTHORITY TO BIND SUCH ENTITY TO THESE TERMS AND CONDITIONS, IN WHICH CASE THE TERMS "YOU" OR "YOUR" SHALL REFER TO SUCH ENTITY. IF YOU DO NOT HAVE SUCH AUTHORITY, OR IF YOU DO NOT AGREE WITH THESE TERMS AND CONDITIONS, YOU MUST NOT ACCEPT THIS AGREEMENT AND MAY NOT USE THE SERVICES.

You may not access the Services if You are CannaRegs' competitor in the online legal cannabis information, law or regulatory space, or a state or federal government agency, department or division, except with CannaRegs' prior written consent. In addition, You may not access the Services for purposes of monitoring their availability, performance or functionality, or for any other benchmarking or competitive purposes.

This Agreement was last updated on May 27, 2015. It is effective between You and CannaRegs as of the date You accept this Agreement.

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- 2. Our Responsibilities**
- 3. Use of the Services and Content**
- 4. Fees and Payment for Purchased Services**
- 5. Proprietary Rights and Licenses**
- 6. Confidentiality**
- 7. Representations, Warranties, Exclusive Remedies and Disclaimers**
- 8. Mutual Indemnification**

9. Limitation of Liability

10. Term and Termination

11. Who You Are Contracting With, Notices, Governing Law and Jurisdiction

12. General Provisions

1. DEFINITIONS

"Agreement" means this Master Subscription Agreement.

"CannaRegs," "We," "Us" or "Our" means the CannaRegs, Ltd.

"Content" means information obtained by Us from Our content licensors or publicly available sources and provided to You pursuant to an Order Form, as more fully described in the Documentation.

"Documentation" means CannaRegs' online user guides, documentation, and help and training materials, as updated from time to time, accessible via help.cannaregs.com or login to the applicable Services.

"Malicious Code" means code, files, scripts, agents or programs intended to do harm, including but not limited to, viruses, worms, time bombs and Trojan horses.

"Order Form" means the ordering document containing Your payment authorization and the Services to be provided hereunder that is entered into between You and CannaRegs, including any addenda and supplements thereto.

"Purchased Services" means Services that You purchase pursuant to an Order Form. "Services" means the services that are made available online by Us, including associated offline

components, as described in the Documentation.

"User" means an individual in Your company who is authorized by You to use the Services, for whom You have ordered the Services, and to whom You (or CannaRegs at Your request) have supplied a user identification and password.

"You" or "Your" means the company or other legal entity for which you are accepting this Agreement.

2. OUR RESPONSIBILITIES

2.1. Provision of Purchased Services. We will (a) make the Services and Content available to You pursuant to this Agreement and the applicable Order Forms, (b) provide Our standard support for the Purchased Services to You at no additional charge, and/or upgraded support if purchased, and (c) use commercially reasonable efforts to make the online Purchased Services available 24 hours a day, 7 days a week, except for: (i) planned downtime (of which We shall give at least 8 hours electronic notice and which We shall schedule to the extent practicable during the weekend hours between 6:00 p.m. Friday and

3:00 a.m. Monday Mountain time), and (ii) any unavailability caused by circumstances beyond Our reasonable control, including, for example, an act of God, act of government, flood, fire, earthquake, civil unrest, act of terror, strike or other labor problems, Internet service provider failure or delay, or denial of service attack.

2.2. CannaRegs Personnel. We will be responsible for the performance of Our personnel (including Our employees and contractors) and their compliance with Our obligations under this Agreement, except as otherwise specified herein.

2.3. Beta Services. From time to time, We may invite You to try Beta Services at no charge. You may accept or decline any such trial in Your sole discretion. Beta Services will be clearly designated as beta, pilot, limited release, developer preview, non-production, evaluation or by a description of similar import. Beta Services are for evaluation purposes and not for production use, are not considered "Services" under this Agreement, are not supported, and may be subject to additional terms. Unless otherwise stated, any Beta Services trial period will expire upon the earlier of one month from the trial start date or the date that a version of the Beta Services becomes generally available. We may discontinue Beta Services at any time in Our sole discretion and may never make them generally available. We will have no liability for any harm or damage arising out of or in connection with a Beta Service.

3. USE OF SERVICES AND CONTENT

3.1. Subscriptions. Unless otherwise provided in the applicable Order Form, (a) Services and Content are purchased as annual subscriptions, (b) additional annual subscriptions may be added during a subscription term, prorated for the portion of that subscription term remaining at the time the annual subscriptions are added, and (c) any added subscriptions will terminate on the same date as the original annual subscriptions.

3.2. Usage Limits. Services and Content are subject to individual subscription usage limits, including, for example, the quantities specified in Order Forms. Unless otherwise specified, (a) a quantity in an Order Form refers to the number of Users, and the Services or Content may not be accessed by more than those particular Users, (b) a User's password may not be shared with any other individual, and (c) a User identification may be reassigned to a new individual replacing one who no longer requires ongoing use of the Services or Content. If You are unable or unwilling to abide by a contractual usage limit, You agree to execute an Order Form for additional quantities of the applicable Services or Content promptly upon Our request, and/or pay any invoice for excess usage in accordance with Section 3.2 (Invoicing and Payment).

3.3. Your Responsibilities. You will (a) be responsible for Users' compliance with this Agreement, (b) use commercially reasonable efforts to prevent unauthorized access to or use of Our Services and Content, and notify Us within 24 hours of any such unauthorized access or use, and (c) use Services and Content only in accordance with the Documentation and applicable laws and government regulations. Any failure by You to comply with the terms and conditions of this Agreement, to include without limitation, Your Responsibilities under 3.3 or the Usage Restrictions under 3.4, may result in

the cancelation of your annual subscription(s).

3.4. Usage Restrictions. Unless your Order Form or Agreement specifically permits, You will not (a) make any Services or Content available to anyone other than You or Users, (b) sell, resell, license, sublicense, distribute, rent or lease any Services or Content, include any Services or Content in a service bureau or outsourcing offering, (c) use a Service to store or transmit infringing, libelous, or otherwise unlawful or tortious material, or to store or transmit material in violation of third-party privacy rights, (d) use Services to store or transmit Malicious Code, (e) interfere with or disrupt the integrity or performance of any Service or the Content or data contained therein, (f) attempt to gain unauthorized access to any Services or Content or its related systems or networks, (g) permit direct or indirect access to or use of any Services or Content in a way that circumvents a contractual usage limit, (h) copy Services or any part, feature, function or user interface thereof, (i) copy Content except as permitted herein for internal use only, or in an Order Form or the Documentation, (j) frame or mirror any part of any Services or Content, (k) access any Services or Content in order to build a competitive product or service, or (l) reverse engineer any Services (to the extent such restriction is permitted by law).

