AGENDA

MARCH 21, 2023

REGULAR MEETING
CITY COUNCIL
CITY OF YUBA CITY

6:00 P.M. REGULAR MEETING
COUNCIL CHAMBERS/VIRTUAL

MAYOR	•	Wade Kirchner
VICE MAYOR	•	Shon Harris
COUNCILMEMBER	•	Marc Boomgaarden
COUNCILMEMBER	•	Michael Pasquale
COUNCILMEMBER	•	Dave Shaw
CITY MANAGER	•	Diana Langley
CITY ATTORNEY	•	Shannon L. Chaffin

1201 Civic Center Blvd
Yuba City CA 95993

Wheelchair Accessible

AGENDA

The City has adopted a Reasonable Accommodations Policy that provides a procedure for receiving and resolving requests for accommodation to participate in this meeting. Please visit yubacity.net ADA & Accessibility Resources page. If you need assistance in order to attend the City Council meeting, or if you require auxiliary aids or services, e.g., hearing aids or signing services to make a presentation to the City Council, the City is happy to help. Accommodations should be requested as early as possible as additional time may be required in order to provide the requested accommodation; 72 hours in advance is suggested. Please contact City offices at (530) 822-4817 or ***(TTY: 530-822-4732),*** *so such aids or services can be arranged. Requests may also be made by email at cityclerk@yubacity.net or citymanager@yubacity.net or mail City Clerk, 1201 Civic Center Blvd, Yuba City, CA 95993.*

REGULAR MEETING
CITY COUNCIL - CITY OF YUBA CITY
MARCH 21, 2023
6:00 P.M. REGULAR MEETING
COUNCIL CHAMBERS/VIRTUAL

Materials related to an item on this Agenda submitted to the Council after distribution of the agenda packet are available for public inspection in the City Clerk's office at 1201 Civic Center Blvd., Yuba City, during normal business hours. Such documents are also available on the City of Yuba City's website at www.yubacity.net, subject to staff's availability to post the documents before the meeting.

The Council Chambers will be open for public attendance and participation. The meeting will also be live streamed for public viewing, but not participation, at the following link: https://us06web.zoom.us/webinar/register/WN_S6aT9tjqRYeX2-WBiFEKpg. Emailed comments sent to cityclerk@yubacity.net at least 24 hours before the meeting will be distributed to the City Council prior to the meeting. Please identify the Agenda item(s) addressed by the comments.

Regular Meeting

Call to Order

Roll Call

__ Mayor Kirchner
__ Vice Mayor Harris
__ Councilmember Boomgaarden
__ Councilmember Pasquale
__ Councilmember Shaw

Invocation/Inspiration

Pledge of Allegiance to the Flag

Agenda Modifications/Approval of Agenda

Ceremonial Presentations

1. Women's Day Recognition

2. Harkey House 40th Anniversary Proclamation

3. Project Hope Presentation by Chris Champlin

Public Communication

4. Appearance of Interested Citizens

You are welcome and encouraged to participate in this meeting. Public comment is taken on action items appearing on the Consent Calendar or Business Items on the Agenda when they are called. Public comment on any other items within the scope of the City's jurisdiction, including items not listed on the Agenda will be considered at this time. Public comment is limited to three minutes per speaker. Members of the public submitting written requests at least 24 hours prior to the meeting will be allotted five minutes to comment per speaker. Repetitive

comments may be limited, and large groups are encouraged to select representatives to express the opinions of the group.

Consent Calendar

All matters listed under Consent Calendar are considered to be routine and can be enacted in one motion. There will be no separate discussion of these items prior to the time that Council votes on the motion unless members of the City Council request specific items to be discussed or removed from the Consent Calendar for individual action.

