

RESOLUTION NO. 6147(17)

A Resolution of the City Council of the City of Lompoc, County of Santa Barbara, State of California, Establishing Operating Regulations for Commercial Cannabis Uses as Directed by Chapter 9.36 of the Lompoc Municipal Code

WHEREAS, on November 7, 2017, by a vote of 3 to 1 with 1 excused absence, the City Council adopted Ordinance No. 1640(17) titled: An Ordinance of the City Council of the City of Lompoc, County of Santa Barbara, State of California, Amending Chapter 9.36 of the Lompoc Municipal Code, Regarding Use of Cannabis Citywide (Ordinance No. 1640); and

WHEREAS, Ordinance No. 1640 was adopted pursuant to the local authority the City Council retained pursuant to the Adult Use of Marijuana Act, which was adopted by the voters at the statewide election on November 8, 2016; and

WHEREAS, Lompoc Municipal Code (LMC) section 9.36.040 recognizes every person conducting either or both commercial cannabis activity or personal cannabis cultivation must comply with the terms, spirit and intent of all State laws, as defined in LMC section 9.36.020; and

WHEREAS, LMC subdivision 9.36.080 E. 4. provides all commercial cannabis uses must comply with all the requirements of LMC chapter 9.36 and the rules and regulations established by Resolution of the City Council, including payment of fees and filing a complete cannabis application, which requirements and fees shall be recommended to the City Council by the City Manager after consultation with the Police Chief, Fire Chief and Economic Development Director/Assistant City Manager, Management Services Director or their designees (Applicable Employees); and

WHEREAS, at the City Council meeting of December 5, 2017, the Applicable Employees provided the City Council their recommendations for regulating cannabis uses within the City of Lompoc (City); and

WHEREAS, at its meeting of December 5, 2017, the City Council considered those recommendations and public comments, and, based thereon, adopted this Resolution.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LOMPOC, STATE OF CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. No person shall conduct any commercial cannabis activity within the City without first having received and continuing to possess a valid license from the State for the activity being conducted.

SECTION 2. In order for a person to obtain a State license for a particular commercial cannabis activity permitted by LMC chapter 9.36, the City may issue a required commercial cannabis use license to an individual for that commercial cannabis activity prior to the State license being obtained; provided, however, that the City-issued commercial cannabis use license shall not become operational nor shall that commercial cannabis activity be commenced, conducted or continued, unless that State license has also been issued for that same commercial cannabis activity and that State license remains in full force and effect.

SECTION 3. No new well for water may be drilled or dug to provide water service for commercial cannabis cultivation. The City Council does not intend commercial cannabis cultivation be included within the terms “commercial agricultural purpose” or “any necessary use or purpose incidental to a commercial agricultural operation,” as those terms are used in LMC section 8.24.020.

SECTION 4. In addition to the provisions of Chapter 9.36 and to the fullest extent applicable, each person conducting, commencing, continuing, installing, operating, maintaining, participating in, or otherwise involved with, or connected to, any personal cannabis cultivation or commercial cannabis activity within the City shall comply with the following codes and standards regulating property or facilities used for any personal cannabis cultivation or commercial cannabis activity, currently adopted or as may be amended by the State or City, including, but not limited to, the following:

- A. LMC
- B. California Building Code
- C. California Electrical Code
- D. California Mechanical Code
- E. California Plumbing Code
- F. California Energy Code
- G. California Existing Building Code
- H. California Green Building Standards Code
- I. California Fire Code
- J. National Fire Protection Association Standards
- K. State Water Resource Control Board (SWRCB) Cannabis General Order
- L. SWRCB Municipal Phase II General Permit
- M. SWRCB Industrial General Permit
- N. SWRCB Construction General Permit

SECTION 5. Each commercial cannabis activity shall comply with the following regulations:

- A. All deliveries (loading/unloading) of cannabis and cannabis products at a commercial cannabis activity must be done within a secured area.
- B. The operations and security plans must be approved by both the Chief of Police and , Fire Chief or their designees.
- C. The names and telephone numbers of the commercial cannabis activity managers, supervisors, employees, volunteers and contractors who are regularly engaged in the operation of the activity shall be kept current and available to the Chief of Police or his/her designee at all times immediately upon request.
- D. Except for a cannabis dispensary sales area, no commercial cannabis activity shall be accessible to the public.
- E. Each commercial cannabis activity shall occur entirely inside of a building that shall be secure, locked, and fully enclosed, with a ceiling, roof or top; provided, that a

commercial cannabis cultivation business may be conducted in the mixed-light building. The building shall include a burglar alarm monitored by an alarm company or private security company. The building, including all walls, doors, and the roof, shall be of solid construction meeting the minimum building code requirements for industrial structures (including, without limitation, mixed-light buildings), and include material strong enough to prevent entry except through an open door. Notwithstanding the foregoing, the roof may be of solid translucent material provided other security measures exist to ensure commercial cannabis activity cannot be seen, heard, or smelled (i) beyond the property line and (ii) beyond the tenant space of the property where the commercial cannabis activity is located if there are other occupants who do not conduct cannabis commercial activities on that property. The precise building construction and material to be used shall be identified and provided to the City prior to construction and provided with the application.