3.5. Removal of Content. If CannaRegs is required by a licensor to remove Content, or receives information that Content provided to You may violate applicable law or third-party rights, We may so notify You and in such event You will promptly remove or destroy any such Content in your possession.

4. FEES AND PAYMENT FOR PURCHASED SERVICES

4.1. Fees. You will pay all fees specified in Order Forms. Except as otherwise specified herein or in an Order Form, (i) fees are based on Services and Content purchased and not actual usage, (ii) payment obligations are non-cancelable and fees paid are non-refundable, and (iii) quantities purchased cannot be decreased during the relevant subscription term.

4.2. Invoicing and Payment. At all times during the existence of this Agreement, You will provide Us with valid name, address, and updated credit card information or Bank routing and account information necessary and sufficient for US to utilize Automatic Clearing House (ACH) to obtain your annual subscription payments at all times during the existence of this Agreement. When You provide credit card information to Us, You specifically authorize Us to charge such credit card for all Purchased Services listed in the Order Form for the initial subscription term and any renewal subscription term(s) as set forth in Section 10.2 (Term of Purchased Subscriptions). Such charges shall be made in advance, either annually or in accordance with any different billing frequency stated in the applicable Order Form. You are responsible for providing complete and accurate billing and contact information to Us and notifying Us of any changes to such information.

4.3. Overdue Charges. If any invoiced amount is not received by Us by the due date, then without limiting Our rights or remedies, (a) those charges may accrue late interest at the rate of 1.5% of the outstanding balance per month, or the maximum rate permitted by law, whichever is lower, and/or (b) We may condition future subscription renewals and Order

Forms on payment terms that are different than those specified in Section 4.2 (Invoicing and Payment).

4.4. Suspension of Services and Acceleration. If any amount owing by You under this or any other agreement for Our services is 15 or more days overdue (or 5 or more days overdue in the case of amounts You have authorized Us to charge to Your credit card), We may, without limiting Our other rights and remedies, accelerate Your unpaid fee obligations under such agreements so that all such obligations become immediately due and payable, and suspend Our Services to You until such amounts are paid in full. We will give You at least 10 days' prior notice that Your account is overdue, in accordance with Section 11.2 (Manner of Giving Notice), before suspending Services to You.

4.5. Payment Disputes. In the exercise of Our sole discretion, We may not exercise Our rights under Section 4.3 (Overdue Charges) or 4.4 (Suspension of Services and Acceleration) above if we, in the exercise of our sole discretion, believe that You are cooperating diligently to resolve the dispute.

4.6. Taxes. Our fees do not include any taxes, levies, duties or similar governmental assessments of any nature, including, for example, value-added, sales, use or withholding taxes, assessable by any jurisdiction whatsoever (collectively, "Taxes"). You are responsible for paying all Taxes associated with Your purchases hereunder. If We have the legal obligation to pay or collect Taxes for which You are responsible under this Section 4.6, We will invoice You and You will pay that amount unless You provide Us with a valid tax exemption certificate authorized by the appropriate taxing authority. For clarity, We are solely responsible for taxes assessable against Us based on Our income, property and employees.

4.7. Future Functionality. You agree that Your purchases are not contingent on the delivery of any future functionality or features, or dependent on any oral or written public comments made by Us regarding future functionality or features.

5. PROPRIETARY RIGHTS AND LICENSES

5.1. Reservation of Rights. Subject to the limited rights expressly granted hereunder, We and Our licensors reserve all of Our/their right, title and interest in and to the Services and Content, including all of Our/their related intellectual property rights. No rights are granted to You hereunder other than as expressly set forth herein.

5.2. License by Us to Use Content. We grant to You a worldwide, limited-term license, under Our applicable intellectual property rights and licenses, to use Content acquired by You pursuant to Order Forms, subject to those Order Forms, this Agreement and the Documentation.

5.3. License by You to Use Feedback. You grant to Us a worldwide, perpetual, irrevocable, royalty-free license to use and incorporate into the Services any and all suggestion, enhancement request, recommendation, correction or other feedback provided by You or Users relating to the operation of the Services.

5.4. Federal Government End Use Provisions. We will provide the Services for ultimate federal government end use solely in accordance with the following: Government technical data and software rights related to the Services include only those rights customarily provided to the public as defined in this Agreement. This customary commercial license is provided in accordance with FAR 12.211 (Technical Data) and FAR 12.212 (Software) and, for Department of Defense transactions, DFAR 252.227-7015 (Technical Data – Commercial Items) and DFAR 227.7202-3 (Rights in Commercial Computer Software or Computer Software Documentation). If a government agency has a need for rights not granted under these terms, it must negotiate with Us to determine if there are acceptable terms for granting those rights, and a mutually acceptable written addendum specifically granting those rights must be included in any applicable agreement.

6. CONFIDENTIALITY

6.1. Definition of Confidential Information. “Confidential Information” means all information disclosed by Us (“Disclosing Party”) to You (“Receiving Party”), whether orally or in writing, that is designated as confidential or that reasonably should be understood to be confidential given the nature of the information and the circumstances of disclosure. Our Confidential Information includes, without limitation, the Services and Content, and anything or any information derived from or ascertainable by or through the Services; and includes the terms and conditions of this Agreement and all Order Forms (including pricing), as well as business and marketing plans, technology and technical information, product plans and designs, and business processes disclosed by such party. However, Confidential Information does not include any information that (a) is or becomes generally known to the public without breach of any obligation owed to the Disclosing Party, (b) was known to the Receiving Party prior to its disclosure by the Disclosing Party without breach of any obligation owed to the Disclosing Party, (c) is received from a third party without breach of any obligation owed to the Disclosing Party, or (d) was independently developed by the Receiving Party.

6.2. Protection of Confidential Information. The Receiving Party will use the same degree of care that it uses to protect the confidentiality of its own confidential information of like kind (but not less than reasonable care) (a) not to use any Confidential Information of the Disclosing Party for any purpose outside the scope of this Agreement, and (b) except as otherwise authorized by the Disclosing Party in writing, to limit access to Confidential Information of the Disclosing Party to those of its employees and contractors who need that access for purposes consistent with this Agreement and who have signed confidentiality agreements with the Receiving Party containing protections no less stringent than those herein. Neither party will disclose the terms of this Agreement or any Order Form to any third party other than its legal counsel and accountants without the other party’s prior written consent, provided that a party that makes any such disclosure to its legal counsel or accountants will remain responsible for such legal counsel’s or accountant’s compliance with this Section 6.2.