5. Approve minutes of the March 7 and 14, 2023 meeting

Recommendation: Approve the minutes from March 7 and 14, 2023

6. Presentation of Investment Report - Quarter Ended December 31, 2022

Recommendation: Note and file quarterly investment report

7. Fiscal Year 22/23 Mid-Year Budget Adjustments

Recommendation: Adopt a Resolution authorizing the Finance Director to make supplemental appropriations and related transfers for the following items:

A. Temporary Relief Public Safety Dispatchers - Add three (3) part-time Relief Public Safety Dispatchers to the Communications Division budget in the amount of $5,800 to Expenditure Account No. 2170-61310;
B. Planning Manager - Add a Planning Manager position back into the Planning Division budget;
C. Park Equipment Donation - Receipt and expenditure of the Didar S. Bains Park equipment donation from the Early Risers Kiwanis Club in the amount of $33,000 to General Fund CIP Revenue Account No. 301-49010 and expenditure account no. 901207-65501;
D. Contract Janitorial Services - Increase budget amounts from unallocated General Fund Account 301 for contract janitorial services to Account Nos. 5120-63603 (Senior Center) - $18,400, 5130-63603 (Gauche Aquatic Park) - $5,400, and 7410-63601 (Sutter Animal Services Authority) - $18,900.

8. Appointments to the City of Yuba City Youth Commission

Recommendation: Approve the Recommendations for Appointments to the Youth Commission

Business Items

9. Yuba City Lighting and Landscape Maintenance District No. 6, Zone of Benefit A_1 (Spirit Drive Parcel Map)

Recommendation:

A. Conduct a Public Hearing

B. Adopt a Resolution confirming and ordering annexation of the Parcel associated with the Spirit Drive Parcel Map Development, APN 63-010-141, into existing Yuba City Lighting and Landscape Maintenance District No. 6, Zone of Benefit A_1 and establishing a levy of assessments for

the annexed territory

10. Bridge Street Widening – Gray Avenue to Cooper Avenue Project (Amendment to Construction Management Professional Services Agreement)

Recommendation: Adopt a Resolution which takes the following actions:

A. Authorize Amendment No. 1 to the Professional Services Agreement with Knight CM Group of Gold River, CA for Construction Management and Inspection Services in the amount of $458,300.00, for a total contract amount of $1,272,725.36, subject to material terms, with the finding that it is in the best interest of the City

B. Authorize the Finance Director to make a supplemental appropriation in the amount of $458,300.00 from unallocated Transportation Development Act funds to CIP Account No. 911187 (Bridge Street Widening)

11. Walton Avenue Improvements Preliminary Engineering Services (Award)

Recommendation: Adopt a Resolution awarding a Professional Services Agreement to MHM Inc. of Marysville, CA for the Walton Avenue Improvements Preliminary Engineering Services in the amount of $263,844.38, subject to material terms, with the finding that it is in the best interest of the City

12. Merriment Village Apartments - Proposed Habitat for Humanity Homekey 3.0 Project

Recommendation: Receive a presentation related to Habitat for Humanity's proposed Merriment Village Apartment Project and provide direction to staff regarding support of the project

Future Agenda Items

13. Future Agenda Items

- Councilmember Pasquale
- Councilmember Boomgaarden
- Councilmember Shaw
- Vice Mayor Harris
- Mayor Kirchner

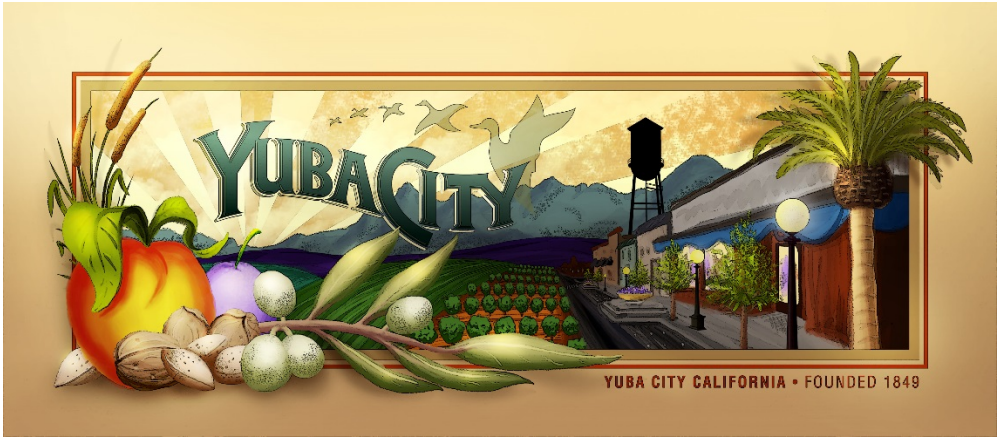
Reports and Communications

The following reports and communication items are provided for the Council's information. No action can be taken on items under this section unless the Council agrees to include it on a subsequent agenda

14. City Manager's Report

15. City Council Reports

Adjournment



Women's History Month Spotlight

2023

During the month of March, five women were recognized on Yuba City's Facebook page.