F. The following security conditions shall apply:

1. Alarm Systems (both perimeter, fire and panic) shall be provided and remotely monitored.
2. Perimeter lighting systems, with motion sensors, for after-hours security shall be provided, as approved by the Chief of Police or his/her designee.
3. Entrance areas are to be locked at all times and under the control of the applicant or a responsible party designated in writing by the applicant and whose name has been provided to the Chief of Police or his/her designee.
4. An access control system shall be provided to limit access to cultivation and processing areas.
5. Exterior and interior camera systems shall be approved by the Chief of Police or his/her designee.. The camera system shall meet the minimum requirements of applicable State law, and include, at a minimum, interior monitoring of all access points of the site from the interior, and be a minimum 5 mega pixel in resolution.
6. All security systems at the site shall be attached to an uninterruptable power supply that provides at least 24 hours of system operations in the event of loss of externally provided power.
7. All current contact information regarding the security company shall be provided to the Chief of Police, or his/her designee.
8. Accounting software systems and related internal control policies related to the use and operation of the accounting software systems must be in place to provide audit trails of both product and cash, where applicable.
9. Receipts of currency and other currency equivalents and disbursements for operational activities will be accounted for using the accounting software systems in compliance with the related internal control policies. Any currency or currency equivalents held by the cannabis operator at their operational site shall be stored in a safe or other secure facility or equipment, as approved by the Chief of Police or his/her designee. If a cash register is utilized for sales, then the internal control policy shall state the amount of cash allowed to be retained in the cash register at any point in time with any surplus currency transferred to the safe.
10. State of the art network security protocols and equipment must be in place to protect computer information.

- G. An Odor Abatement Plan shall be provided and implemented, which includes the following
1. Name and telephone number of contact person(s) responsible for logging and responding to odor complaints.
 2. Policy and procedure describing the actions to be taken when an odor complaint is received, including the training provided to the responsible party on how to respond to an odor complaint.
 3. Description of potential odor sources.
 4. Description of potential methods for reducing odors, including minimizing potential add-on air pollution control equipment.
 5. Contingency measures to curtail emissions in the event of a continuous public nuisance.

SECTION 6. Each commercial cannabis activity that includes cultivation, manufacturing or testing shall comply with the following requirements:

- A. Automatic fire sprinklers in accordance with NFPA 13 and California Fire Code Section 903 shall be provided for all such activities.
- B. A Fire Safety Plan shall be provided and approved by the Fire Marshal or her/his designee.
- C. The Fire Marshal or her/his designee shall be granted permission, by the owner of the commercial cannabis activity and, if different from that owner, the owner of the real property at which the activity is conducted, to conduct annual inspections of the location to determine whether the activity is being conducted as required by all applicable State and local laws, rules and regulations enforced by the City.
- D. A Certified Industrial Hygienist (CIH) shall be required for all such activities to insure public and worker safety and environmental protection.

SECTION 7. Each commercial cannabis cultivation shall comply with the following requirements:

- A. Partition material between grow spaces shall be made of an approved fire resistant material. Any additions or changes to the original approved plans require a building plan resubmittal and approval prior to installation.
- B. Carbon Dioxide (CO₂) enrichment systems shall be listed and labeled, properly installed and functioning with a concentration level of no more than 1500 ppm (parts per million).
- C. A gas detection system shall be provided in the room or indoor area in which the carbon dioxide enrichment process is located, in the room or indoor area in which the container systems are located, and in other areas where carbon dioxide is expected to accumulate.

- D. Any compressed gases used in the enrichment process shall not be stored in containers that exceed a 150-pound tank size.
- E. Compressed gas tanks shall be properly restrained with cable or chain.
- F. Backflow prevention from the customer side of the water meter shall be required.
- G. All cultivation facilities shall be organized in orderly rows with aisles of at least three feet in width, and no more than eight feet between aisle and next aisle or the aisle and a wall. A clear access to all exits of the facility shall be maintained.
- H. Electrical:
 - 1. Luminaries shall be approved for application, including locations and quantities.
 - 2. Luminaries shall be properly installed/restrained.
 - 3. All 120 volt outlets shall be GCI protected.
 - 4. No cords shall be installed through holes, sleeves, ceilings, or where otherwise prohibited.
 - 5. "No Storage" areas shall be outlined on floor in front of electrical panels.
 - 6. No additions or changes allowed without an electrical permit.