6.3. Compelled Disclosure. The Receiving Party may disclose Confidential Information of the Disclosing Party to the extent compelled by law to do so, provided the Receiving Party

gives the Disclosing Party prior notice of the compelled disclosure (to the extent legally permitted) and

reasonable assistance, at the Disclosing Party's cost, if the Disclosing Party wishes to contest the disclosure. If the Receiving Party is compelled by law to disclose the Disclosing Party's Confidential Information as part of a civil proceeding to which the Disclosing Party is a party, and the Disclosing Party is not contesting the disclosure, the Disclosing Party will reimburse the Receiving Party for its reasonable cost of compiling and providing secure access to that Confidential Information.

7. REPRESENTATIONS, WARRANTIES, EXCLUSIVE REMEDIES AND DISCLAIMERS

7.1. Representations. Each party represents that it has validly entered into this Agreement and has

the legal power to do so.

7.2. Our Warranty. We warrant that the Purchased Services will run substantially in accordance with their Documentation. No warranty is made that the Services will run interrupted or error-free. You agree that the Purchased Services are not consumer goods for purposes of federal or state warranty laws. For any breach of the above warranty, Your exclusive remedies are those described in Sections 10.3 (Termination) and 10.4 (Refund or Payment upon Termination).

7.3. Disclaimers. EXCEPT AS EXPRESSLY PROVIDED HEREIN, NEITHER PARTY MAKES ANY WARRANTY OF ANY KIND, WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, AND EACH PARTY SPECIFICALLY DISCLAIMS ALL IMPLIED WARRANTIES, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW. CONTENT AND BETA SERVICES ARE PROVIDED "AS IS," EXCLUSIVE OF ANY WARRANTY WHATSOEVER. EACH PARTY DISCLAIMS ALL LIABILITY AND INDEMNIFICATION OBLIGATIONS FOR ANY HARM OR DAMAGES CAUSED BY ANY THIRD-PARTY HOSTING PROVIDERS.

8. MUTUAL INDEMNIFICATION

8.1. Indemnification by Us. We will defend You against any claim, demand, suit or proceeding made or brought against You by a third party alleging that the use of a Purchased Service in accordance with this Agreement infringes or misappropriates such third party's intellectual property rights (a "Claim Against You"), and will indemnify You from any damages, attorney fees and costs finally awarded against You as a result of, or for amounts paid by You under a court-approved settlement of, a Claim Against You, provided You (a) promptly give Us written notice of the Claim Against You, (b) give Us sole control of the defense and settlement of the Claim Against You (except that We may not settle any Claim Against You unless it unconditionally releases You of all liability), and (c) give Us all reasonable assistance, at Our expense. If We receive information about an infringement or misappropriation claim related to Our Services, We may in Our discretion and at no cost to You (i) modify the Services so that it no longer infringes or misappropriates, without breaching Our warranties under Section 7.2 (Our Warranty), (ii) obtain a license for Your continued use of those Services in accordance with this

Agreement, or (iii) terminate Your subscriptions for those Services upon 30 days' written notice and refund You any prepaid fees covering the remainder of the term of the terminated subscriptions. The above defense and indemnification obligations do not apply to the extent a Claim Against You arises from Content or Your breach of this Agreement.

8.2. Indemnification by You. You will defend Us against any claim, demand, suit or proceeding made or brought against Us by a third party alleging that Your Data, or Your use of any Services or Content in breach of this Agreement, infringes or misappropriates such third party's intellectual property rights or violates applicable law (a "Claim Against Us"), and will indemnify Us from any damages, attorney fees and costs finally awarded against Us as a result of, or for any amounts paid by Us under a court-approved settlement of, a Claim Against Us, provided We (a) promptly give You written notice of the Claim Against Us, (b) give You sole control of the defense and settlement of the Claim Against Us (except that You may not settle any Claim Against Us unless it unconditionally releases Us of all liability), and (c) give You all reasonable assistance, at Your expense.

8.3. Exclusive Remedy. This Section 8 states the indemnifying party's sole liability to, and the indemnified party's exclusive remedy against, the other party for any type of claim described in this Section 8.

9. LIMITATION OF LIABILITY

9.1. Limitation of Liability. OUR LIABILITY WITH RESPECT TO ANY SINGLE INCIDENT ARISING OUT OF OR RELATED TO THIS AGREEMENT WILL NOT EXCEED THE AMOUNT PAID BY CUSTOMER HEREUNDER IN THE 12 MONTHS PRECEDING THE INCIDENT, PROVIDED THAT IN NO EVENT WILL EITHER PARTY'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT EXCEED THE TOTAL AMOUNT PAID BY CUSTOMER HEREUNDER IN THE LAST 12 MONTHS. THE ABOVE LIMITATIONS WILL APPLY WHETHER AN ACTION IS IN CONTRACT OR TORT AND REGARDLESS OF THE THEORY OF LIABILITY.

9.2. Exclusion of Consequential and Related Damages. IN NO EVENT WILL WE HAVE ANY LIABILITY TO YOU FOR ANY LOST PROFITS, REVENUES OR INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, COVER OR PUNITIVE DAMAGES, WHETHER AN ACTION IS IN CONTRACT OR TORT AND REGARDLESS OF THE THEORY OF LIABILITY, EVEN IF YOU HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE FOREGOING DISCLAIMER WILL NOT APPLY TO THE EXTENT PROHIBITED BY LAW.

10. TERM AND TERMINATION

10.1. Term of Agreement. This Agreement commences on the date You first accept it and continues

until all subscriptions hereunder have expired or have been terminated.

10.2. Term of Purchased Subscriptions. The term of each subscription shall be twelve months. Subscriptions will automatically renew for additional periods equal to the expiring subscription term, unless User gives Us written notice of non-renewal at least 30 days before the end of the relevant subscription term, which notice of non-renewal must be sent

certified mail return receipt requested. The per-unit pricing during any automatic renewal term will be the same as that during the immediately prior term unless We You written or electronic communication notice of a pricing increase at least 60 days before the end of that prior term, in which case the pricing increase will be effective upon renewal and thereafter. Any such pricing increase will not exceed 7% of the pricing for the applicable Purchased Service or Content in the immediately prior subscription term, unless the pricing in the prior term was designated in the relevant Order Form as promotional or one-time.

10.3. Termination. We may terminate this Agreement for cause (i) upon 10 days written notice to You of a material breach if such breach remains uncured at the expiration of such period, or (ii) if the You file a petition in bankruptcy or any other proceeding relating to insolvency, receivership, liquidation or assignment for the benefit of creditors. You may terminate this Agreement in accordance with Section 10.2.

