

CITY OF YUBA CITY
STAFF REPORT

Date: June 16, 2009
To: Honorable Mayor & Members of the City Council
From: Administration
Presentation By: Steven R. Jepsen, City Manager

Summary

Subject: Yuba City Certified Farmers' Market License Agreement
Recommendation: Staff recommends that the City Council adopt the Yuba City Certified Farmers' Market License Agreement as amended.
Fiscal Impact: none

Background:

At the June 17, 2008 meeting, the City Council considered a proposed Agreement with the Yuba City Certified Farmers' Market (Attachment A). Council suggested changes and asked staff to return on July 15, 2008 with a new agreement incorporating those changes. An amended staff report and agreement was presented at the July 15, 2008 meeting (Attachment B), and Council approved it.

Finalization of the Agreement has taken an unusual amount of time. Subsequent changes have been requested by legal counsel (Attachment C-redline of agreement).

Recommendation:

Staff recommends that the City Council adopt the Yuba City Certified Farmers' Market License Agreement as amended (Attachment D).

Submitted By:



Steve Jepsen
City Manager

Attachment "A"

CITY OF YUBA CITY
STAFF REPORT

Date: June 17, 2008
To: Honorable Mayor & Members of the City Council
From: Administration
Presentation By: Steven R. Jepsen, City Manager

Summary

Subject: Yuba City Certified Farmers' Market License Agreement

Recommendation: Authorize the Mayor to sign the Yuba City Certified Farmers' Market License Agreement and approve reimbursements.

Fiscal Impact: The City will assist with the cost for portable restroom rental and insurance not to exceed \$2,000 annually. This reimbursement would be made from RDA Account No. 6011-62701.

Background:

The Yuba City Certified Farmers' Market has operated on Center Street for approximately 20 years. Although there is no record of a formal agreement with the operators, Dan & Candy Silva, the City did take action to subsidize the initial start up of the market. The operators conduct a seasonal Farmers' Market on Saturday mornings and one evening market.

Analysis:

The attached agreement formalizes the arrangements with the operators (Licensee) of the Yuba City Certified Farmers' Market. The Agreement details the operating days and times, designates the location, requires provisions for sanitary facilities, requires that Licensee have written guidelines and rules available for the public, requires liability insurance, and provides indemnification for the City. A summary of the Agreement includes:

- Market location to be at the Town Center Park
- 8:00 a.m. to noon on Saturday mornings from May to October
- Licensee to provide restroom and sanitary facilities, and barricading, as necessary.
- Market rules in accordance with State law and the California Certified Farmers' Markets Association
 - No resale of goods
 - All saleable items grown or made by the vendors

- Insurance and Worker's Compensation coverage verification
- Five year term with automatic one year renewals
- Work with the Downtown Businesses to determine feasibility of an evening market

Fiscal Impact:

The City will assist with the cost for rental of portable restrooms and insurance not to exceed \$2,000 annually. Reimbursement will be paid from RDA Account Number 6011-62701.

Alternatives:

Continue the Farmers' Market on Center Street as it is currently operated, after the completion of the Plumas Street construction.

Recommendation:

Authorize the Mayor to sign the Yuba City Certified Farmers' Market License Agreement and approve reimbursements not to exceed \$2,000 per year.

Submitted By:



Steven R. Jepsen
City Manager

Reviewed By:

Finance

City Attorney



Via E-mail

CITY OF YUBA CITY

YUBA CITY CERTIFIED FARMERS' MARKET LICENSE AGREEMENT

THIS AGREEMENT is made and entered into this _____ day of June, 2008 by the CITY OF YUBA CITY, a municipal corporation, hereinafter designated as "CITY", and the Yuba City Certified Farmers' Market, hereinafter designated as "LICENSEE."

NOW THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. **SCOPE OF LICENSE.** The License is for the operation of a "Farmers' Market" in the Town Center Park on Saturday mornings between 8:00 a.m. and noon, and, at the LICENSEE's discretion, one fixed weekday evening between 5:00 p.m. to 9:00 p.m. in the Plumas Street Central Business District from May to October.
 - 1.1 The LICENSEE shall provide the City with a venue site plan, including street utilization, if any, barricading plan and traffic control, as required by the CITY'S Public Work's Department.
 - 1.2 The Yuba City Certified Farmers' Market Association shall be operated in accordance with the most current edition of: (1) the California Farmers' Market Association Rules and Regulations for Certified Farmers' Markets, and (2) under the California Code of Regulations, Title III, Division 3, Chapter 1, Subchapter 4, Article 6.5, Direct Marketing. Copies of both documents are attached to this Agreement.
 - 1.3 The LICENSEE shall provide toilet facilities for vendors and necessary sanitary facilities.
 - 1.4 The LICENSEE may have entertainment in the form of individuals or small groups adjunct to and in conjunction with the Farmers' Market event. Such entertainment shall be in keeping with the scope of the Farmers' Market event and will not create any excessive noise or traffic issues. Requests for larger entertainment venues and/or amusements, such as amusement rides, games, and other entertainment venues, must have advance approval by the Director of Parks & Recreation, or his designee.
 - 1.5 The LICENSEE shall have written guidelines and rules available for public reference governing market vendor requirements, freedom of information, public area use/location, and assignment of priority vendor spaces.
 - 1.6 Any use of City utilities shall require the LICENSEE to obtain the permission of the City, subject to any conditions imposed by the City.
 - 1.7 LICENSEE shall be responsible for clean-up of all litter and trash following each Farmers' Market event.

1.8 LICENSEE shall not use the Farmers' Market for purposes other than those specified hereinabove.

2. **INDEPENDENT CONTRACTOR.** The LICENSEE'S relationship to the CITY shall be that of an independent contractor. LICENSEE shall have no authority expressed or implied, to act on behalf of the City as an agent or to bind the CITY to any obligation whatsoever. The LICENSEE shall be solely responsible for the performance of any of its employees, agents, or subcontractors under this AGREEMENT.

3. **WORKERS' COMPENSATION.** Pursuant to Labor Code 1861, the LICENSEE hereby certifies that they are aware of provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that code.

4. **LIABILITY INSURANCE.**

4.1 LICENSEE shall, through the duration of this Agreement, maintain comprehensive general liability and property damage insurance, or commercial general liability insurance, covering all operations of the LICENSEE, its agents and employees, performed in connection with this AGREEMENT.

4.2 LICENSEE shall maintain liability insurance in the following minimum limits:

Comprehensive General Liability Insurance

Combined single limit/occurrence	\$1,000,000
General Aggregate	\$2,000,000

Commercial General Liability Insurance

General limit/occurrence	\$1,000,000
General limit project specific aggregate	\$2,000,000

<u>Automobile Liability Insurance</u>	\$1,000,000
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4.3 The commercial general liability insurance shall have 50% of the aggregate limit available at all times and will purchase additional coverage as necessary, due to claims, to maintain this level of coverage. The LICENSEE shall notify the CITY of all claims filed against the LICENSEE within 30 days of the claim.

- 4.4 All insurance companies providing coverage to the LICENSEE shall add Yuba City as "additional insured" under the designated insurance policy for all work and activity performed under this AGREEMENT. Insurance coverage provided to the CITY as additional insured shall be primary insurance and other insurance maintained by the CITY of YUBA CITY, its officers, agents and employees shall be excess only.
- 4.5 All insurance companies affording coverage to the LICENSEE shall be rated as A-X or higher or as otherwise approved by the CITY.
- 4.6 Thirty (30) days advance written notice is required to change or cancel insurance under this AGREEMENT. Any replacement insurance must meet the conditions of this AGREEMENT and be acceptable to the CITY.
- 4.7 LICENSEE shall provide evidence of insurance to the CITY by providing a Certificate of Insurance in a form satisfactory to the CITY.
- 4.8 Recertification or substitute insurance certification required 30 days in advance of prior policy expiration date.
5. **LICENSEE INDEMNIFICATION OF CITY.** LICENSEE shall indemnify and hold harmless the CITY of YUBA CITY, its officers, agents and employees against all claims for damages to persons or property arising out of the negligent acts, errors or omissions or wrongful acts or conduct of the Franchise. Further, the LICENSEE shall, upon written request by the CITY, defend any such claim or action brought against the CITY, its officers, agents or employees resulting or arising from the conduct, act or omission of the LICENSEE.
6. **COST REIMBURSEMENT.** The LICENSEE shall be reimbursed for portable restroom rental cost and the cost of liability insurance not to exceed \$2,000 per year in total reimburseables.
7. **DURATION OF AGREEMENT.** The term of this AGREEMENT shall be for five years. After the initial term of the Agreement, the Agreement will automatically renew on April 1 of each year unless notified by the LICENSEE of their intent to terminate the contract prior to this date. Termination by the City, if desired, would be pursuant to Section 11 of this Agreement.
8. **ENTIRE AGREEMENT.** This AGREEMENT comprises the entire understanding between the CITY and the LICENSEE concerning the work performed and supersedes all prior negotiations and/or Agreements for Farmers' Market.
9. **INTERPRETATION OF THE AGREEMENT.** The interpretation, validity and enforcement of the AGREEMENT shall be governed by and construed under the laws of the State of California. The AGREEMENT does not limit any other rights or remedies available to CITY.

The LICENSEE shall be responsible for complying with all local, state, and federal laws whether or not said laws are expressly stated or referred to herein.

Should any provision herein be found or deemed to be invalid, the AGREEMENT shall be construed as not containing such provision, and all other provisions, which are otherwise lawful, shall remain in full force and effect, and to this end the provisions of this AGREEMENT are severable.

10. **AGREEMENT MODIFICATION.** This AGREEMENT may not be modified orally or in any manner other than by an agreement in writing signed by the parties hereto.
11. **TERMINATION.** This Agreement may be terminated by City immediately for cause and may be terminated by City for any reason, and without cause upon thirty (30) days written notice of termination by City to LICENSEE.
12. **SIGNATURES.** The individuals executing this AGREEMENT represent that they have the right and legal authority to enter into and to execute this AGREEMENT on behalf of the respective legal entities of the LICENSEE and the CITY.