SECTION 8. Each commercial cannabis manufacturing facility shall comply with the following requirements:

- A. A CIH shall provide a detailed, stamped report for the specific facility. The CIH shall identify hazards, engineering and administrative controls necessary to control hazards, specifications for ventilation controls for extracting cannabinoids from cannabis plant products with flammable solvents and under pressure using CO₂. The scope of the stamped report shall include:
 - 1. Process and operations,
 - 2. Extraction and manufacturing equipment,
 - 3. Hazards of processes and operations,
 - 4. List the types and quantities of anticipated hazardous materials by hazard class,
 - 5. Engineering and administrative controls to mitigate hazards,
 - 6. Ventilation controls,
 - 7. Potential employee exposure to chemical substances and plan to maintain compliance with Cal OSHA limits,
 - 8. Personal Protective Equipment (PPE) and training plan/documentation related to PPE,
 - 9. Warning sign types and locations,
 - 10. Need for atmospheric monitor equipment, type and location,
 - 11. Calculations and basis for engineering controls, and
 - 12. List of specific recommendations to implement controls.
- B. The CIH retained to provide the report shall be required to perform an on-site inspection of the facility to verify compliance with the requirements identified in the report prior to approval to begin operations.

- C. A hazardous materials management plan shall be completed that includes:
 - 1. List of specific recommendations to implement controls,
 - 2. Identification of hazard classes,
 - 3. Quantities,
 - 4. Location of materials,
 - 5. Determination of storage plan, and
 - 6. Sketch (on a Site Plan or Floor Plan) of materials locations in facility.

- D. In cases where the concentrations of flammable vapors and gases may be in excess of 25% of the lower flammability limit, the facility design shall be in compliance with requirements to mitigate the potential for explosion or fire.

- E. Extraction equipment either employing a flammable liquid or compressed (liquefied gas) shall be operated in a professional closed-loop system. The system shall be commercially manufactured, safe for its intended use, bear a permanently affixed and visible serial number, and built to codes and practices of generally accepted best engineering practices consistent with:
 - 1. The American Society of Mechanical Engineers (ASME),
 - 2. American National Standards Institute (ANSI),
 - 3. Underwriters Laboratories (UL), and
 - 4. The American Society for Testing and Materials (ASTM
 - 5. Each). certification document shall contain the signature and stamp of a professional engineer and the serial number of the extraction unit being certified.

- F. Only extraction equipment that includes an owner's operation manual with specific instructions regarding proper use of the equipment and safety provisions identified shall be used.

- G. Standard operating procedures for all major equipment operations shall be provided, including:
 - 1. Start up,
 - 2. Shut down,
 - 3. Setup, and
 - 4. Emergency situations.

- H. Refrigerated storage or processing of flammable liquids, including oil-laden with flammable liquids, shall only use refrigerators/freezers rated to store flammable liquids. At a minimum, "lab safe" or "flammable safe" products shall be utilized.

- I. Equipment exhaust from vacuum pumps, ovens or any other equipment that may contain solvent vapors or products of combustion created when cannabis products are heated or processed shall be conveyed by an appropriate exhaust system to the outside of the building. Note: general dilution ventilation is not acceptable.

- J. Any compressed gases used in the manufacturing process shall not be stored in containers that exceed a 150-pound tank size.

- K. Ethanol used in the manufacturing process shall not be stored in containers that exceed a 55-gallon drum size.
- L. Equipment exhaust discharge shall be at least ten feet from any fresh air intakes.
- M. Extraction Room:
 - 1. If flammable liquids are utilized, then extraction shall be performed within a one-hour fire rated walled room.
 - 2. The room shall have smooth cleanable surfaces, with cleanable painted surfaces and a sealed floor.
 - 3. Signage shall be posted to limit ignition sources and prohibit any open flames.
 - 4. An Emergency Action Plan (EAP) is required and shall be posted after it is approved by the local AHJ.
- N. Spent plant material shall either be composted or mixed with compost, shredded paper or similar products to render it unrecognizable. The ground material shall be blended with a non-cannabis material so that the resulting mixture is at least 50% non-cannabis product by volume.
- O. Storage and transport of intermediate or finished cannabis extraction shall be in sealed containers that will provide protection against physical, chemical and microbial contamination. Containers shall be designed to be secure against the entry of microorganisms.
- P. Facilities used for extraction or processing of cannabis materials shall follow good laboratory practices.

SECTION 9. Each commercial cannabis activity that includes an infused product facility shall comply with the following requirements:

- A. A CIH shall provide a detailed report for the specific facility. The CIH shall identify hazards, engineering and administrative controls necessary to control hazards, specifications for ventilation controls for infusing cannabinoid derived from cannabis plant products into foods, beverages, salves, inhalants, and tinctures to be ingested or applied topically. The scope of the stamped report shall include:
 - 1. Infusion operations and associated equipment,
 - 2. Hazards of process and operations,
 - 3. List the types and quantities of anticipated hazardous materials by hazard class,
 - 4. Engineering and administrative controls to mitigate hazards,
 - 5. Ventilation controls,
 - 6. Potential employee exposure to chemical substances and plan to maintain compliance with Cal OSHA limits,
 - 7. PPE and training plan/documentation related to PPE,
 - 8. Warning sign types and locations, and
 - 9. Need for atmospheric monitoring equipment, type and location.