10.4. Refund or Payment upon Termination. If We terminate this Agreement in accordance with Section 10.3 (Termination), We will refund You any prepaid fees covering the remainder of the term of all Order Forms after the effective date of termination. If this Agreement is terminated by Us in accordance with Section 10.3, You will pay any unpaid fees covering the remainder of the term of all Order Forms. In no event will termination relieve You of Your obligation to pay any fees payable to Us for the period prior to the effective date of termination.

10.5. Your Data, Portability, and Deletion. Upon termination of this Agreement, We will have no obligation to maintain or provide Your subscription or Content, and may thereafter delete or destroy all copies of Subscription and Content in Our systems or otherwise in Our possession or control as provided in the Documentation, unless legally prohibited.

10.6. Surviving Provisions. The Sections titled "Fees and Payment for Purchased Services," "Proprietary Rights and Licenses," "Confidentiality," "Disclaimers," "Mutual Indemnification," "Limitation of Liability," "Refund or Payment upon Termination," "Portability and Deletion of Your Data," "Who You Are Contracting With, Notices, Governing Law and Jurisdiction," and "General Provisions" will survive any termination or expiration of this Agreement.

11. GOVERNING LAW, NOTICES AND JURISDICTION

11.1. Governing Law. This Agreement and all disputes arising hereunder shall be governed by Colorado Law. This agreement is specifically agreed to by the parties to be made in the State of Colorado.

You and We consent to jurisdiction and venue in all courts of competent jurisdiction located in Denver, Colorado.

11.2. Manner of Giving Notice. Except as otherwise specified in this Agreement, including in Section 10.2, all notices from You to Us hereunder shall be in writing to the address listed in the "Contact Information" section of CannaRegs.com. Except as otherwise specified in this Agreement, all notices from Us to You hereunder shall be in writing or electronic communication.

11.3. Agreement to Governing Law and Jurisdiction. Each party agrees to the applicable governing law above without regard to choice or conflicts of law rules, and to the exclusive jurisdiction of the applicable courts above.

11.4. No Agency. For the avoidance of doubt, We are entering into this Agreement as principal and not as agent for any other CannasRegs.com company. Subject to any permitted Assignment under Section 14.4, the obligations owed by Us under this Agreement shall be owed to You solely by Us and the obligations owed by You under this Agreement shall be owed solely to Us.

12. GENERAL PROVISIONS

12.1. Export Compliance. The Services, Content, other technology We make available, and derivatives thereof may be subject to export laws and regulations of the United States and other jurisdictions. Each party represents that it is not named on any U.S. government denied-party list. You shall not permit Users to access or use any Services or Content in a U.S.-embargoed country (currently Cuba, Iran, North Korea, Sudan or Syria) or in violation of any U.S. export law or regulation.

12.2. Anti-Corruption. You have not received or been offered any illegal or improper bribe, kickback, payment, gift, or thing of value from any of Our employees or agents in connection with this Agreement. Reasonable gifts and entertainment provided in the ordinary course of business do not violate the above restriction. If You learn of any violation of the above restriction, You will use reasonable efforts to promptly notify Us.

12.3. Data Collection. By entering into this Agreement, you agree that CannaRegs may collect, categorize, use and store anonymous data related to program errors and usage for the purposes of providing technical support, analyzing errors and product improvements. CannaRegs will not disclose anonymous data in any form that personally identifies You.

12.4. Modification of Agreement. CannaRegs reserves the right to change or modify the terms and conditions of this Agreement immediately upon notice to you. If any changes are made to this Agreement, such changes will (a) only be applied prospectively; and (b) not be specifically directed against you and will apply to all similarly situated customers using the Services. Continued use of the Services after the effective date of any change to this Agreement constitutes your acceptance of the change, but does not affect any termination rights contained herein.

12.5 Entire Agreement. This Agreement and the Order Form are the entire agreement between You and CannaRegs regarding Your use of Services and Content and supersedes all prior and contemporaneous agreements, proposals or representations, written or oral, concerning its subject matter. No modification, amendment, or waiver of any provision of this Agreement will be effective unless in writing and signed by the party against whom the modification, amendment or waiver is to be asserted.

12.6. Assignment. You may not assign any of Your rights or obligations hereunder, whether by operation of law or otherwise, without Our prior written consent (which will not be unreasonably withheld); provided, however, either party may assign this Agreement in

its entirety (including all Order Forms), without the other party's consent in connection with a merger, acquisition, corporate reorganization, or sale of all or substantially all of its assets. Notwithstanding the foregoing, if You are acquired by, sell substantially all of Your assets to, or undergo a change of control in favor of a competitor of ours, then We may terminate this Agreement upon written notice. In the event of such a termination, We will refund any prepaid fees covering the remainder of the term of all subscriptions. Subject to the foregoing, this Agreement will bind and inure to the benefit of the parties, their respective successors and permitted assigns.

12.7. Relationship of the Parties. The parties are independent contractors. This Agreement does not create a partnership, franchise, joint venture, agency, fiduciary or employment relationship between the parties.

12.8. Third-Party Beneficiaries. Our Content licensors shall have the benefit of Our rights and protections hereunder with respect to the applicable Content. There are no other third-party beneficiaries under this Agreement.

12.9. Waiver. No failure or delay by either party in exercising any right under this Agreement will constitute a waiver of that right.

12.10. Severability. If any provision of this Agreement is held by a court of competent jurisdiction to be contrary to law, the provision will be deemed null and void, and the remaining provisions of this Agreement will remain in effect.

12.11 Legal Disclaimers. (a) The content of Our Services is offered only as a service and does not constitute solicitation or provision of legal advice. We do not provide legal advice of any kind. Our Services should not be used as a substitute for obtaining legal advice from an attorney licensed or authorized to practice in Your jurisdiction. You should always consult a suitably qualified attorney regarding any specific legal problem or matter. Your use of Our Services do not create an attorney-client relationship. Neither the transmission of the information contained on this site nor Your communication with Us creates an attorney-client relationship between the parties. No information communicated to Us through this site will be protected either by the attorney-client privilege or the work product doctrine.

(b) We cannot guarantee that the information in Our Services is accurate, complete or up-to-date. We make no claims, promises, or guarantees about the accuracy, completeness or adequacy of the information contained in or linked to Our Services. We assume no responsibility to any person who relies on information contained in Our Services and disclaim all liability in respect to such information. We shall not be liable for any loss or damage of whatever nature (direct, indirect, consequential, or other) whether arising in contract, tort, or otherwise, which may arise as a result of Your use of (or inability to use) this website, or from Your use of (or failure to use) the information on this site.