Thank you for all of your contribution and countless hours giving back to our community, you are outstanding Leaders in our community!

Justine Gill	Servant Leader/Community Volunteer
Eileen Safford	Veteran/Advocate/Community Volunteer
Angie Gates	Co-Founder of *SoYouCan*/Community Volunteer
Dr. Raman Takhar	Optometrist
Jackie Bumpus	Deacon & Elder at St Andrew Presbyterian Church/Community Volunteer

Proclamation

of the City Council

Harkey House Bed and Breakfast Inn
Bob and Lee Jones - Owners

Celebrating 40 years of Proprietorship

Proclamation to be presented at the Council Meeting

Chris Champlin, President of Adventist Health + Rideout will be presenting on Project Hope.

Here is the link to the Adventist Health + Rideout – WEBSITE

Adventist Health + Rideout

726 4th Street

Marysville, CA 95901

530-296-8205

Public Communication

Members of the public may address the City Council on items of interest that are within the City's jurisdiction. Individuals addressing general comments are encouraged to limit their statements.

Procedure

You are welcome and encouraged to participate in this meeting. Complete a Speaker Card located in the lobby and give to the Clerk, public comment is taken on action items appearing on the Consent Calendar or Business Items on the Agenda when they are called. Public comment on any other items within the scope of the City's jurisdiction, including items not listed on the Agenda, will be considered at this time.

When a matter is announced, wait to be recognized by the Mayor to provide your comments to the Council. Comments should begin by providing your name and place of residence. A three minute limit is requested when addressing Council.

Request for additional time to address Council

Members of the public submitting written requests at least *24 hours* prior to the meeting will be allotted 5 minutes to comment per speaker. Repetitive comments may be limited, and large groups are encouraged to select representatives to express the opinions of the group.

Procedure

When requesting to comment, please indicate your name and the topic and mail to:

City of Yuba City
Attn: City Clerk
1201 Civic Center Blvd
Yuba City CA 95993

Or email to:

Jackie Sillman, City Clerk
cityclerk@yubacity.net

Agenda Item **5**

CITY OF YUBA CITY
STAFF REPORT

Date: March 21, 2023
To: Honorable Mayor & Members of the City Council;
From: Administration Department
Presentation By: Ciara Wakefield, City Clerk Administrator

Summary

Subject: Approve minutes of the March 7 and 14, 2023 meeting
Recommendation: Approve the minutes from March 7 and 14, 2023
Fiscal Impact: None

Attachments:
1. 03-07-2023 - Regular Meeting Minutes (DRAFT)
2. 03-14-2023 - Special Meeting Minutes (DRAFT)

Prepared By:
Ciara Wakefield
City Clerk Administrator

Submitted By:
Diana Langley
City Manager

ATTACHMENT 1

MINUTES (DRAFT)
REGULAR MEETING
CITY COUNCIL - CITY OF YUBA CITY
MARCH 7, 2023
5:00 P.M. CLOSED SESSION
SUTTER ROOM/VIRTUAL

6:00 P.M. REGULAR MEETING
COUNCIL CHAMBERS/VIRTUAL

Call to Order

The Closed Session Meeting of the City Council was called to order by Mayor Kirchner at 5:00 PM

Roll Call

Present: Mayor Kirchner and Councilmembers Boomgaarden, Harris and Pasquale

Absent: Councilmember Shaw

Closed Session

A. Conference with Legal Counsel – Existing Litigation (Pursuant to Government Code Section 54956.9(d)(1)) Name of Case: *Gregory Gross v. City of Yuba City et al*., Yuba County Superior Ct. Case No. CVCS22-0000016

No public comment received

Regular Meeting

Call to Order

The Regular Meeting of the City Council called to order by Mayor Kirchner at 6:00 PM

Roll Call

Present: Mayor Kirchner and Councilmembers Boomgaarden, Harris and Pasquale

Absent: Councilmember Shaw

Invocation/Inspiration

Chaplain Dave Kuegelman, Sutter County Sheriff's Department

Pledge of Allegiance to the Flag

Deputy Andre Licon, Sutter County Sheriff's Department

City Attorney's Report on Closed Session Items

No reportable action taken

Agenda Modifications/Approval of Agenda

Item 14 (Professional Services Agreement with Smart Marketing & Public Affairs for Revenue Measure Consulting Services) was moved to be heard prior to the Consent Calendar