IN WITNESS WHEREOF the parties hereto for themselves, their heirs, executors, administrators, successors, and assigns do hereby agree to the full performance of the covenants herein contained and have caused this Yuba City Certified Farmer's Market License Agreement to be executed by setting hereunto this signatures this ____ day of June, 2008.

YUBA CITY CERTIFIED FARMERS'
MARKET

CITY OF YUBA CITY

By: _____
Executive Director

By: _____
Rory Ramirez, Mayor

By: _____

APPROVED AS TO FORM:

Timothy P. Hayes, City Attorney

CALIFORNIA FARMERS' MARKETS ASSOCIATION

RULES AND REGULATIONS FOR CERTIFIED FARMERS' MARKETS

STATEMENT OF INTENT

NATURE OF THE MARKET: The Certified Farmers' Markets (CFM) are diversified markets offering both certifiable and non-certifiable goods for sale.

The CFM provides producers with the opportunity to sell their fresh, local products directly to the consumers without the intervention of a middleman.

Each CFM is operated in accordance with regulations established in the California Administrative Code (Title 3, Chapter 3, Group 4, Article 6.5, Section 1392) pertaining to Direct Marketing. Each market is certified by the County Agricultural Commissioner as a direct marketing outlet for producers to sell their crops directly to consumers without meeting the usual size, standard pack and container requirements for such products. However, all produce must meet minimum quality standards.

The non-certifiable goods add variety and enhance the festive ambiance of the Farmers' Market. Although the State Direct Marketing regulations require the producers of fresh fruit, nuts, vegetables, flowers, honey, eggs, nursery stock, and plants be required to be certified, the same producer-to-consumer philosophy applies for all items sold at the Market. The resale of products is prohibited.

MANAGEMENT: Each CFM is managed, operated and controlled by the California Farmers' Markets Association. (CFMA)

RULES AND REGULATIONS FOR ALL SELLERS AT THE CERTIFIED FARMERS' MARKETS.

In order to ensure the successful maintenance of the CFM as an efficient outlet for producers to sell their products directly to consumers, the CFMA has established the following set of rules and regulations.

I. INTENT AND IMPLEMENTATION

The purpose of this set of rules is to govern the operation, administration and management of the Certified Farmers' Market under the control of this organization.

The governing body of this organization, its management and its designated agents will implement and enforce all rules and regulations pertaining to the operation of the Certified Farmers' Markets under its control in a fair and equitable manner.

II. STATE REGULATIONS

The regulations of the California Department of Food and Agriculture pertaining to Direct Marketing (Article 6.5, Group 4, Subchapter 1, Chapter 3, Title 3 of the California Administrative Code) are hereby incorporated by reference to be part of these rules.

Specifically restated are the following provisions of such regulations:

- A. Producers of fresh fruits, nuts, vegetables, shell eggs, honey, flowers, and nursery stock must obtain a Certified Producers' Certificate prior to selling such commodities at a Certified Farmers' Market. The producer must have produced such commodities by the practice of the agricultural arts upon land, which the producer farms, owns, rents, leases or sharecrops.
- B. Fresh fruits, nuts and vegetables listed on a producer's certificate may be sold directly to consumers exempt from size, standard pack, container, and labeling requirements. All prepackaged, closed consumer containers of agricultural products shall be labeled with the name, address and zip code of the producer and a declaration of identity and net quantity of the commodity in the package. However, a package containing 6 or fewer items, which are fully visible, does not need a statement of count.
- C. All agricultural products sold at the market shall comply with the regulations of the California code governing maturity and quality.
- D. All agricultural products, other than exempt fresh fruits, nuts, vegetables, shell eggs, honey, flowers and nursery stock which are sold at the markets, must comply with all applicable laws pertaining to their grading and labeling.
- E. All agricultural products sold at the markets are subject to the provisions of federal marketing orders, state marketing orders, state laws and regulations enforced by any state agency, or any other local health and safety laws, regulations or ordinances.
- F. All agricultural products, including fresh fruits, nuts, vegetables, shell eggs, honey, flowers and nursery stock sold for the purpose of commercial resale must be in compliance with all applicable size, standard pack, containers and labeling requirements of state laws and regulations.
- G. Only the producer or the producers' parents, children, grandparents and grandchildren or a relative regularly residing in the producer's household or an employee of the producer may sell the producer's products at the market. An employee is any person employed by the producer at a regular salary or wage, on either a full or part time basis. It does not include a person who is reselling or show compensation is primarily based on a commission of sales. Proof of status of an employee is an authorized agreement proving that the person selling is an employee of the Qualified Seller. An employee may not sell for more than one Qualified Seller at a time.
- H. The certified producer's embossed photocopy certificate must accompany the certified agricultural products during transportation and must be conspicuously posted at the point of sale.

- I. When any agricultural product is sold by weight, the type of scale used shall be approved, tested and sealed by the County Agricultural Commissioner, Sealer of Weights and Measures.
- J. When a producer has been granted by the market the privilege of selling for up to two other certified producers, it must be under the following conditions:
 - 1) The agricultural products shall be separated at the stand and clearly identifiable by the respective certificate.
 - 2) The producer selling for the other producers must also sell or offer for sale agricultural products, which the producer selling has produced. The producer selling must start the market day with at least 50% of the total produce from his own production.
 - 3) Prior to sale, the producer selling has furnished a written letter from the additional producer(s) which verifies the selling producer's authority to sell their product on their behalf and have his name cross-referenced on the additional producer(s)' certificate.
 - 4) A grower selling under a partnership; the partnership will be considered one certificate.
- K. A producer shall provide, upon request by an enforcing officer or Market Manager, any certificate, documentation, information or identification that may be reasonably required to show that the conditions of the regulations are being met. If such conditions are not met and the market is assessed additional fees for follow-up inspections at the market, the grower(s) responsible for the follow-up inspections will be equally assessed the total cost of the follow-up inspection.
- L. When selling at the markets the producer and the producer's agricultural products shall comply with all applicable requirements of the California Uniform Retail Food Facilities Law and the California Sherman Food, Drug and Cosmetic Law, specifically:
 - 1) All produce and containers of produce must be kept at least 6 inches above the ground.
 - 2) Food preparation (except trimming and sampling) is prohibited.
 - 3) Processed foods must be processed in an approved facility, properly packaged and labeled under clean and sanitary conditions.
 - 4) Dried fruit and shelled nuts sold in an unpacked, bulk form must be displayed with a cover and conform to dispensing methods approved by the local health department.
 - 5) No live animals, birds or fowl may be kept or allowed within 20 feet of any area where food is stored or held safe. No dogs are allowed in the market.
 - 6) Vendors selling non-agricultural food products are required to have a valid health permit from the local jurisdiction and are not considered part of the Certified Farmers' Market.
 - 7) All products sold as organic must be grown, produced, or processed in accordance with the Health and Safety Code. Products must be prominently labeled or represented "ORGANICALLY GROWN IN ACCORDANCE WITH THE CALIFORNIA ORGANIC FOODS ACT OF 1990."
 - 8) Smoking is not permitted in produce display and immediate sales area.

- 9) If the local health authority approves, distribution of samples in a manner which will insure safe, unadulterated samples for the public, may be allowed. In such, each grower should regard the following as suggested guidelines:
- (a) Keep samples in clean covered containers approved by the local health agency.
 - (b) Use toothpicks, tongs, rubber gloves or disposable utensils to distribute the samples.
 - (c) Dispose of pits, peels, food waste and rubbish in leak-proof garbage receptacles with close fitting lids.
 - (d) Use clean disposable plastic gloves when cutting produce for samples and provide temporary handwashing and utensil cleaning facilities.
 - (e) Produce intended for sampling must be washed and cleaned so as to be safe for consumption.
 - (f) Utensils and cutting surfaces must be washed and sanitized (use a chlorine solution of one teaspoon or capful of liquid bleach per gallon of water).
 - (g) Cutting surfaces must be smooth, non-absorbent and easily cleaned.
- (10) If a grower or food purveyor is not in compliance with the California Uniform Facilities Law or the California Sherman Food, Drug and Cosmetic Law and the market is cited for non-compliance, the grower(s)/food purveyor(s) responsible for the infraction(s) will be equally assessed the total amount of the fine imposed upon the market.

III. ADMISSION OF A PRODUCER TO THE MARKET

Admission to sell at any market shall be at the reasoned discretion of the market manager. In making any determinations in this regard, a manager should consider the following:

- A. Producer's positive or negative history of compliance with state, local government and market rules and regulations.
- B. Producer's history of market participation. When practical, significant weight, priority and preference should be given to member growers returning from previous seasons.
- C. The competitive availability and number of sellers of producers' product present within the market. If practical, monopolies and surfeits (gluts) should be avoided.
- D. Whether the present numbers of sellers of producer's product are adequately supplying consumer demand.
- E. The number of unreserved spaces and other limitations of the market.

Period of attendance time and limitations of type of product allowed may condition admission of a producer.

Any producer aggrieved by the manager's decision may appeal for review by the Director of the Association as outlined in section X. The Director may refuse to review, agree to

review, and uphold, modify or vacate a manager's decision. A decision by the Director shall as to this organization be final.

IV. ADMISSION OF PRODUCTS TO THE MARKET

Unless otherwise specifically listed as an additional authorized agricultural, processed agricultural or non-agricultural product in this section, only fresh fruits, nuts, vegetables, shell eggs, honey, flowers and nursery stock listed on a producer's certificate may be sold at the markets.

Admission of any agricultural or processed agricultural product to the market or non-agricultural product to an area adjacent to the market shall be at the reasoned discretion of the Market Manager. In making any determination in this regard, the Market Manager shall consider the following:

- A. Producer's history of selling such product within or adjacent to the market. When practical, significant weight and preference should be given to products sold by producer in previous seasons.
- B. The present competitive availability (number of sellers) of producers product within or adjacent to the market. If practical, monopolies and surfeits (gluts) should be avoided.
- C. Whether the present sellers or producer's product are adequately supplying consumer demand.
- D. The type of relative quality of product intended to be offered for sale by the producer. Field run produce shall be encouraged. Culls or lowest grade only sales shall not be allowed. At the most, 10% of the produce intended for sale by the producer shall be less than number 2 grade.