(c) Our Services may contain hyperlinks to other resources maintained by third parties on the Internet. These links are provided solely as a convenience to help You identify related information. Our references to other resources does not imply an approval, endorsement,

affiliation, sponsorship or other relationship to the linked site or its operator, content, or trade names, logos, symbols, service marks, or other intellectual property rights associated with the hyperlinks, citations, or URLs provided. We do not incorporate or endorse any materials appearing in such linked sites by reference. We disclaim all liability in respect to any decisions or actions, or lack thereof based on any or all of the contents of any third-party site. We cannot and will not guarantee that Our, or any third party's, website is free from computer viruses or anything else that has destructive property.

(d) Although we provide no legal advice, Our Services provide laws and regulations relating to the marijuana industry. Although marijuana possession, cultivation, distribution, and use may be legal under applicable state law, marijuana remains illegal under federal law. Marijuana is a Schedule I Controlled Substance under the federal Controlled Substances Act, and is a banned substance under federal law. By engaging in a business or activity which is either directly or indirectly associated with marijuana and/or the proceeds therefrom, You may be in violation of federal law, even if You are fully compliant with applicable state law. Compliance with state law does not act as a bar or a defense to an enforcement action by the federal government (whether criminal or civil) to enforce the Controlled Substances Act, or money laundering statutes such as the Bank Secrecy Act, among others. Even if fully compliant with applicable state law, You may be subject to imprisonment, fines and forfeiture of assets (including money, and real and/or personal property) for the violation of federal law.

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CannaRegs, Ltd.

1776 Race St. #109

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Denver, CO 80206

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STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject: Consideration of a Letter of Intent Submitted by Have A Heart Compassion Care to Lease 15 Parking Stalls at the City Parking Facility Located at 6th Street and Elm Ave

Meeting Date: June 6, 2018

From: Marissa Trejo, City Manager

Prepared by: Sean Brewer, Community Development Director

I. RECOMMENDATION:

Staff is recommending that the City Council authorize the City Manager to execute the Letter of Intent (LOI) submitted by Have a Heart Compassion Care.

II. BACKGROUND:

The City of Coalinga City Council selected Have a Heart Compassion Care to be the single cannabis retail operation in the City of Coalinga and further directed them to proceed with the land use permitting process for their location. One of the preliminary concerns about the location was the availability of parking for their delivery vehicles and employees.

The City of Coalinga Zoning Code allows for off-site parking facilities to be utilized in order to offset the required on-site parking stalls. Therefore, Have a Heart has requested that they lease multiple parking stalls from the City at the City owned parking lot at 6th Street and Elm Ave.

III. DISCUSSION:

Ryan Kunkel of Have A Heart Compassion Care (Lessee) submitted the attached Letter of Intent (LOI) to lease at least (15) parking stalls at the parking facility located at 6th Street and Elm Avenue. Have a Heart is willing to begin negotiations on a legally binding Lease agreement based on the terms and conditions identified in the attached LOI. Authorizing the City Manager to execute the LOI will allow Have a Heart to proceed with their conditional use permit application knowing that an agreement for the parking will be a condition of approval and that the City is willing to negotiate terms for the required parking.

The terms of the parking stall lease is detailed in the attached Letter of Interest. In summary the lease terms would be for 3 years with (2) 3 year renewal options at approximately \$50.00 per stall per month.

Once the Council authorizes the execution of the LOI by the City Manager, staff can begin discussing logistics with Have a Heart in terms of selecting exact parking stalls, total number of stalls, identification (signage), access, ect.

IV. ALTERNATIVES:

Do not authorize the City Manager to execute the LOI with Have a Heart - Staff does not recommend.

V. FISCAL IMPACT:

Based on the preliminary letter of intent, the City could generate approximately \$9,000 per year to the general fund from lease payments.

ATTACHMENTS:

File Name	Description
 Letter_of_Intent_to_Lease_Parking_Stalls.pdf	HAH Letter of Intent



3958 6TH AVE NW
SEATTLE, WA 98107

Letter of Intent to Lease
City of Coalinga Public Parking Stalls: 6th Street and Elm Avenue

Ryan Kunkel; Have A Heart Compassion Care (Lessee) is submitting the following Letter of Intent (LOI) on **6th Street and Elm Avenue City of Coalinga Public Parking Lot (Lessor)** to Lease 15 of the above-referenced parking stalls. Lessee is willing to begin negotiations on a legally binding Lease Agreement based on the terms and conditions below.

Lessor: City of Coalinga

Lessee: Ryan Kunkel - Have A Heart Compassion Care

Property Address & Total Stalls: 6th Street and Elm Avenue - Total of 15 parking stalls

Condition of Space: Lessee agrees to take space "As Is"

Lease Price: \$TBD (proposal of \$50.00 per stall per month)

Security Deposit: Lessee agrees to pay a security deposit TBD between Lessor and Lessee not to exceed First month and Last monthly stall rent

Lease Terms : 3 year initial term with (2) 3 year renewal options.

Security Requirements : No additional security requirements needed

Legal Effect: Lessee and Lessor each acknowledge that a transaction of this type involves terms and conditions which have not yet been agreed upon, and that this Letter of Intent is in no way intended to be a complete or definitive statement of all of the terms and conditions of the proposed transaction, but contemplates and is subject to the negotiation and execution of the Lease Agreement

LESSEE

LESSOR

NAME: Ryan Kunkel
TITLE: CEO of Have A Heart Compassion Care
DATE: 05/09/18

NAME: City of Coalinga
TITLE: Property Owners
DATE:

**STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE
AUTHORITY**

Subject: Introduce and Waive First Reading of Ordinance No. 811 Adding Sections 2-1.402, 2-1.403, 2-1.404 relating to District Election Procedures
Meeting Date: June 6, 2018
From: Marissa Trejo, City Manager
Prepared by: Marissa Trejo, City Manager

I. RECOMMENDATION:

Introduce Ordinance No. 811 Adding Sections 2-1.402, 2-1.403, and 2-1.404 relating to District Election Procedures to Title 2, Chapter 1, Article 4 of the Coalinga Municipal Code.

II. BACKGROUND:

Sections 2-1.402, 2-1.403, and 2-1.404 of Title 2, Chapter 1, Article 4 of the Coalinga Municipal Code shall establish the procedures for the district based-elections for the City Council seats. The City of Coalinga is currently transitioning to district-based elections to comply with the California Voting Rights Act which is codified as Election Code Section 14025 et. seq. Ordinance No. 811 establishes the requirements for candidates to prove residency in their election and establishes the election schedule.