Ceremonial Presentations

1. **Cheri Stephens from Stephens Farmhouse, Retirement Proclamation**

   Mayor Kirchner presented a proclamation to Cheri Stephens of Stephens Farmhouse in honor of her retirement

2. **Marni Sanders Chamber of Commerce Proclamation**

   Mayor Kirchner presented a proclamation to Marni Sanders in recognition of her contributions to the Yuba-Sutter Chamber of Commerce

3. **RACE Communications Presentation**

   Presentation by: Jim Miller, Vice President of Sales and Marketing

Public Communication

4. **Appearance of Interested Citizens**

Tom Burns spoke

[Item 14 was moved forward from Business Items]

14. **Professional Services Agreement with Smart Marketing & Public Affairs for Revenue Measure Consulting Services (Continued from February 21, 2023)**

    Written comments received from: Debra Desrosiers
    Phil Treanar spoke
    Liz Cervantes spoke
    Heather Esemann spoke
    Richard Cray spoke
    Linda Baker spoke
    Tom Burns spoke
    Chuck Smith spoke

Councilmember Boomgaarden moved and Vice-Mayor Harris seconded the motion to:

Adopt **Resolution 23-030** awarding a Professional Services Agreement to Smart Marketing & Public Affairs of Yuba City, CA, for Revenue Measure Consulting Services in an amount not to exceed $135,000 for base consulting fees plus $40,000 for other hard project costs for a total not to exceed $175,000, subject to immaterial

modifications by the City Manager upon approval of the City Attorney as to legal form, with the finding that it is in the best interest of the City, and approve a supplemental appropriation of $75,000 from one-time federal American Rescue Plan Act funds to Account No. 1305-62701 (City Manager Budget - Professional Services)

The motion passed with four (4) votes

Consent Calendar

Vice-Mayor Harris moved and Councilmember Pasquale seconded the motion to:

5. Approve minutes of the February 21, 2023 meeting

Approve the February 21, 2023 minutes

6. Information Security Administrator Salary Schedule

Adopt **Resolution 23-024** authorizing the Finance Director to amend the salary schedule for the Information Security Administrator classification and to set appropriate compensation

7. Environmental Compliance Truck

A. Approve a vehicle capital acquisition for the Environmental Compliance Division of the Public Works Department of a Ford F-150 Extended Cab Truck or equivalent

B. Authorize a supplemental appropriation and related transfers in the amount of $3,800 from unallocated wastewater funds (Fund 518) to Account No. 6610-69410 (Vehicle Replacement Fund)

8. Quality Assurance Officer Salary Schedule

A. Adopt **Resolution 23-025** authorizing the Finance Director to amend the salary schedule to establish the Quality Assurance Officer classification within the Public Works Department and approving a side letter with Public Employees' Union, Local 1/AFSCME 57

B. Authorize the Finance Director to make budget adjustments as necessary

9. Cooper Market Liquor Department of Alcoholic Beverage Control (ABC) Premise- To-Premise Transfer Application

Adopt **Resolution 23-026** making a finding of public convenience or necessity for the premise-to-premise transfer of a Type 21 (Off- Sale General) Alcoholic Beverage Control (ABC) License at 759 Reeves Avenue (Cooper Market Liquor)

10. Authorization to submit a California Energy Commission Solar automated permit processing grant application to implement the provisions of Senate Bill 379

Adopt **Resolution 23-027** of the City Council of the City of Yuba City

authorizing the Public Works and Development Services Director, or designee, to submit and administer a California Energy Commission solar automated permit processing program grant on behalf of the City

11. Receive the 2022 Housing Element Annual Progress Report and authorize its submission to the State Department of Housing and Community Development and the Governor's Office of Planning and Research

A. Receive the 2022 Housing Element Annual Progress Report; and

B. Direct staff to file the report for calendar year 2022 with the State Department of Housing and Community Development (HCD) and the Governor's Office of Planning and Research (OPR)

12. Yuba City Lighting and Landscape Maintenance District No. 6, Zone of Benefit A_1 (Spirit Drive Parcel Map)

Adopt **Resolution 23-028** which makes the following actions:

A. Initiates proceedings to order the annexation of the parcel associated with the Spirit Drive Parcel Map, APN 63-010-141, into existing Yuba City Lighting and Landscape Maintenance District No. 6, Zone of Benefit A_1 and orders the Engineer of Work to file a report with regard to Yuba City Lighting and Landscape Maintenance District No. 6, Zone of Benefit A_1

B. Set a Public Hearing for March 21, 2023 at 6:00 PM to order the annexation of the parcel associated with the Spirit Drive Parcal Map, APN 63-010-141, into existing Yuba City Lighting and Landscape Maintenance District No. 6, Zone of Benefit A_1 and establishing a levy of assessments for the annexed territory.

The motion passed with four (4) votes

<u>Business Items</u>

13. Abandoned Railroad Corridor Feasibility Study (Adoption) (Continued from February 21, 2023)

[Councilmember Boomgaarden recused himself]

Marni Sanders/Eric Paredes spoke
Heather Esemann spoke

Councilmember Pasquale moved and Vice-Mayor Harris seconded the motion to:

Adopt **Resolution 23-029** which adopts the Abandoned Railroad Corridor Feasibility Study

The motion passed with three (3) votes

[Item 14 was heard prior to the Consent Calendar]

~~**14. Professional Services Agreement with Smart Marketing & Public Affairs for Revenue Measure Consulting Services (Continued from February 21, 2023)**~~

~~Adopt a Resolution awarding a Professional Services Agreement to Smart Marketing & Public Affairs of Yuba City, CA, for Revenue Measure Consulting Services in an amount not to exceed $135,000 for base consulting fees plus $40,000 for other hard project costs for a total not to exceed $175,000, subject to immaterial modifications by the City Manager upon approval of the City Attorney as to legal form, with the finding that it is in the best interest of the City, and approve a supplemental appropriation of $75,000 from one-time federal American Rescue Plan Act funds to Account No. 1305-62701 (City Manager Budget - Professional Services)~~

Future Agenda Items

15. Future Agenda Items

No suggestions

Reports and Communications

16. City Manager's Report

17. City Council Reports

- Councilmember Boomgaarden
- Councilmember Pasquale
- Vice Mayor Harris
- Mayor Kirchner

Adjournment

Mayor Kirchner adjourned the Regular Meeting of the City Council at 8:18 PM

Wade Kirchner, Mayor

ATTEST:

Ciara Wakefield, Deputy City Clerk

ATTACHMENT 2

MINUTES (DRAFT)
SPECIAL MEETING
CITY COUNCIL - CITY OF YUBA CITY
MARCH 14, 2023
12:00 P.M. SPECIAL MEETING
COUNCIL CHAMBERS/VIRTUAL

Special Meeting

Call to Order

The Special Meeting of the City Council called to order by Mayor Kirchner at 12:00 PM

Roll Call

Present: Mayor Kirchner and Councilmembers Boomgaarden, Harris, Pasquale and Shaw

Absent: none

Pledge of Allegiance to the Flag

Pledge was led by City Manager, Diana Langley

Agenda Modifications/Approval of Agenda

None

Public Communication

1. Appearance of Interested Citizens

Toni-Diane Farley spoke

Business Items

2. Sale and Transfer of Carryover Water Supply to San Gorgonio Pass Water Agency

Councilmember Shaw moved and Councilmember Pasquale seconded the motion to:

A. Authorize the sale and transfer of up to 3,999 acre feet of carryover water to San Gorgonio Pass Water Agency

B. Adopt **Resolution 23-031** authorizing the Public Works Director or designee to apply, accept, and execute all documents associated with the sale and transfer of up to

3,999 acre feet of Yuba City carryover water supply to San Gorgonio Pass Water Agency on behalf of the City, and determination per CEQA Guidelines Sections 15282(u) (Temporary Changes in Point of Diversion), Water Code section 1729 (Temporary Change Exemption), 15301 (Existing Facilities), and 15061(b)(3) (Common Sense Exemption)

C. Adopt **Resolution 23-032** authorizing the Public Works Director or designee to apply, accept, and execute all documents with the Department of Water Resources associated with the sale and transfer of up to 3,999 acre feet of Yuba City carryover water supply to San Gorgonio Pass Water Agency on behalf of the City