Admission of a product to be sold by a particular producer may be conditioned by period of sale, location of sale, variety, quality and other general or specific limitations.

Any producer aggrieved by the manager's decision may appeal for review by the Director of the Association as outlined in section X. A decision by the Director shall as to the organization be final.

Additional authorized non-processed agricultural products which may, under stated conditions, be admitted by the Market Manager for sale within the Certified Farmers' Market are:

- 1) Fresh herbs and spices
- 2) Fish raised in California controlled waters.

The producer must have produced all such products by the practice of the agricultural arts upon land, which the producer farms and owns, rents, leases or sharecrops.

Producers wishing to sell a non-processed agricultural product other than those listed immediately above must submit a written application for approval to the Association.

Additional authorized processed agricultural products, which may, under stated conditions, be admitted by the Market Manager for sale within the Certified Farmers' Market, are:

- 1) Dried beans, grains, fruits, nuts and vegetables listed on producer's certificate.
- 2) Shelled nuts, including those, which have been roasted, salted or flavored.
- 3) Dried herbs and spices.
- 4) Fresh orange juice, fresh apple juice.
- 5) Flower arrangements and wreaths.

All such raw products must have been produced by the producer by the practice of the agricultural arts upon land which the producer farms and owns, rents, leases or sharecrops.

All processed certifiable agricultural products must have and be accompanied by a verifiable listing of the fresh product on producer's certificate of the producer selling.

Seller must be able to show location and capability of processing or, if processing is done by a second party, the method used to insure that the processed product returned is the original source product submitted by the producer for processing. Receipts, volume data, and letters verifying methodology may be requested or required.

Seller must show that all processing was accomplished under safe and sanitary conditions and, if applicable, obtain, furnish and display any and all health permits necessary.

Producers wishing to sell a processed agricultural product other than those listed immediately above must submit a written application for approval to the Association.

Additional authorized processed non-agricultural products which may, under stated conditions, be sold in an area adjacent to the area designated as the Certified Farmers' Market but under the auspices of the market management are:

- 1) Ocean fish and shellfish
- 2) Bakery products
- 3) Meat products
- 4) Kettle corn, crepes and other Association approved on-site prepared foods.

Individuals wishing to sell a non-agricultural product other than those listed immediately above must submit a written application for approval to the Association.

V. STALL RESERVATIONS AND ASSIGNMENT OF SELLING SPACE

Stall reservations are considered commitments by farmers and food purveyors to participate in the markets on either a weekly, biweekly or space availability basis. Below is a short description of each reservation category.

WEEKLY: Growers/Food Purveyors reserve a stall for every week of the month.

BIWEEKLY: Through design of production or employment scheduling, Growers/ Food purveyors can only attend the market every other week.

SPACE AVAILABILITY If Growers/Food purveyors cannot commit to attending market on a regular basis they may call 2 days prior to the market day to inquire about space availability. Their stall space will not be reserved each week and the Association may search for a similar Grower/ Food purveyor to fill their stall reservation on a more consistent weekly or biweekly basis.

The producer's location, space size and other factors of assignment of selling space within a market shall be at the reasoned discretion of the Market Manager. A typical stall space is 10 feet wide by 22 feet deep. Sellers must accept the stall space assigned to them by the Market Manager. A seller's stall space in the market is not guaranteed to be in the same location every week. In making any determination of the assigned space, the Market Manager shall consider the following:

- A. The maintenance of positive, present and past consumer/producer relationships.
- B. The maintenance of good product mix and consumer traffic flow.
- C. The principles of good market and product promotion.
- D. In the event a producer/seller is removed or suspended from a market(s) due to State, County or CFMA Rules and Regulations violation(s), the producer/seller will be placed at the bottom of the waiting list for their requested markets.

Any producer aggrieved by the Manager's decision may appeal for review by the Director of the Association as outlined in section X. A decision by the Director shall as to this organization be final.

VI. STANDARDS OF CONDUCT

Producers and employees representing producers must be:

- A. Knowledgeable about product, how it is used, grown or produced and communicate that clearly to the customers.
- B. Courteous, professional and presentable at all times.
- C. Able to display products in a sanitary, presentable and attractive manner.
- D. Honest and to conduct themselves at all times in a courteous and business-like manner. Participants are expected to dress (shirt, pants and footwear) and behave in an appropriate manner. Drinking, yelling, swearing, name-calling, slanderous remarks and other rude behavior will not be tolerated.
- E. Able to refer matters to a market manager when experiencing difficulty with customers.
- F. Expected to treat each other, staff, customers and officials with respect.
- G. Able to refer complaints about other participants or the Market Rules and Regulations in writing to the Market manager, the Executive Director, or to the Board of Directors.
- H. Aware that harmful remarks made about producers or the market are subject to legal liability for damages.

VII. DISCIPLINE OR REMOVAL OF A PRODUCER FROM THE MARKET

A producer may be removed or suspended from any market or markets or have selling privileges in the market conditioned, modified or limited by a Market Manager for any of the following reasons:

- A. Failure to obey and conform to state, local government or market rules and regulations. A certified grower who has completed a full hearing process before the State Department of Agriculture and/or the County Agricultural Commissioner and has been found to be selling at any Certified Farmers' Market, products not of his production or the production of his approved second certificate, is subject to permanent removal from all CFMA markets.
- B. Causing or maintaining an unsafe or unsanitary condition at the market.
- C. Unreasonable or outrageous conduct considered detrimental or prejudicial to the purposes and interest of the market or the Association.
- E. Failure to attend at a previously reserved market space without adequate prior notification.
- F. The occurrence of any condition or limitation which was placed on the admission of the producer's product to any market.
- G. Behavior that obstructs any other vendor's commerce or ability to transact business at the market.

The severity of any penalty or discipline imposed by the Market manager shall be directly related to the gravity or repetition of the violation.

A producer is responsible for the actions of the producer's representatives, employees or agents.

Any producer removed or disciplined by the action of the Market Manager in regard to the reasons above shall have the right of appeal and review by the Director of the Association as outlined in section X. The decision by the Director in regard to all above matters shall as to this organization be considered final.

VIII. OTHER MARKET RULES, POLICIES AND REQUIREMENTS

- A. **Product Limitations.** Only California grown produce may be sold in the market. Sales of out-of-season (California) produce are allowable only to the extent of their reasonable and normal storage life or proof that such produce was produced by producer in greenhouse facilities operated by such producer.
- B. **Certificates.** Producer certificates with two or more names listed as producer must provide acknowledged evidence of partnership or other legitimate business agreement unless the additional names are for second certificate purposes.
- C. **Load Sheets.** Return your completed load sheet with your farm name to your Market Manager no later than ½ hour after the close of the market. If you fail to turn in your load sheet prior to this time you will receive a verbal warning. The second time (per year) you fail to turn in a load sheet you will be assessed a \$10 fine. The third time you fail to turn in a load sheet and every time thereafter you will be assessed a \$50 fine. Further failure to turn in a load sheet three times in one year may result in expulsion from the market(s).
- D. **Prices.** All prices must be clearly marked or posted in 2" minimum height letters/numbers for each commodity offered for sale. Collusion and deceptive pricing practices are prohibited. Bargaining with the consumer is specifically allowed.
- E. **Market Hours: Arrival and Departure.** The hours for any market shall be set by the Association. Sellers shall arrive at least 30 minutes prior to the published opening time of the market and leave or have their set-up packed up and cleaned up, to the side of the market within one hour and 15 minutes after the published closing time of the market. The opening and closing times for the markets are as follows: Mountain View/9am-1pm, Blossom Hill/10am-2pm, Morgan Hill/9am-1pm, Bayfair Mall/9am-1pm, Saratoga/9am-1pm, South San Francisco/9am-1pm, Daly City/9am-1pm, Villages/10am-12noon, Rossmoor/9:30am-11:30am and San Francisco Marina/3pm-6pm. Failure to leave your stall and common area in a clean manner and/or set off to the side of the site within this time frame will result in a \$100 fine for the first offense. Additional offenses within a 12 month period may result in expulsion from the market(s). Sellers may leave the market site prior to the published closing time for emergencies only and upon the approval of the Market Manager who will assess public safety and welfare at that time.

- F. No Stall Coverage by Market Managers. Market Managers are not allowed to sell for growers and vendors while they take personal breaks. Please make arrangements to visit the bathroom before the start of market or have a neighbor watch your stall when you are temporarily out.
- G. Set-ups, Safety and Sanitation: All display table frontage must be behind the set-up line designated by the Market Manager. No boxes or produce displays may extend into the common customer traffic aisles without the prior approval of the market manager. Producers who display produce on a side table must allow at least 24 inches of side aisle in producer's space for customer ingress and egress. Tables and other display fixtures must be sturdy, stable and not overloaded. All shades and shelters must be tied down and completely secured at the beginning of the market or the producer will be subject to immediate removal from all Association markets. Seller's vehicle use must not endanger customers or other sellers.

Before transacting any sales, the grounds of the customer traffic aisle and selling area of the producer must be cleared and cleaned of any produce trimmings or droppings. Any trimming of produce must be done so trimming will fall in a box or container and not on the ground. Before leaving the market, all matter in producer's selling area, including an area extending half way into the common customer traffic area, must be completely removed and taken away with the producer. Failure to do so may result in revocation of the sellers stall space reservation and/or a \$20.00 fine. If a producer or vendor leaves any refuse identifiable to be his/hers in a City or sponsors garbage container without the City's or sponsor's permission an initial fine of \$100.00 will be enforced. A second violation may result in expulsion from the market(s).