III. DISCUSSION:

Staff has requested this ordinance to be approved to establish the election schedule so that the City can become compliant with the California Voting Rights Act by using a district based-election rather than an at-large system.

Ordinance No. 811 will add sections to the Coalinga Municipal Code to begin the district-based election procedures.


IV. ALTERNATIVES:

None.

V. FISCAL IMPACT:

There is no fiscal impact of passing or denying the ordinances.

ATTACHMENTS:

File Name	Description
 ORD#811_District_Election_Procedures_1st_Reading_060618.pdf	Ordinance No. 811

ORDINANCE NO. 811

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COALINGA ADDING SECTIONS 2-1.402, 2-1.403 and 2-1.404 OF TITLE 2, CHAPTER 1, ARTICLE 4 OF THE COALINGA MUNICIPAL CODE RELATING TO DISTRICT ELECTION PROCEDURES

The City Council of the City of Coalinga does ordain that Sections 2-1.402, 2-1.403, and 2-1.404 are added to Title 2, Chapter 1, Article 4 of the Coalinga Municipal Code as the following:

Section 1. 2-1.402 District Elections for Council

The electors of the City of Coalinga shall elect five Council Members pursuant to Sections 2-1.701 and 2-1.801. General municipal elections are held every two years in even-numbered years. The general municipal election shall be consolidated with the statewide general election. The City Council Members will be installed at the first meeting after the votes have been certified.

Section 2. 2-1.403 By-District Electoral System for Five City Council Members

- A. Pursuant to California Government Code Sections 34886 and 34871(c), Council Members shall be elected by-districts in five single-member districts.
- B.
 1. Beginning with the general municipal election in November 2018, Council Members shall be elected in the electoral districts reflected on the map contained in **Figure 1** and as subsequently reapportioned as provided by State law. Elections shall take place on a by-district basis as that term is defined in California Government Code Section 34871, meaning one member of the City Council shall be elected from each district, by the voters of that district alone. In accordance with Section 2-1.601, each Council Member shall serve a four-year term, limited to two (2) consecutive terms, until his or her successor has qualified.
 2. Except as provided in subsection (B)(3), the Council Member elected to represent a district must reside in that district and be a registered voter in that district, and any candidate for City Council must live in, and be a registered voter in, the district in which he or she seeks election at the time nomination papers are issued, pursuant to California Government Code Section 34882 and Elections Code Section 10227. Termination of residency in a district by a Council Member shall create an immediate vacancy for that Council district unless a substitute residence within the district is established within 90 days after the termination of residency.
 3. The Fresno County Clerk shall verify voter registration in the district residence claimed for running for a City Council seat. In addition, a candidate must provide the following additional information to verify their 90 day residency requirement:
 - a. Proof of home ownership / rental property. Proof of home ownership as evidenced by providing the following: 1a) a copy of a grant deed, 1b) a mortgage payment billing statement verifying the address; or 1c) any other document that can verify home ownership and residency of the property; and 2a) evidence of a homeowners property tax exemption filed with the Fresno County Assessor for proof that the home is the primary residence.

If a candidate does not have a tax exemption on file they must submit an affidavit signed by the candidate verifying that the home is the candidate's primary residence; or

If the home ownership is in the name of a person other than the candidate, or in the name of a legal entity, such as a trust, partnership or corporation, the candidate must submit an affidavit signed by the homeowner or authorized legal representative of the entity verifying that candidate is living in the home as his/her primary residence; or

If the residence is rented or leased by the candidate, the candidate will provide proof of residency by providing a signed copy of a lease or rental agreement.

If a candidate is living at a residence without a lease/rental agreement and whose name otherwise does not appear in the proof of home ownership, candidate must have landlord/property owner sign an affidavit, under penalty of perjury, verifying candidate's residency in landlords/property owner's property.

- b. Proof of motor vehicle registration. A copy of any motor vehicles registered to the candidate for the residency claimed or proof of a valid California driver's license showing their address on their license is consistent with the address shown on their nomination papers. If the residence address on either the driver's license or auto registration is in the process to being changed, the candidate must provide a document from the California Department of Motor Vehicles (DMV14 form) verifying the change is in process. If a candidate does not own an automobile or does not have a California driver's license, the candidate must submit any other State of California issued identification showing their address on the identification document is consistent with the address shown on their nomination papers.
- c. PG&E / City of Coalinga Utility Bill. A PG&E bill or City of Coalinga utility bill in the candidate's name showing that the service address is consistent with the address in candidate's nomination papers. In the event a PG&E or the City of Coalinga utility bill has not been generated, a letter from an authorized representative of the utility provider stating that an account has been opened in the candidate's name will suffice. If there is an agreement with a landlord or other legal entity, as verified by a rental contract or lease contract, that the landlord or other legal entity will pay the utility bill, the candidate must submit an affidavit signed by the landlord or the other legal entity's authorized legal representative verifying that the landlord or other legal entity, is responsible for paying the PG&E bill or the City of Coalinga utility bill.
- e. The candidate must sign an affidavit, under penalty of perjury, verifying residency.

Failure to provide any of the above-required documents will disqualify a candidate from meeting the residency requirement. Willfully submitting false, forged, altered documents or coercing or unduly influencing persons providing affidavit documents will also disqualify candidates and constitute a misdemeanor violation in addition to any other legal remedy available to enforce a similar fraudulent act.

- C. Notwithstanding any other provision of this section, each of the Council Members in office at the time this chapter takes effect shall continue in office until the expiration of the full term to which he

or she was elected and until his or her successor is qualified. Vacancies in Council Member offices elected at-large may be filled from the city at-large. At the end of the term of each Council Member, that Member's successor shall be elected on a by-district basis in the districts established in subsection A and the map contained in Figure 1, as subsequently reapportioned as provided by State law. A vacancy in a Council Member office elected by-district shall be filled by a person qualified to hold the office, who is a resident of the district.

Section 3. 2-1.404 Election Schedule for Councilmembers Elected By-District

- A. Consistent with Section 2-1.601, Council Members shall be elected in Council Districts ____, ____, and ____ beginning at the general municipal election in November 2018, and every four years thereafter.
- B. The Council Members from Council Districts ____ and ____ shall be elected beginning at the general municipal election in November 2020, and every four years thereafter.

The foregoing ordinance was introduced by the City Council of the City of Coalinga, at a special meeting held on June 6, 2018, and was passed and adopted by the City Council on **June 14, 2018**, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVED:

Mayor

ATTEST:

City Council Clerk / Deputy City Clerk

**STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE
AUTHORITY**

Subject: Adopt Resolution No. 3818 Approving the City Council District Residency Policy
Meeting Date: June 6, 2018
From: Marissa Trejo, City Manager
Prepared by: Marissa Trejo, City Manager

I. RECOMMENDATION:

The City Manager recommends Council's adoption of Resolution No. 3818 approving the City Council District Residency Policy.