D. Authorize the Finance Director to deposit the revenue acquired by the sale and transfer of carryover water supply to San Gorgonio Pass Water Agency into Account No. 971098-65501 (Water Capitalization Fund)

The motion was passed with a unanimous vote

Adjournment

Mayor Kirchner adjourned the Special Meeting of the City Council at 12:17 PM

_____
Wade Kirchner, Mayor

ATTEST:

_____
Ciara Wakefield, Deputy City Clerk

/js

CITY OF YUBA CITY
STAFF REPORT

Date: March 21, 2023
To: Honorable Mayor & Members of the City Council;
From: Finance/IT Department
Presentation By: Spencer Morrison, Finance Director

Summary

Subject: Presentation of Investment Report - Quarter Ended December 31, 2022
Recommendation: Note and file quarterly investment report
Fiscal Impact: Informational item only

Purpose:

To provide information regarding the investment of City funds.

Council's Strategic Goal:

This staff report addresses the City Council's strategic goal of fiscal responsibility.

Background:

In accordance with the City's adopted Investment Policies, staff has prepared the attached investment report for City Council review for the previous quarter (October, November, and December, 2022).

Analysis:

Portfolio Highlights:

- As of December 31, 2022, the City's overall investment portfolio (estimated market value) totaled $133,083,255, a decrease of $7,592,945 from the previous quarter.
- Notable transactions during the quarter that affected cash flow included:
    - Sales tax receipts, $4.44 million;
    - Streets & Road rehab $1.43 million in expenditures, offset by $0.85 million in gas tax revenues;
    - SBFCA expenses, $1.92 million;
    - Debt service payments, various funds, $2.26 million.

- The portfolio shows a "paper loss" of $3,911,442 as of December 31st 2022. This represents the amount of value that the City would lose if it were to liquidate its entire portfolio at the end of the reporting period. However, such losses will not be realized if the investments are held until

maturity (which is the City's general investment strategy).

- The City's portfolio is beginning to replace lower-yield instruments with higher yields for each maturing bond in this weak fixed income market, and the overall portfolio yield increased compared to past quarters due to a reduced cash position. The portfolio remains positioned for caution by keeping the maturity dates of our purchases to a more neutral position, currently 1.17 weighted average years to maturity, while remaining watchful for signs of an economic shift. For the quarter ended 12/31/22, 10 investments matured or sold with an average yield of 1.92%. These funds, along with LAIF holdings, were invested in 11 instruments with an average yield of 4.62%. The Weighted Average Yield to Maturity of the City's total investment portfolio increased from 1.68% to 2.02% for the quarter.
- The City's cash flow needs will be met by roughly $57.3 million in liquid assets as of December 31st (approximately 44.14% of the City Held Investments portfolio value) that is currently invested in LAIF, CAMP, First American money management funds, and in the City's Wells Fargo checking account.

Outlook: Aside from the debt ceiling, CPI continues to be the big financial news each month as the Fed's efforts to pull inflation down to around 2% continue to be ineffective, possibly until summer. For now, we expect the Fed will continue to adopt a cautious tone, particularly given excellent labor market data released earlier this month. The Fed also faces a communication challenge to keep financial conditions tight enough to reduce inflation in the services categories. As such, we expect the Fed to continue to guide towards more rate hiking activity.

Summary Overview: The City's investment portfolio continues to remain safe and stable. Each investment continues to be in compliance with state law and the City's formal Investment Policies. Our three primary objectives for the City's portfolio are safety, liquidity, and then yield. With this in mind, staff continues to conservatively look for opportunities in today's marketplace while remaining focused on our primary objectives.

Fiscal Impact:

Informational item only.

Recommendation:

Note and file the Quarterly Investment Report for the period ending December 31, 2022.