Noise, Disturbance and Intrusion: No loud noises will be allowed at any market during set-up hours prior to 7:30am. With few exceptions, no radios are allowed to be played during market sales hours. Although no loud hawking, barking or shouting to promote product is allowed, occasional product broadcasting into the market aisle in a conversation level voice is allowed and encouraged. All product promotion must occur within the space assigned or immediately adjacent to the producer and not in any common area. Disruptive action and the throwing of anything in the market are prohibited.

- H. Identification Signs: All producers must display a sign identifying their name or the name of their establishment and the city or town where their production occurs.
- I. Bags and Litter: Every stall will have a trash box for public use. Sellers using plastic bags for the convenience of their customers shall insure that such bags do not litter the market under windy conditions. Sellers using T-shirt style plastic bags shall insure that the connecting tabs are fastened securely or are removed prior to the presentation for customer use. Sellers of dry garlic and dry onions shall insure that the skins of such produce do not litter the market.
- J. Membership and Selling Assessments: All sellers must be a member of this

organization. All memberships and selling space assessments shall be set by the Association. Elimination or downward adjustments of stall space allotments may be made by management at its discretion.

- K. Qualified Sellers shall observe all fire lanes while loading and unloading.
- L. Qualified Sellers shall sell/market their goods in a manner satisfactory to the Market. Stall design, layout, merchandising and appearance are subject to approval by Market Manager. All table coverings and side panels are subject to approval by Market Manager. No Astroturf or blue tarps are allowed.
- M. Qualified Sellers shall sell/market their goods in a manner satisfactory to the Market Manager and in an honest, conscientious and business-like way.
- O. Qualified Sellers must wear shirts and shoes while on the market premises.

IX. APPLICATION AND RESERVATION PROCESS

- A. To become a QUALIFIED SELLER at the CFM, a prospective seller must initiate and complete an Application-to-Sell packet. The completed Application-to-Sell packet includes:
 - 1) The completed Application and membership form.
 - 2) Copies of the grower's most recent Certified Producer Certificate(s).
 - 3) Any appropriate copies of health permits as required.
 - 4) Participation Agreement
 - 5) Membership fee
- B. All sellers must pay stall fees according to the current fee schedule set by the Association. Stall fees are collected on a bi-weekly basis. The fees will be collected on the first and second week of the month for the entire month to cover the reserved space. Refunds for cancellations will occur if the Association office is notified of cancellations with at least 72 hours notice as shown in section IX, CANCELLATIONS.
 - 1) Membership dues are on an annual basis, January 1 through December 31.
 - 2) Membership packets and the membership fees are due postmarked 21 days after the date of the packet's cover letter. A late fee of \$60 will be applied and collected prior to any market participation for any packets received after this 21 day period.
 - 3) Membership fees for all 4-H or FFA groups are waived and are to be considered members upon their participation in the markets.

X. CANCELLATIONS

- A. Sellers are required to cancel 3 days prior to each market day to help avoid stall fee charges for late cancellations.
 - 1) Certified producers and food purveyors who cancel less than 3 days before

market day are responsible for the stall fee unless the stall can be filled. (Generally, a 3 day notice is sufficient to allow for filling the space. A one to two day notice is not sufficient.)

- 2) The Association does not accept stall cancellations due to rain or other inclement weather, grower/food purveyor personnel conflicts or vehicle breakdowns. The markets operate "Rain or Shine".

- B. Cancellations due to holidays or holiday weekends are not sufficient to avoid stall fee charges regardless of the amount of lead time offered. It is very difficult to fill in behind grower/food purveyor stall cancellations with similar crop/product during holidays and holiday weekends. Under these conditions a one or two week cancellation notice may not result in a stall fee credit the following month.
- C. Sellers who fail to notify the Market Manager of more than two cancellations may lose their stall spaces in all the Association's markets.

X. GRIEVANCES AND DUE PROCESS

As set forth in the California Corporations Code Sections 5341C and 7341C, the Association has adopted a "Safe Harbor" procedure that satisfies a fair and reasonable due process for members aggrieved by a Market Managers' decision. This procedure is as follows:

- A. Provides all members of the Association an annual copy of these due process provisions.
- B. Provides 15 days' notice of fine, expulsion, suspension, or termination and the reasons for such action; (Notice can be given in person or by first class or registered Mail to the last known address of the member.)
- C. Provides an opportunity for the member to be heard, orally or in writing, at least five days before the effective date of the fine, expulsion, suspension, or termination, by the Executive Director to decide that the proposed actions not occur.

Any dispute must be initiated by having disputing parties submit to each of the other disputing parties a written description (a "claim") of the facts surrounding the dispute and the relief sought by the disputing party.

The disputing parties shall meet within thirty (30) days of the claim being presented to them to discuss in good faith how to resolve the dispute. The CFMA will be represented in these discussions by the President of the Board of Directors.

If the dispute cannot be settled through negotiation within thirty (30) days after a disputing party provides other disputing parties the claim, the disputing party shall present the claim to a mediator selected from a list of mediators. If the disputing party does not agree on a mediator within five (5) days, the Mediator shall be selected by the President of the Board of Directors drawing the name from the entire list by lot. If the disputing party and the mediator cannot resolve the dispute within thirty (30) days after the Mediator is selected,

any disputing party may make a written demand upon all the other disputing parties for binding arbitration of the dispute.

The demand for arbitration shall set forth in reasonable detail (i) each claim; (ii) the relief sought, including the proposed remedy, if applicable, (iii) a summary of the basis for such relief and the basis for each claim, and (iv) a proposed arbitrator, selected from the list of arbitrators. Within ten (10) days after receiving the demand for arbitration, each other disputing party shall submit a response to the statement of the claim, and any related counterclaim, to the other disputing party. If the disputing parties do not agree on an arbitrator within that ten (10) day period, the arbitrator shall be selected by the President of the Board of Directors drawing the name by lot from the entire list, excluding any person with a conflict of interest. If the selected Arbitrator does not agree to serve, the selection process shall be repeated until an available Arbitrator is identified.

The arbitration shall be conducted within thirty (30) days after the selection of the Arbitrator, at the offices of the CFMA or if the CFMA determines that its offices are not available, at another location in Walnut Creek, California. Prior to the arbitration, each of the disputing parties shall have the right to undertake only that discovery approved by the Arbitrator. At the arbitration, each of the disputing parties shall be allowed a maximum of one hour in the aggregate to present oral testimony or visual evidence and each of the disputing parties shall be allowed a maximum of one hour in the aggregate to cross-examine any or all of the witnesses presented by the other disputing parties. The order of presentation and other rules of conduct of the arbitration shall be as determined by the Arbitrator, whose decision shall be final and binding.

All fees and expenses of the arbitration shall be borne by the disputing parties equally. However, at the sole and absolute discretion of the Arbitrator, the prevailing disputing party shall be entitled to an award of reasonable attorneys' fees as determined by the Arbitrator.

A judgment of an award rendered by an arbitrator following these rules may be entered in and enforced against the qualified seller by any court having jurisdiction and that by agreeing to the mediation and arbitration process described herein, qualified sellers waive their rights to have a trial by a judge and/or jury of disputes with CFMA or with CFMA and other persons related to participation at a CFMA market.

CALIFORNIA CODE OF REGULATIONS
TITLE III, DIVISION 3, CHAPTER 1, SUBCHAPTER 4,
ARTICLE 6.5, DIRECT MARKETING

§1392. Intent.

The intent of this article is to facilitate the sale of agricultural products from producers and certified producers within the state directly to consumers while maintaining sufficient regulatory control to ensure that the agricultural products are of acceptable quality and that the selling activities are conducted honestly and fairly.

§1392.1. Direct Marketing Authorized.

(a) Notwithstanding other provisions of this Group, this article authorizes producers or certified producers of certified or noncertifiable agricultural products to sell their products, as defined in this article, directly to consumers, subject to the provisions of this article.

(b) A certified producer may sell agricultural products, which he/she has produced, at a certified farmers' market.

(c) A producer may only sell noncertifiable agricultural products which he/she has produced, at a certified farmers' market, or agricultural products which he/she has produced, at or near the point of production.

(d) Fresh fruits, nuts, and vegetables may be sold directly to consumers exempt from size, standard pack, container, and labeling requirements only by:

(1) The certified producer of the agricultural products at a stand at a certified farmers' market; or

(2) The producer of the agricultural products at a retail stand located at or near the point of production.

(e) All fresh fruits, nuts, and vegetables sold pursuant to this article shall comply with the regulations of the California Code of Regulations, title 3, subchapter 4, beginning with section 1359, governing maturity and quality.

(f) Excluding fresh fruits, nuts, and vegetables, agricultural products, as defined in this article, which are sold or offered for sale at a certified farmers' market or at or near the point of production, must comply with all applicable laws and regulations pertaining to quality and labeling.

(g) This article does not supersede the provisions of federal marketing orders, state marketing orders, state laws and regulations enforced by any state agency, or any other local health and safety laws, regulations, or ordinances.

§1392.2. Definitions.

Unless the context otherwise requires, the following definitions govern the construction of the language in this article.

(a) **Certified Farmers' Market.** A location approved by the county agricultural commissioner of that county where agricultural products are sold by producers or certified producers directly to consumers. A certified farmers' market may be operated by one or more certified producers, by a nonprofit organization, or by a local government agency.

(b) Certified Farmers' Market Certificate. A certificate issued by the county agricultural commissioner authorizing the location where agricultural products are sold by the producers directly to consumers. The certificate is valid only when bearing the original signatures of the county agricultural commissioner and the authorized representative of the certified farmers' market.

(c) Land Which the Producer or Certified Producer Controls. Land that the producer or certified producer farms and owns, rents, leases, or sharecrops.

(d) Producer. A person or separate entity that produces agricultural products by practice of the agricultural arts upon land which the person or separate entity controls. Producer may be, for the purposes of this article, a person, partnership, corporation or any other entity.

(e) Certified Producer. A producer authorized by the county agricultural commissioner to sell certified agricultural products, produced by practice of the agricultural arts upon land which the certified producer controls, directly to consumers at a certified farmers' market.