II. BACKGROUND:

The City is currently working through the process to transition from an at-large elections for City Councilmembers to a district-based elections.

III. DISCUSSION:

Policies will need to be in place to help ensure that City Council candidates and sitting City Councilmembers reside in the district they will or do represent.

IV. ALTERNATIVES:

Do no approve the City Council District Residency Policy.

V. FISCAL IMPACT:

None.

ATTACHMENTS:

File Name	Description
❑ RESO#3818_Establishing_a_Residency_Act_Policy_to_Enhance_Council_Residency_Requirements_060618.pdf	Resolution No. 3818
❑ COUNCIL_DISTRICT_RESIDENCY_POLICY_060618.pdf	City Council District Residency Policy

RESOLUTION NO. 3818

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COALINGA ADOPTING A
COUNCIL RESIDENCY ACT POLICY TO ENHANCE RESIDENCY REQUIREMENTS FOR
LOCAL CITY ELECTIONS**

WHEREAS, the City Council of the City of Coalinga adopted Resolution No. 3808 declaring its intent to transition from at large elections for City Councilmembers to District based elections for City Councilmembers; and

WHEREAS, the City Council desires to adopt the Council Residency Act Policy to help ensure City Council candidates and current City Councilmembers reside in the district they will or do represent; and

NOW, THEREFORE, BE IT RESOLVED that the Council Residency Act Policy is hereby adopted by the City Council as a formal policy applying to City Council candidates and City Councilmembers.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Coalinga this **6th day of June, 2018** by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVED:

Nathan Vosburg, Mayor

ATTEST:

City Clerk/Deputy City Clerk



CITY OF COALINGA
The Sunnyside of the Valley

CITY OF COALINGA

CITY COUNCIL DISTRICT RESIDENCY POLICY

June 15, 2018

The following policies are enacted to help ensure that City Council candidates and sitting City Councilmembers reside in the district they will or do represent.

SECTION I DEFINITIONS

At-Large Municipal Elections

In at-large elections, all voters can vote for all seats up for election. At-large elections allow a simple majority of the voters to elect all of the seats in a local election. This can result in disenfranchisement of the local electorate and elected bodies not in compliance with the applicable law.

City

"City" means the City of Coalinga, a municipal corporation.

District Municipal Elections

A jurisdiction is divided into districts and one member is elected per district. Only the voters in a specific City Council district may vote for City Council candidates in that district.

City Residency

No person shall be eligible to hold an elective office unless that person is, and has been, for a period of at least ninety (90) consecutive days prior and up to the filing date of nomination papers for such office or appointment of such office, a resident of the City, and has been at the time of assuming such office, an elector of the City.

District Residency

No person shall be eligible to hold elective office as a Councilmember unless that person is, and has been for a period of at least 90 days immediately preceding the filing of nomination papers for such office or appointment to such office, a resident within the Council district corresponding in letter to the office to which that person is elected or appointed.

Municipal Ordinance

A Municipal Ordinance is a law of local application. Local ordinances are adopted by the City Council and enforced by the City Manager and staff of local government.

Voting Rights Act of 1965

The National Voting Rights Act of 1965 outlawed discriminatory voting practices for the widespread disenfranchisement of minorities in the United States. The Act established extensive federal oversight of elections administration, providing that states and local governments with a history of discriminatory voting practices could not implement any change affecting voting without first obtaining the approval of the Department of Justice, a process known as preclearance.

SECTION II PURPOSE OF POLICY

The following policies are enacted to help ensure that City Council candidates and sitting City Councilmembers reside in the district they will or do represent.

SECTION III
CITY COUNCIL DISTRICT RESIDENCY POLICY REQUIREMENTS
FOR COUNCIL CANDIDATES

In order to ensure a City Council candidate resides in the district he/she is running for a City Council seat, the candidate must provide the following additional information to verify their 90 day residency requirement:

1. **PROOF OF HOME OWNERSHIP / RENTAL PROPERTY.** Proof of home ownership as evidenced by providing the following: 1a) a copy of a Grant Deed; 1b) a mortgage payment billing statement verifying the address; or 1c) any other document that can be used to verify home ownership and residency of the property; and 2a) evidence of a homeowners property tax exemption filed with the Fresno County Assessor for proof that the home is the primary residence.

If a candidate does not have a tax exemption on file they must submit an affidavit signed by the candidate verifying that the home is the candidate's primary residence; or

If the home ownership is in the name of a person other than the candidate, or in the name of a legal entity, such as a trust, partnership or corporation, the candidate must submit an affidavit signed by the homeowner or authorized legal representative of the entity verifying the candidate is living in the home as his/her primary residence.

OR

If the residence is rented or leased by the candidate, the candidate must provide proof of residence by providing a signed copy of a lease or rental agreement. If a candidate is living at a residence without a lease/rental agreement and whose name otherwise does not appear in the proof of home ownership, the candidate must have landlord/property owner sign an affidavit, under penalty of perjury, verifying candidate's residency in landlords/property owner's property.

2. **PROOF OF MOTOR VEHICLE REGISTRATION.** A copy of any motor vehicles registered to the candidate for the residency claimed or proof of a valid California Driver's License showing their address on their license is consistent with the address shown on their nomination papers. If the residence address on either the Driver's License or auto registration is in the process of being changed, the candidate must provide a document from the California Department of Motor Vehicles (DMV14 form) verifying the change is in process. If a candidate does not own an automobile or does not have a California Driver's License, the candidate must submit any other State of California issued identification showing their address on the identification document is consistent with the address shown on their nomination papers.
3. **PG&E / CITY OF COALINGA UTILITY BILL.** A PG&E bill or City of Coalinga utility bill in the candidate's name showing that the service address is consistent with the address in candidate's nomination papers. In the event a PG&E and/or City of Coalinga utility bill has not been generated, a letter from an authorized representative of the utility provider stating that an account has been opened in the candidate's name will suffice. If there is an agreement with a landlord or other legal entity, as verified by a rental contract or lease contract that the landlord or other legal entity will pay the PG&E bill and/or the City of Coalinga utility bill, the candidate must submit an affidavit signed by the landlord or the other legal entity, stating the responsibility for paying the PG&E bill and/or the City of Coalinga utility bill.
4. **AFFIDAVID.** The candidate must sign an affidavit, under penalty of perjury, verifying residency.