Attachments:
1. Investment Report

Prepared By:
Spencer Morrison
City Treasurer

Submitted By:
Spencer Morrison
City Treasurer

ATTACHMENT 1

City of Yuba City

Treasurer's Quarterly Investment Report

AS PRESCRIBED BY CALIFORNIA GOVERNMENT CODE SECTION 53646

December 31, 2022

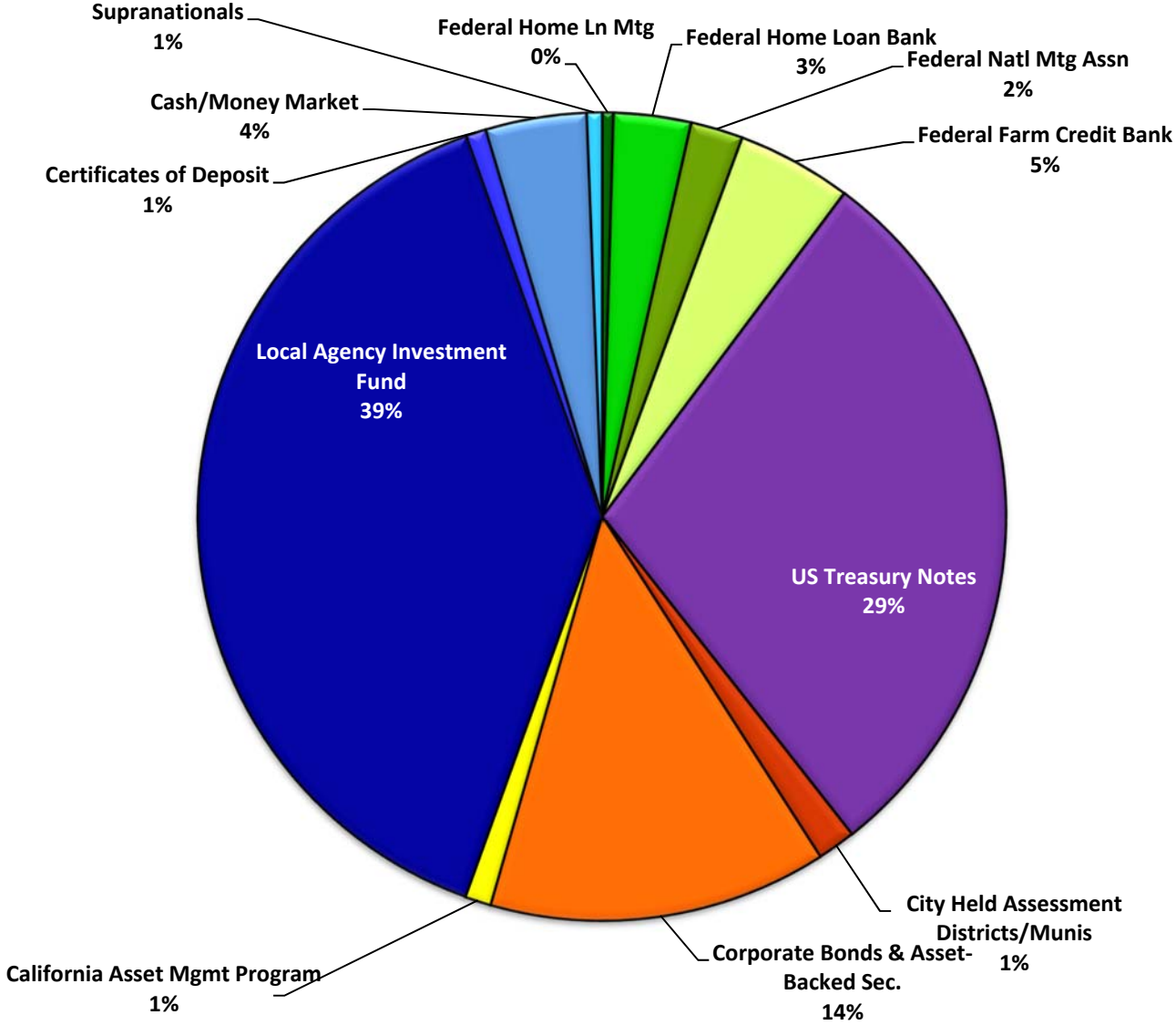
City of Yuba City – Month-By-Month Comparison Report
December 31, 2022