(f) Certified Producer's Certificate. A certificate issued by the county agricultural commissioner in the county of production authorizing the transportation and sale of certified agricultural products pursuant to this article.

(g) Consumer. A person who purchases and receives agricultural products at or near the point of production or at a certified farmers' market. It excludes a person who purchases fresh fruits, nuts, and vegetables for commercial resale unless such products comply with all applicable size, standard pack, containers, and labeling requirements.

(h) Direct Marketing. The sale:

(1) At a certified farmers' market of agricultural products by a certified producer to a consumer; or

(2) At a certified farmers' market of noncertifiable agricultural products by a producer to a consumer; or

(3) At or near the point of production of agricultural products by a producer to a consumer.

(i) Immediate Family. Parents, children, grandparents, or grandchildren of the certified producer or a family member regularly residing in the certified producer's household.

(j) Employee. Any person employed by a certified producer at a regular salary or wage, on either a full or part time basis. It does not include any person who is reselling or whose compensation is primarily based on a commission of sales.

Notwithstanding the above, an employee of an agricultural cooperative organized under the laws of California may sell the agricultural products of one of its members in accordance with the provisions of this article.

(k) Agricultural Products. Agricultural products include all certified and noncertifiable agricultural products as defined in section 1392.2(1) and section 1392.2(m).

(l) Certified Agricultural Products. Agricultural products, which are certified under the jurisdiction of the county agricultural commissioner relative to inspection and verification of compliance with the provisions of this article, include fresh fruits, nuts, vegetables, shell eggs, honey, flowers, and nursery stock.

(m) Noncertifiable Agricultural Products.

Noncertifiable agricultural products include all certified agricultural products that have been processed, those products other than certified agricultural products noted in (l)

above from any tree, vine or plant and their flowers (including processed products), livestock (including rabbits) and livestock products, and fish and shellfish produced under controlled conditions in waters or ponds located in California.

(n) Nonprofit Organization. An organization which qualifies for nonprofit status for California income tax purposes.

(o) Market Manager. A person or persons empowered to implement the rules, regulations, policies, and directives of the governing body of a certified farmers' market.

(p) Market Rules. A set of written rules or regulations approved by each certified farmers' market. The rules and regulations may be more stringent than established state regulations, provided they do not violate or conflict with any state law or regulation governing their activities.

(q) Notice and Hearing Process. A process initiated at the discretion of a county agricultural commissioner after alleged violation(s) of the provisions of this article has occurred.

(r) Agricultural Production and Practice of the Agricultural Arts. To be involved in and make decisions regarding all phases of producing an agricultural product, which includes, but is not limited to, planting, growing, fertilizing, irrigating, cultivating, pest control, and harvesting.

(s) Partnership. A partnership is a separate entity distinct from its individual members. As a separate entity, a partnership must obtain a certified producer's certificate to market, directly to consumers, its agricultural products, which shall be produced by practice of the agricultural arts upon land that the partnership, as a separate entity, exclusively controls.

§1392.4. Conditions of Direct Marketing.

(a) Except as provided in subsection (f) below, producers or certified producers may sell or offer to sell only agricultural products which they have produced to consumers at a certified farmers' market. The certified producer's immediate family or employee(s) may also act for and sell the certified producer's agricultural products. No certifiable agricultural products may be sold at a certified farmers' market unless such products are listed on the certified producer's certificate.

(b) All agricultural products, when sold or offered for sale at a certified farmers' market or at or near the point of production, shall comply with all applicable requirements of Article 1 (beginning with Section 113700), 2, 3, 4, 5, 6, 7, 11, 13, and 15 of Chapter 4 (California Uniform Retail Food Facilities Law), Division 104, Part 7, of the California Health and Safety Code, and Chapters 1 (beginning with Section 109875), 2, 4, 5, and 8 (California Sherman Food, Drug, and Cosmetic Law), and Division 104, Part 5, of the California Health and Safety Code.

(c) Only agricultural products may be sold or offered for sale at a certified farmers' market. The sale of nonagricultural products shall not be permitted in the area designated as a certified farmers' market.

(d) The certified producer's embossed photocopy certificate shall accompany the certified agricultural products during transportation and shall be conspicuously posted at the point of sale.

(e) When any agricultural products are sold by weight, the type of scale used shall be approved by the Department of Food and Agriculture, and shall be tested and sealed for use by the county sealer-director of weights and measures.

(f) A certified farmers' market may allow, or prohibit, a certified producer or his/her immediate family member or employee to sell at that market certified agricultural products on behalf of a maximum of two other certified producers including, but not limited to, separate entities, such as partnerships, in which the certified producer has an interest as an individual member. If such a practice is allowed, the following provisions shall be met by the certified producer and shall be specified in the certified farmers' market's rules and regulations:

(1) A certified producer shall not represent, nor be represented by more than two other certified producers in a 12-month period.

(2) Each certified producer's certified agricultural products to be sold or offered for sale shall be separated and identifiable by each certified producer's valid certificate at the point of sale.

(3) The name of the certified producer for whom another certified producer is selling shall appear on the certificate of the certified producer that is conducting sales at a certified farmer's market.

(4) The name of the certified producer who is selling the products of another certified producer shall appear on the certificate of the person or entity for whom the certified producer is selling.

(5) The certified producer selling for another certified producer shall be selling or offering for sale, at the same certified farmers' market on the same day, certified agricultural products which the certified producer conducting the sales has produced and which are in greater volume than the volume offered for sale for the other certified producer. For purposes of this section, the volume shall be measured by the weight or dollar value of the products at the time and point of sale. This volume requirement shall apply only at the beginning of each day of sale.

(6) The producer applying for certification shall obtain and submit to the agricultural commissioner, prior to certification, written authority from said other certified producers to sell on their behalf.

(7) Commission sales and buying and selling between certified producers is prohibited. Any payment made for the service of one certified producer selling for another certified producer shall not be related to the volume or value of the products sold.

(8) The operator of a certified farmers' market may prohibit or otherwise establish rules regarding sales permitted under this subsection that are more restrictive, provided that such prohibition or restriction is contained in the market's written rules and regulations.

(9) A certified producer who sells certified agricultural products on behalf of another certified producer or whose products are sold by another certified producer at a certified farmers' market shall keep for a period of not less than three years, the following records relating to such products:

(i) Date of transfer to seller and accurate amount of products, by weight, dry measure, or count, transferred. Each separate product and amount shall be recorded according to variety.

(ii) Date of sale and accurate amount of products, by weight, dry measure, or count, sold. Each separate product and amount shall be recorded according to variety.

(iii) Names of both certified producers involved.

(10) A certified producer subject to this subdivision shall produce, for inspection, records required by this section upon demand of a representative of the department or county agricultural commissioner.

(g) The provisions of this section, and any amendments thereof, shall apply to all new certified producer's certificates, including renewals, upon filing with the Secretary of State, unless another effective date has been designated by the Office of Administrative Law. Certified producer's certificates already issued shall conform to the requirements of this section, and any amendments, within twelve (12) months of the certificate issue date.

§1392.5. Producer Certification Procedures.

(a) A producer may become certified by applying to the agricultural commissioner of the county where the producer's farm is located. A producer who farms in more than one county must be certified in each county where he/she produces certifiable agricultural products for sale at a certified farmers' market.

(b) The certificate and application shall be on a form authorized by the director and include an agreement signed by the applicant that the applicant will comply with the terms of this article.

(c) Any producer shall provide, upon request by an enforcing officer or market manager, certificates, documentation, information, or any other identification that may be reasonably required to show that the conditions of this article are being met.

(d) The county agricultural commissioner shall issue only one original certificate, which bears the signatures of the agricultural commissioner and the certified producer, and the name of each destination county where the certified producer will be selling. The original certificate shall be maintained in the issuing county agricultural commissioner's office.

(e) The county agricultural commissioner shall issue an embossed photocopy of the original certificate to the certified producer, which will serve as the valid certified producer's certificate. Certified producers who intend to sell at more than one certified farmers' market must obtain the necessary number of embossed photocopies of the original certificate to comply with the provisions of this article.

(f) The issuing county agricultural commissioner shall send a photocopy of the original certificate to each destination county listed on the certified producer's certificate.

§1392.6. Certification Requirements of a Certified Farmers' Market.

(a) A county agricultural commissioner may issue a certified farmers' market certificate, which specifies a location where agricultural products may be sold or offered for sale. The certificate shall indicate that the marketplace is a certified farmers' market.

(b) Application shall be made by the proposed operator(s) of a certified farmers' market and shall include a signed agreement by the operator(s) to comply with the terms of this article. The application and certificate shall be on a form authorized by the director.

(c) The county agricultural commissioner shall not issue a certificate for a certified farmers' market when notified that a permit for the operation of such market has been denied by an agency of local government.

(d) The governing body of a certified farmers' market operation for or by more than one certified producer shall promulgate a set of market rules and regulations which specify procedural criteria pertaining to:

- (1) Admission of any producer to the market(s).
- (2) Admission of any agricultural products to the market(s).
- (3) Removal of any producer from the market(s).
- (4) Allowance of a certified producer selling on behalf of another certified producer as provided in Section 1392.4.

(e) The governing body of a certified farmers' market has authority to establish specific rules and regulations for any market(s) under its control which regulate the:

- (1) Type and number of producers and certified producers admitted.
- (2) Type and number of certified and noncertifiable products admitted.
- (3) Methods of selling certified and noncertifiable agricultural products.

(f) The certified farmers' market's rules and regulations shall contain a clause, which states that the governing body and its designated agents shall implement and enforce all rules and regulations pertaining to the operation of a certified farmers' market in a fair and equitable manner.

(g) A current copy of the certified farmers' market's rules and regulations shall be sent to the Department of Food and Agriculture, Fruit and Vegetable Quality Control--Standardization, and to the agricultural commissioner of the county in which the certified farmers' market is located.

§1392.7. Certificates Issued.