Failure to provide any of the above-required documents will disqualify a candidate from meeting the City Council District Residency Policy requirements. Willfully submitting false, forged, altered documents or coercing or unduly influencing persons providing affidavit documents will also disqualify candidates and constitute a misdemeanor violation in addition to any other legal remedy available to enforce a similar fraudulent act.

SECTION IV VERIFYING RESIDENCY AND CERTIFICATION OF COUNCIL CANDIDATES

Candidates are required to file all the documents specified in Section III above with the Coalinga City Clerk's office for verification no earlier than the first day of the candidate filing period and no later than closing date of the filing period as it relates to candidates running for a City Council seat. The City Clerk will review and verify that the required information is correct and meets all the requirements. The City Clerk will diligently work to review and verify all residency documents submitted and shall complete the review and verification of the candidate's residency documents no later than five (5) calendar days from receipt. The City Clerk shall then do one of the following:

1. If all City residency requirements are satisfied pursuant to this Policy, the City Clerk's office will mail a letter to the Fresno County Clerk's office and mail a letter to the candidate certifying that the candidate has met the City's residency policy requirements; or
2. If any deficiencies are discovered in the documents provided or certain documents are missing, the City Clerk's office will send a letter to the candidate showing the specific deficiency(s) or missing document(s). The candidate will have until the closing date to file nomination papers to correct the deficiencies and re-submit the required documents for verification to the City Clerk; or
3. If the candidate either fails to complete verification of all of the requirements within the prescribed time limits, or the resubmitted documents do not meet the requirements, the City Clerk's office will mail a letter to the candidate advising them that they have failed to meet the requirements; or
4. If the re-submitted documents by the candidate meet all requirements, the City Clerk's office will certify that residency requirements have been met and mail a letter to the Fresno County Clerk's office and mail a letter to the candidate.

SECTION V ANNUAL VERIFICATION OF RESIDENCY FOR COUNCILMEMBERS

Councilmembers are required to live in the district they represent during their entire term in office. To ensure that Councilmembers continue to live in the district they represent, each Councilmember's residency must be verified annually for each year in office. Councilmembers are required to submit the following documents to the City Clerk during the last 31 calendar days of the year (December 1st through December 31st):

1. **PROOF OF HOME OWNERSHIP / RENTAL PROPERTY.** Proof of home ownership as evidenced by providing the following: 1a) a copy of a Grant Deed; 1b) a mortgage payment billing statement verifying the address; or 1c) any other document that can be used to verify home ownership and residency of the property; and 2a) evidence of a homeowners property tax exemption filed with the Fresno County Assessor for proof that the home is the primary residence.

If a Councilmember does not have a tax exemption on file they must submit an affidavit signed by the Councilmember verifying that the home is the Councilmember's primary residence; or

If the home ownership is in the name of a person other than the Councilmember, or in the name of a legal entity, such as a trust, partnership or corporation, the Councilmember must submit an affidavit signed by the homeowner or authorized legal representative of the entity verifying the Councilmember is living in the home as his/her primary residence.

OR

If the residence is rented or leased by the Councilmember, the Councilmember must provide proof of residence by providing a signed copy of a lease or rental agreement. If a Councilmember is living at a residence without a lease/rental agreement and whose name otherwise does not appear in the proof of home ownership, the Councilmember must have landlord/property owner sign an affidavit, under penalty of perjury, verifying Councilmember's residency in landlords/property owner's property.

2. **PROOF OF MOTOR VEHICLE REGISTRATION.** A copy of any motor vehicles registered to the Councilmember for the residency claimed or proof of a valid California Driver's License showing their address on their license is consistent with the address shown on their nomination papers. If the residence address on either the Driver's License or auto registration is in the process of being changed, the Councilmember must provide a document from the California Department of Motor Vehicles (DMV14 form) verifying the change is in process. If a Councilmember does not own an automobile or does not have a California Driver's License, the Councilmember must submit any other State of California issued identification showing their address on the identification document is consistent with the address shown on their original nomination papers.
3. **PG&E / CITY OF COALINGA UTILITY BILL.** A PG&E bill or City of Coalinga utility bill in the Councilmember's name showing that the service address is consistent with the address in Councilmember's original nomination papers. In the event a PG&E and/or City of Coalinga utility bill has not been generated, a letter from an authorized representative of the utility provider stating that an account has been opened in the Councilmember's name will suffice. If there is an agreement with a landlord or other legal entity, as verified by a rental contract or lease contract that the landlord or other legal entity will pay the PG&E bill and/or the City of Coalinga utility bill, the Councilmember must submit an affidavit signed by the landlord or the other legal entity, stating the responsibility for paying the PG&E bill and/or the City of Coalinga utility bill.
4. **AFFIDAVID.** The Councilmember must sign an affidavit, under penalty of perjury, verifying residency.

In the event that Councilmember moved to a new residence in the district after the filing of the previous affidavit, the Councilmember must confirm, within sixty (60) days of moving, using items 1 through 4, for the new residence address.

Incumbent Councilmembers who have not relocated since the residency information required was last provided may comply by supplying a copy of a current California driver's license and an affidavit that they have not relocated and all previously supplied information remains true and correct.

Failure to provide any of the above-required documents will disqualify a Councilmember from meeting the district residency requirement. Willfully submitting false, forged, altered documents or coercing or unduly influencing persons providing affidavit documents will also disqualify a Councilmember and constitute a misdemeanor violation in addition to any other legal remedy available to enforce a similar fraudulent act.

SECTION VI INVESTIGATION AND ENFORCEMENT

Any fraudulent residency complaints shall be submitted to the City Attorney. The City Attorney will refer all complaints to the Fresno County District Attorney. The Fresno County District Attorney shall have the discretion to investigate residency complaints and if sufficient evidence of fraud is found during the investigation, the District Attorney can elect to prosecute.

SECTION VII TRANSPARENCY

The City Clerk shall post the names, corresponding Council districts and all required supporting documents, consistent with applicable confidentiality laws, of all candidates that have been certified to meet the residency requirements at the City's website and have a hard copy of the list available for inspection at the City Clerk's office during normal business hours. Any confidential information shall be redacted before the public record is made available for inspection, in accordance with the Public Records Act. After the General Election, the list shall be removed from the City's website and hard copies will no longer be available for inspection at the City Clerk's office.

SECTION VIII EFFECTIVE DATE

This resolution shall take effect June 15, 2018. This Policy, along with any subsequent amendments, shall be the City Council District Residency Policy of the City of Coalinga.

A PDF copy of this document shall be available, year round, on the City's website and hard copies shall be available to be picked up at the City Clerk's office during normal business hours.