- B. Sanitation requirements for processing into foods, beverages, salves, inhalants, and tinctures shall include:
1. Location of hand wash sinks,
 2. How dishes will be washed, including requirements that all food handling and health care related fixtures, devices and equipment discharge through indirect waste lines into a floor sink,
 3. Contact surfaces shall be smooth, free of breaks, open seams, cracks, chips, pits and similar imperfections; free from sharp internal angles, corners, and crevices. Finishes are to have smooth welds and joints,
 4. Equipment containing bearings and gears shall be designed, constructed and maintained to ensure that food and health requirements are satisfied,
 5. All rooms shall have sufficient ventilation to keep them free from excessive heat, steam, condensation, vapors, odors, smoke and fumes,
 6. Table or counter mounted equipment shall be installed to facilitate the cleaning of the equipment and adjacent areas be being sealed to the surface or elevated by at least four inches,
 7. Three compartment sinks shall be required for washing, rinsing, and sanitizing equipment and utensils,
 8. Hand sinks shall be conveniently located for employees,
 9. Hand sinks shall only be used for hand washing (maximum water temperature of 110 degrees is to be maintained through an appropriate mixing valve,
 10. Sinks used for food or medicine preparation or for washing equipment shall not be used for hand washing,
 11. At least one utility or mop sink shall be provided,
 12. Garbage and refuse shall be stored in a manner to be inaccessible to insects and rodents,
 13. Floors shall be smooth, durable, nonabsorbent, light colored and maintained in good repair,
 14. The juncture between the floor and wall shall be closed and sealed,
 15. Walls and ceilings shall be smooth and easily cleanable,
 16. Calculations and basis for engineering controls, and
 17. List of specific recommendations to implement controls.
- C. The CIH retained to provide the report shall be required to perform an on-site inspection of the facility to verify compliance with the requirements identified in the report prior to approval to begin operations.
- D. An hazardous materials management plan shall be completed that includes:
1. Location of hand wash sinks,
 2. Identification of hazard classes,
 3. Quantities,
 4. Location of materials,
 5. Determination of storage plan,
 6. Sketch (on a Site Plan or Floor Plan) of materials locations in facility, and
 7. Sample postings of NFPA 704 placards on the facility, as required.

- E. Concentrations of grease, smoke, heat steam or products of combustion created when cannabis products are processed into foods, beverages, salves, inhalants and tinctures shall be contained by code-required hood systems.

SECTION 10. Each commercial cannabis activity that includes a testing laboratory facility shall comply with the following requirements:

- A. A CIH shall provide a detailed report for the specific facility. The CIH shall identify hazards, engineering and administrative controls necessary to control hazards, specifications for ventilation controls for performing the work of a testing laboratory. The scope of the stamped report shall include:
 - 1. Process and operations,
 - 2. Hazards of process and operations,
 - 3. List the types and quantities of anticipated hazardous materials by hazard class,
 - 4. Engineering and administrative controls to mitigate hazards,
 - 5. Ventilation controls,
 - 6. Potential employee exposure to chemical substances and plan to maintain compliance with Cal OSHA limits,
 - 7. PPE and training plan/documentation related to PPE,
 - 8. Warning sign types and locations,
 - 9. Need for atmospheric monitoring equipment, type and location,
 - 10. Calculations and basis for engineering controls, and
 - 11. List of specific recommendations to implement controls.
- B. The CIH retained to provide the report shall be required to perform an on-site inspection of the facility to verify compliance with the requirements identified in the report prior to approval to begin operations.
- C. A hazardous materials management plan shall be completed that includes:
 - 1. Location of hand wash sinks,
 - 2. Identification of hazard classes,
 - 3. Quantities,
 - 4. Location of materials,
 - 5. Determination of storage plan, and
 - 6. Sketch (on a Site Plan or Floor Plan) of materials locations in facility.
- D. A chemical hygiene program shall be created and then implemented for the facility.
- E. Refrigerated storage or processing of flammable liquids, including oil-laden with flammable liquids, shall only use refrigerators/freezers rated to store flammable liquids. At a minimum, "lab safe" or "flammable safe" products shall be utilized.
- F. Equipment exhaust from analytical equipment, vacuum pumps, ovens or other equipment that may contain solvent vapors or products of combustion shall be conveyed by an appropriate exhaust system to the outside of the building. General dilution ventilation is not acceptable.