(a) A county agricultural commissioner shall issue a certified producer's certificate upon review of application and determination that the applicant meets the requirements of a certified producer. When issuing the certified producer's certificate, the county agricultural commissioner should:

- (1) Consider seasonal production and varieties of the products when listing the products.
- (2) Insofar as practicable, include an on-site inspection of the land controlled by the producer.

(b) A county agricultural commissioner shall issue a certified farmers' market certificate upon review of application and determination that the applicant meets the requirements to operate a certified farmers' market.

(c) A certified producer's certificate shall be valid for not more than 12 months from the date of issue.

(d) A certified farmers' market certificate shall be valid for 12 months from the date of issue.

§1392.8. Fees.

The county agricultural commissioner may charge a fee for issuing, modifying, verifying, or renewing any certificate, including embossed photocopies, as set by the board of supervisors of that county.

§1392.8.1. Certified Farmers' Market Fees.

(1) Every operator of every certified farmers' market shall remit to the Department of Food and Agriculture sixty cents (\$0.60) for each certified producer represented by each certified producer's certificate and other agricultural producers participating in the market(s) on each market day for the entire quarter. The fee shall be submitted within 30 days after the end of each quarter with a form containing the following information:

- (a) Name of market sponsor
 - (b) Market certificate number
 - (c) Name and address of the market
 - (d) Name of market contact person
 - (e) Market day(s) and hours of operation
 - (f) Telephone number and fax number through which the market representative can be reached during normal work hours.
 - (g) Quarterly period for which the report is submitted.
 - (h) Total number of certified producer certificates and other agricultural producers participating on each market day of the entire quarter.
 - (i) Amount of fees submitted.
 - (j) Signature of authorized market representative.
- (2) Any operator who fails to pay the required fee within thirty (30) days after the end of the quarter in which it is due shall pay a late monthly interest penalty of one and one half (1 1/2) percent monthly amount on the unpaid balance.

§1392.9. Direct Marketing, Compliance Requirements for the Operator of a Certified Farmers' Market.

(a) The operator of a certified farmers' market shall ensure that each person participating in the sale of agricultural products in the area designated as a certified farmers' market:

- (1) Is a producer, certified producer, or their immediate family member or employee.
- (2) Sells only certified and noncertifiable agricultural products.
- (3) Has in their possession, in the case of certifiable agricultural products, a valid certificate that is posted at the point of sale.
- (4) Has each certifiable agricultural product in their possession listed on the certified producer's certificate.

(5) Who sells noncertifiable agricultural products sells only those products which were produced in accordance with the certified farmers' market's rules and regulations.

(6) Who represents another certified producer under an additional certificate, separates and identifies the items listed on each respective certificate, and that the name of the certified producer they are selling for appears on both of the certificates.

(b) The operator of a certified farmers' market shall obtain from each person participating in the sale of agricultural products in the area designated as a certified farmers' market an itemized list of all products sold at the certified farmers' market each market day.

(1) The product list shall state the name of the certified producer, the identity of each product sold as it appears on the certified producer's certificate, and the quantity of each product sold at the market.

(2) The market operator shall keep the list of products sold for a period of not less than eighteen months.

§1392.9.1. Direct Marketing. Requirements for Partnerships, Sharecropping Agreements, and Similar Contractual Agreements.

(a) Every person or entity that enters into a partnership as defined in Section 1392.2(s), sharecropping, or similar contractual agreement with another person(s) or entity and that applies for a certified producer's certificate under such agreement shall provide the

issuing agricultural commissioner, at the time of application, with proof of partnership as defined in the United States and California Tax Codes, or the Partnership's Federal Tax Identification Number and a copy of their current written agreement which shall contain the following:

(1) A clear, concise and accurate description of the property to be farmed. The description shall include the present use of the property, the dimensions, and the location of the property; and

(2) Partners shall demonstrate equitable risk by submitting a description of each party's financial and material resource input, which shall include the degree of involvement each party has in agricultural production; and

(3) The date of the agreement and the signatures of all parties involved; and

(4) A guarantee of the signatures on the agreement by a notary public executed at the time of signing by all parties. The notarized signatures on the agreement of all parties executing the agreement.

(5) A statement of verification that the property or properties to be farmed by the partnership or producers cooperating under a similar contractual agreement are under the exclusive control of the partnership as a separate entity from its individual members.

(b) Notwithstanding the above, an enforcing officer representing the Department or agricultural commissioner may request such additional documentation as is reasonably necessary to show that the conditions of this article are being met.

(c) To qualify for a certified producer's certificate, all parties listed on the certificate shall:

(1) Have entered into the agreement prior to planting of annual and biannual crops; and

(2) Have entered into the agreement prior to or within 30 days after preparing perennial field crops for the subsequent cropping pattern (e.g., prior to the fern stage of asparagus or prior to cut back of artichokes); and

(3) Have entered into the agreement prior to bloom of tree and vine crops; and

(4) Be engaged in agricultural production upon the land which is the subject of the agreement.

(d) Any change in the terms of this agreement shall invalidate a certified producer's certificate issued under such terms. Any such change shall be reported immediately and all embossed copies of certificates issued to the partnership shall be surrendered to the issuing agricultural commissioner.

§1392.9.2. Direct Marketing. Requirements for Farm Leases.

(a) Every person or entity who enters into a farm lease with another person(s) or entity and who applies for a certified producer's certificate under such agreement shall provide the issuing agricultural commissioner, at the time of application, with a copy of the current written lease agreement which shall contain the following:

(1) A clear and concise accurate description of the leased property. The description shall include the present use of the property, the dimensions of the leased property and the location; and

(2) The purchase price (cost) of the lease; and

(3) The date of the agreement and the signatures of all parties involved; and

(4) A guarantee of the signatures on the agreement by a notary public executed at the time of signing by all parties. The notarized signatures on the agreement of all executing the agreement.

(b) Notwithstanding the above, an enforcing officer representing the Department or agricultural commissioner may request such additional documentation as is reasonably necessary to show that the conditions of this article are being met.

(c) To qualify for a certified producer's certificate, the person applying for the certificate shall:

(1) Assume all financial risks associated with producing agricultural products; and
(2) Enter into the agreement prior to planting of annual and biannual crops; and
(3) Enter into the agreement prior to or within 30 days after preparing perennial field crops for the subsequent cropping pattern (e.g., prior to the fern stage of asparagus or price to cut back of artichokes), and

(4) Enter into the agreement prior to bloom of tree and vine crops, and

(5) Perform agricultural production upon the land which is the subject of the agreement.

(d) Any change in the terms of this agreement shall invalidate a certified producer's certificate issued under such terms. Any such change shall be reported immediately and all embossed copies of certificates issued to the partnership shall be surrendered to the issuing agricultural commissioner.

§1392.10. Penalties.

(a) Any county agricultural commissioner may, at any time, initiate a notice and hearing process to determine whether a violation of these provisions has occurred. The hearing process may review the actions of:

(1) The certificate holder; or
(2) A family member, employee, or another certified producer acting on behalf of the certificate holder; or
(3) Any other person whose actions may have resulted in the violation.

(b) The notice of hearing shall be on a form approved by the director and contain:

(1) Specific provisions violated; and
(2) A warning to cease such violations; and
(3) A hearing date to determine if the certificate(s) involved in the violations or participation privileges should be revoked.

(c) The county agricultural commissioner, upon determination that a violation has been made in accordance with (a), above, may:

(1) Suspend and/or refuse, for a period of up to 18 months, to issue a certificate to the violator; and/or

(2) Suspend, for a period of up to 18 months, the privilege of participation, under the provisions of this article, of any person whose action resulted in the violation.

§1392.11. Appeals.

Any person may appeal to the director for a hearing if aggrieved by any one of the following actions or decisions:

(a) Denial of any certificate.
(b) Suspension of any certificate.
(c) Suspension of participation privileges.

(d) Adoption of more stringent rules or regulations pertaining to the operation of certified farmers' markets.

In all cases, the appeal must be submitted to the director in writing within 30 days of the date the action or decision was made. The director's proceeding shall, insofar as practicable, comply with the provisions of the Administrative Procedure Act (Government Code, Section 11500, et seq.), except that a department hearing officer may be used.

§1392.12. Emergency Declaration.

(a) The director may, on an as needed, case by case basis, waive or modify specific restrictions within this Article on the direct marketing of agricultural products, including, but not limited to, restrictions or limitations on production acreage and commodities, as well as certification requirements, if a declared plant, pest or animal quarantine, a declared natural disaster or a declared catastrophic emergency interferes with the normal operative effect of the rules.

(b) Any waivers or modifications shall be consistent with any quarantine, and the response to any natural disaster or catastrophic emergency.

(c) Prior to the utilization of any waivers or modifications, certified producers and certified farmers' markets shall enter into compliance agreements with California Department of Agriculture through the county agricultural commissioner in the county in which their certificates have been issued.

Attachment "B"

CITY OF YUBA CITY
STAFF REPORT

Date: July 15, 2008
To: Honorable Mayor & Members of the City Council
From: Administration
Presentation By: Steven R. Jepsen, City Manager

Summary

Subject: Yuba City Certified Farmers' Market License Agreement
Recommendation: Staff recommends that the City Council adopt the Yuba City Certified Farmers' Market License Agreement as amended.
Fiscal Impact: none

Background:

Based on City Council input at your June 17, 2008 meeting, staff has revised the proposed agreement with the Yuba City Certified Farmers' Market. Attached is an amended agreement (Attachment "A") that shows recommended changes. The changes address the following issues:

- Clarification that the license is for the operation of a Certified Farmers' Market
- Requiring that the Licensee coordinate its activities with state and local health officials (e.g., to ensure that appropriate Health Department permits are received)
- Requiring that the Licensee coordinate its activities with any City activities that may conflict with the Farmers' Market (e.g., Fourth of July Children's Parade).

The full staff report from your meeting of meeting of June 16th is attached (Attachment "B") for your referral.

Recommendation:

Staff recommends that the City Council adopt the Yuba City Certified Farmers' Market License Agreement as amended.

Submitted By:



Steve Kroeger
Assistant City Manager

Reviewed By:



City Manager

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CITY OF YUBA CITY

YUBA CITY CERTIFIED FARMERS' MARKET LICENSE AGREEMENT

THIS AGREEMENT is made and entered into this 15th day of July, 2008 by the CITY OF YUBA CITY, a municipal corporation, hereinafter designated as "CITY", and the Yuba City Certified Farmers' Market, hereinafter designated as "LICENSEE."

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NOW THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. **SCOPE OF LICENSE.** The License is for the operation of a "Certified Farmers' Market" in the Town Center Park on Saturday mornings between 8:00 a.m. and noon, and, at the LICENSEE's discretion, one fixed weekday evening between 5:00 p.m. to 9:00 p.m. in the Plumas Street Central Business District from May to October.

1.1 The LICENSEE shall provide the City with a venue site plan, including street utilization, if any, barricading plan and traffic control, as required by the CITY'S Public Work's Department.

1.2 The Yuba City Certified Farmers' Market Association shall be operated in accordance with the most current edition of: (1) the California Farmers' Market Association Rules and Regulations for Certified Farmers' Markets, and (2) under the California Code of Regulations, Title III, Division 3, Chapter 1, Subchapter 4, Article 6.5, Direct Marketing. Copies of both documents are attached to this Agreement.

1.3 The LICENSEE shall coordinate its activities with state and local health officials and receive any necessary permits for said activities.

1.4 The LICENSEE shall accommodate any activities of the City that may conflict with market operations.

1.5 The LICENSEE shall provide toilet facilities for vendors and necessary sanitary facilities.

1.6 The LICENSEE may have entertainment in the form of individuals or small groups adjunct to and in conjunction with the Farmers' Market event. Such entertainment shall be in keeping with the scope of the Farmers' Market event and will not create any excessive noise or traffic issues. Requests for larger entertainment venues and/or amusements, such as amusement rides, games, and other entertainment venues, must have advance approval by the Director of Parks & Recreation, or his designee.

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1.7 The LICENSEE shall have written guidelines and rules available for public reference governing market vendor requirements, freedom of information, public area use/location, and assignment of priority vendor spaces.

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ATTACHMENT "A"

1.8 Any use of City utilities shall require the LICENSEE to obtain the permission of the City, subject to any conditions imposed by the City.

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1.9 LICENSEE shall be responsible for clean-up of all litter and trash following each Farmers' Market event.

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2.0 LICENSEE shall not use the Farmers' Market for purposes other than those specified hereinabove.

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2. **INDEPENDENT CONTRACTOR.** The LICENSEE'S relationship to the CITY shall be that of an independent contractor. LICENSEE shall have no authority expressed or implied, to act on behalf of the City as an agent or to bind the CITY to any obligation whatsoever. The LICENSEE shall be solely responsible for the performance of any of its employees, agents, or subcontractors under this AGREEMENT.

3. **WORKERS' COMPENSATION.** Pursuant to Labor Code 1861, the LICENSEE hereby certifies that they are aware of provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that code.

4. **LIABILITY INSURANCE.**

4.1 LICENSEE shall, through the duration of this Agreement, maintain comprehensive general liability and property damage insurance, or commercial general liability insurance, covering all operations of the LICENSEE, its agents and employees, performed in connection with this AGREEMENT.

4.2 LICENSEE shall maintain liability insurance in the following minimum limits:

Comprehensive General Liability Insurance

Combined single limit/occurrence	\$1,000,000
General Aggregate	\$2,000,000

Commercial General Liability Insurance

General limit/occurrence	\$1,000,000
General limit project specific aggregate	\$2,000,000

<u>Automobile Liability Insurance</u>	\$1,000,000
---------------------------------------	-------------

4.3 The commercial general liability insurance shall have 50% of the aggregate limit available at all times and will purchase additional coverage as

necessary, due to claims, to maintain this level of coverage. The LICENSEE shall notify the CITY of all claims filed against the LICENSEE within 30 days of the claim.

- 4.4 All insurance companies providing coverage to the LICENSEE shall add, by written endorsement, Yuba City as "additional insured" under the designated insurance policy for all work and activity performed under this AGREEMENT. Insurance coverage provided to the CITY as additional insured shall be primary insurance and other insurance maintained by the CITY of YUBA CITY, its officers, agents and employees shall be excess only.
- 4.5 All insurance companies affording coverage to the LICENSEE shall be rated as A-X or higher or as otherwise approved by the CITY.
- 4.6 Thirty (30) days advance written notice is required to change or cancel insurance under this AGREEMENT. Any replacement insurance must meet the conditions of this AGREEMENT and be acceptable to the CITY.
- 4.7 LICENSEE shall provide evidence of insurance to the CITY by providing a Certificate of Insurance in a form satisfactory to the CITY.
- 4.8 Recertification or substitute insurance certification required 30 days in advance of prior policy expiration date.
5. **LICENSEE INDEMNIFICATION OF CITY.** LICENSEE shall indemnify and hold harmless the CITY of YUBA CITY, its officers, agents and employees against all claims for damages to persons or property arising out of the negligent acts, errors or omissions or wrongful acts or conduct of the Franchise. Further, the LICENSEE shall, upon written request by the CITY, defend any such claim or action brought against the CITY, its officers, agents or employees resulting or arising from the conduct, act or omission of the LICENSEE.
6. **COST REIMBURSEMENT.** The LICENSEE shall be reimbursed for portable restroom rental cost and the cost of liability insurance not to exceed \$2,000 per year in total reimburseables.
7. **DURATION OF AGREEMENT.** The term of this AGREEMENT shall be for five years. After the initial term of the Agreement, the Agreement will automatically renew on April 1 of each year unless notified by the LICENSEE of their intent to terminate the contract prior to this date. Termination by the City, if desired, would be pursuant to Section 11 of this Agreement.
8. **ENTIRE AGREEMENT.** This AGREEMENT comprises the entire understanding between the CITY and the LICENSEE concerning the work performed and supersedes all prior negotiations and/or Agreements for Farmers' Market.

9. **INTERPRETATION OF THE AGREEMENT.** The interpretation, validity and enforcement of the AGREEMENT shall be governed by and construed under the laws of the State of California. The AGREEMENT does not limit any other rights or remedies available to CITY.

The LICENSEE shall be responsible for complying with all local, state, and federal laws whether or not said laws are expressly stated or referred to herein.

Should any provision herein be found or deemed to be invalid, the AGREEMENT shall be construed as not containing such provision, and all other provisions, which are otherwise lawful, shall remain in full force and effect, and to this end the provisions of this AGREEMENT are severable.

10. **AGREEMENT MODIFICATION.** This AGREEMENT may not be modified orally or in any manner other than by an agreement in writing signed by the parties hereto.

11. **TERMINATION.** This Agreement may be terminated by City immediately for cause and may be terminated by City for any reason, and without cause upon thirty (30) days written notice of termination by City to LICENSEE.

12. **SIGNATURES.** The individuals executing this AGREEMENT represent that they have the right and legal authority to enter into and to execute this AGREEMENT on behalf of the respective legal entities of the LICENSEE and the CITY.

IN WITNESS WHEREOF the parties hereto for themselves, their heirs, executors, administrators, successors, and assigns do hereby agree to the full performance of the covenants herein contained and have caused this Yuba City Certified Farmer's Market License Agreement to be executed by setting hereunto these signatures this 15th day of July, 2008.

YUBA CITY CERTIFIED FARMERS' MARKET

CITY OF YUBA CITY

By: _____
Executive Director

By: _____
Rory Ramirez, Mayor

By: _____

APPROVED AS TO FORM:

Timothy P. Hayes, City Attorney

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Attachment "C"

CITY OF YUBA CITY
AMENDED
YUBA CITY CERTIFIED FARMERS' MARKET LICENSE AGREEMENT

THIS AGREEMENT is made and entered into this ~~15th day of July, 2008~~ 16th day of June, 2009 by the CITY OF YUBA CITY, a municipal corporation, hereinafter designated as "CITY", and the Yuba City Certified Farmers' Market, hereinafter designated as "LICENSEE."

NOW THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. **SCOPE OF LICENSE.** The License is for the operation of a "Certified Farmers' Market" in the Town Center Park on Saturday mornings between 8:00 a.m. and noon, and, at the LICENSEE's discretion, one fixed weekday evening between 5:00 p.m. to 9:00 p.m. in the Plumas Street Central Business District from May to October.
 - 1.1 The LICENSEE shall provide the City with a venue site plan, including street utilization, if any, barricading plan and traffic control, as required by the CITY'S Public Work's Department.
 - 1.2 The Yuba City Certified Farmers' Market Association shall be operated in accordance with the most current edition of: (1) the California Farmers' Market Association Rules and Regulations for Certified Farmers' Markets, and (2) under the California Code of Regulations, Title III, Division 3, Chapter 1, Subchapter 4, Article 6.5, Direct Marketing. Copies of both documents are attached to this Agreement.
 - 1.3 The LICENSEE shall coordinate its activities with state and local health officials and receive any necessary permits for said activities.
 - 1.4 The LICENSEE shall accommodate any activities of the City that may conflict with market operations.
 - 1.5 The LICENSEE shall provide toilet facilities for vendors and necessary sanitary facilities.
 - 1.6 The LICENSEE may have entertainment in the form of individuals or small groups adjunct to and in conjunction with the Farmers' Market event. Such entertainment shall be in keeping with the scope of the Farmers' Market event and will not create any excessive noise or traffic issues. Requests for larger entertainment venues and/or amusements, such as amusement rides, games, and other entertainment venues, must have advance approval by the Director of Parks & Recreation, or his designee.

- 1.7 The LICENSEE shall have written guidelines and rules available for public reference governing market vendor requirements, freedom of information, public area use/location, and assignment of priority vendor spaces.
- 1.8 Any use of City utilities shall require the LICENSEE to obtain the permission of the City, subject to any conditions imposed by the City.
- 1.9 LICENSEE shall be responsible for clean-up of all litter and trash following each Farmers' Market event.
- 2.0 LICENSEE shall not use the Farmers' Market for purposes other than those specified hereinabove.
2. **INDEPENDENT CONTRACTOR.** The LICENSEE'S relationship to the CITY shall be that of an independent contractor. LICENSEE shall have no authority expressed or implied, to act on behalf of the City as an agent or to bind the CITY to any obligation whatsoever. The LICENSEE shall be solely responsible for the performance of any of its employees, agents, or subcontractors under this AGREEMENT.
3. **WORKERS' COMPENSATION.** Pursuant to Labor Code 1861, the LICENSEE hereby certifies that they are aware of provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that code.
4. **LIABILITY INSURANCE.**
- 4.1 LICENSEE shall, through the duration of this Agreement, maintain comprehensive general liability and property damage insurance, or commercial general liability insurance, covering all operations of the LICENSEE, its agents and employees, performed in connection with this AGREEMENT.
- 4.2 LICENSEE shall maintain liability insurance in the following minimum limits:
- | | |
|--|------------------------|
| <u>Comprehensive General Liability Insurance</u> | |
| Combined single limit/occurrence | \$1,000,000 |
| General Aggregate | \$2,000,000 |
| <u>Commercial General Liability Insurance</u> | |
| General limit/occurrence | \$1,000,000 |
| General limit project specific aggregate | \$2,000,000 |
| <u>Automobile Liability Insurance</u> | \$1,000,000 |

- 4.3 The commercial general liability insurance shall have 50% of the aggregate limit available at all times and will purchase additional coverage as necessary, due to claims, to maintain this level of coverage. The LICENSEE shall notify the CITY of all claims filed against the LICENSEE within 30 days of the claim.
- 4.4 All insurance companies providing coverage to the LICENSEE shall add, by written endorsement, Yuba City as "additional insured" under the designated insurance policy for all work and activity performed under this AGREEMENT. ~~Insurance coverage provided to the CITY as additional insured shall be primary insurance and other insurance maintained by the CITY of YUBA CITY, its officers, agents and employees shall be excess only.~~
- 4.5 All insurance companies affording coverage to the LICENSEE shall be rated as A-X or higher or as otherwise approved by the CITY.
- 4.6 ~~Thirty (30) days advance written notice is required to change or cancel insurance under this AGREEMENT.~~ Licensee's insurer will endeavor to mail 30 days advance written notice to City of any change or cancellation of any insurance under this Agreement. Any replacement insurance must meet the conditions of this AGREEMENT and be acceptable to the CITY.
- 4.7 LICENSEE shall provide evidence of insurance to the CITY by providing a Certificate of Insurance in a form satisfactory to the CITY.
- 4.8 Recertification or substitute insurance certification required 30 days in advance of prior policy expiration date.
5. **LICENSEE INDEMNIFICATION OF CITY.** LICENSEE shall indemnify and hold harmless the CITY of YUBA CITY, its officers, agents and employees against all claims for damages to persons or property arising out of the negligent acts, errors or omissions or wrongful acts or conduct of the Franchise. Further, the LICENSEE shall, upon written request by the CITY, defend any such claim or action brought against the CITY, its officers, agents or employees resulting or arising from the conduct, act or omission of the LICENSEE.
6. **COST REIMBURSEMENT.** The LICENSEE shall be reimbursed for portable restroom rental cost and the cost of liability insurance not to exceed \$2,000 per year in total reimburseables.
7. **DURATION OF AGREEMENT.** The term of this AGREEMENT shall be for five years. After the initial term of the Agreement, the Agreement will automatically renew on April 1 of each year unless notified by the LICENSEE of their intent to terminate the contract prior to this date. Termination by the City, if desired, would be pursuant to Section 11 of this Agreement.

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9. **INTERPRETATION OF THE AGREEMENT.** The interpretation, validity and enforcement of the AGREEMENT shall be governed by and construed under the laws of the State of California. The AGREEMENT does not limit any other rights or remedies available to CITY.

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Should any provision herein be found or deemed to be invalid, the AGREEMENT shall be construed as not containing such provision, and all other provisions, which are otherwise lawful, shall remain in full force and effect, and to this end the provisions of this AGREEMENT are severable.

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11. **TERMINATION.** This Agreement may be terminated by City immediately for cause and may be terminated by City for any reason, and without cause upon thirty (30) days written notice of termination by City to LICENSEE.
12. **SIGNATURES.** The individuals executing this AGREEMENT represent that they have the right and legal authority to enter into and to execute this AGREEMENT on behalf of the respective legal entities of the LICENSEE and the CITY.

IN WITNESS WHEREOF the parties hereto for themselves, their heirs, executors, administrators, successors, and assigns do hereby agree to the full performance of the covenants herein contained and have caused this Yuba City Certified Farmer's Market License Agreement to be executed by setting hereunto these signatures this ~~15th day of July, 2008~~ 16th day of June 2009.

YUBA CITY CERTIFIED FARMERS'
MARKET

CITY OF YUBA CITY

By: _____
Executive Director

By: _____
Rory Ramirez, Mayor
Leslie McBride

By: _____

APPROVED AS TO FORM:

Timothy P. Hayes, City Attorney

Attachment "D"

CITY OF YUBA CITY

AMENDED

YUBA CITY CERTIFIED FARMERS' MARKET LICENSE AGREEMENT

THIS AGREEMENT is made and entered into this 16th day of June, 2009 by the CITY OF YUBA CITY, a municipal corporation, hereinafter designated as "CITY", and the Yuba City Certified Farmers' Market, hereinafter designated as "LICENSEE."

NOW THEREFORE, THE PARTIES AGREE AS FOLLOWS:

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10. **AGREEMENT MODIFICATION.** This AGREEMENT may not be modified orally or in any manner other than by an agreement in writing signed by the parties hereto.

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YUBA CITY CERTIFIED FARMERS'
MARKET

CITY OF YUBA CITY

By: _____
Dan Silva, Executive Director

By: _____
Leslie McBride, Mayor

By: _____

APPROVED AS TO FORM:

Timothy P. Hayes, City Attorney

ACORD CERTIFICATE OF LIABILITY INSURANCE

OP ID: RS YCFRMK1 DATE (MM/DD/YYYY) 07/18/08

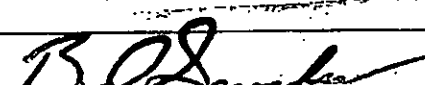
PRODUCER Sanchez Insurance Services 440 N. Palora Ave., Ste. G Yuba City CA 95991-4767 Phone: 530-673-6277 Fax: 530-673-3421	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.	
	INSURERS AFFORDING COVERAGE	NAIC #
INSURED Yuba City Farmers Market Assoc Dan & Candace Silva 200 Wilkie Ave Yuba City CA 95991	INSURER A: Allied Group	42579
	INSURER B:	
	INSURER C:	
	INSURER D:	
	INSURER E:	

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
A X	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	ACP7850700261	06/30/08	06/30/09	EACH OCCURRENCE \$ 1000000
					DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100000
					MED EXP (Any one person) \$ 5000
					PERSONAL & ADV INJURY \$ 1000000
					GENERAL AGGREGATE \$ 2000000
					PRODUCTS - COMPIOP AGG \$ 2000000
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC \$ AUTO ONLY: AGG \$
	EXCESSUMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below				WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
	OTHER				

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
 Certificate holder is recognized as additional insured to General Liability.
 For the Farmers Market located at Plumas and Town Square MARKETS-OPEN AIR
 (LESSOR'S RISK ONLY) PRODUCTS-COMPLETED

CERTIFICATE HOLDER City of Yuba City Fax: 822-7689 1201 Civic Center Blvd Yuba City CA 95993	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL endeavor <input checked="" type="checkbox"/> BY MAIL <u>30</u> DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE L. Bud Sanchez 
---	--

ACORD CERTIFICATE OF LIABILITY INSURANCE		OP ID: RS YCFRMKI	DATE (MM/DD/YYYY) 06/02/09
PRODUCER Sanchez Insurance Services 440 N. Palora Ave., Ste. A Yuba City CA 95991-4767 Phone: 530-673-6277 Fax: 530-673-3421	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.		
INSURED Yuba City Farmers Market Assoc Dan & Candace Silva 200 Wilkie Ave. Yuba City CA 95991	INSURERS AFFORDING COVERAGE	NAIC #	
	INSURER A: Allied Group	42579	
	INSURER B:		
	INSURER C:		
	INSURER D:		
	INSURER E:		

COVERAGES

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A	X	<input checked="" type="checkbox"/> GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	ACP7850700261	06/30/09	06/30/10	EACH OCCURRENCE	\$ 1000000
						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 100000
						MED EXP (Any one person)	\$ 5000
						PERSONAL & ADV INJURY	\$ 1000000
						GENERAL AGGREGATE	\$ 2000000
						PRODUCTS - COMP/OP AGG	\$ 2000000
		AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT (Ea accident)	\$
						BODILY INJURY (Per person)	\$
						BODILY INJURY (Per accident)	\$
						PROPERTY DAMAGE (Per accident)	\$
		GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT	\$
						OTHER THAN EA ACC	\$
						AUTO ONLY: AGG	\$
		EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input type="checkbox"/> RETENTION \$				EACH OCCURRENCE	\$
						AGGREGATE	\$
							\$
							\$
							\$
		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below				WC STATU-TORY LIMITS	OTH-ER
						E.L. EACH ACCIDENT	\$
						E.L. DISEASE - EA EMPLOYEE	\$
						E.L. DISEASE - POLICY LIMIT	\$
		OTHER					

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
 Certificate holder is recognized as primary additionally insured to General Liability. For the Farmers Market located at Plumas and Town Square
 MARKETS-OPEN AIR
 (LESSOR'S RISK ONLY) PRODUCTS-COMPLETED

CERTIFICATE HOLDER City of Yuba City Fax: 822-7689 1201 Civic Center Blvd Yuba City CA 95993	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL <u>30</u> DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE L. Bud Sanchez
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