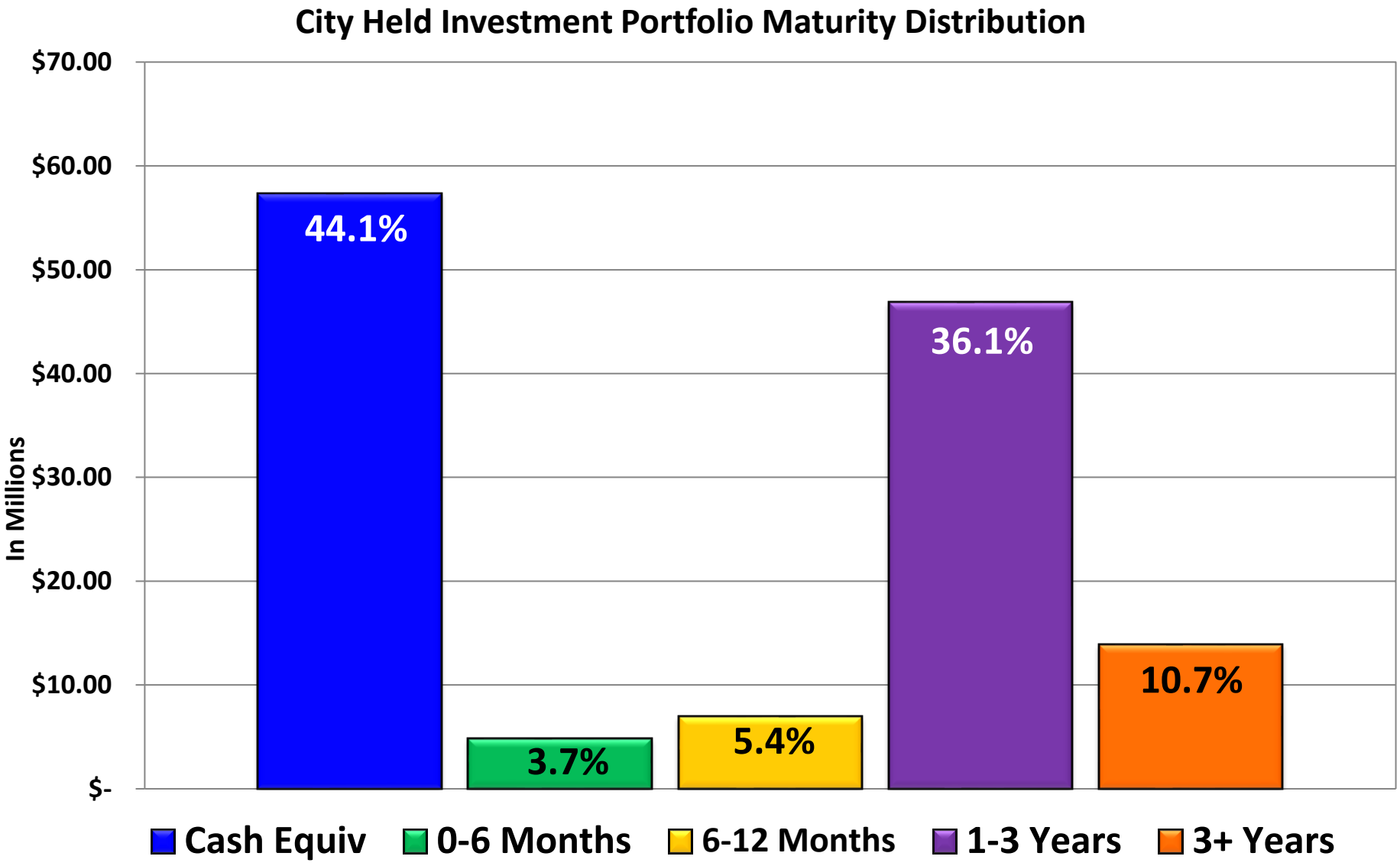
The following table provides a comparison of the portfolio for the quarter ended December, and the previous quarters ended March and June 2022, and September 2023.

Portfolio Comparison				
	3/31/2022	6/30/2022	9/30/2022	**12/31/22**
Cost Basis	$140,049,239	$153,903,521	$144,678,104	**$136,994,697**
Estimated Market Value	137,604,797	150,937,026	140,676,200	**133,083,255**
Unrealized Gains/(Losses) (1)	(2,444,441)	(2,966,495)	(4,001,904)	**(3,911,442)**
Liquidity	58.65%	62.76%	51.49%	**44.14%**
Weighted Average Years: Maturity of City Held Funds	1.11 years	0.95 years	1.06 years	**1.17 years**
LAIF Interest Rate	0.320%	0.750%	1.630%	**2.070%**
CAMP Interest Rate	0.379%	1.140%	2.610%	**4.300%**
Portfolio: Weighted Average Yield to Maturity at Market	0.73%	0.70%	1.68%	**2.02%**
CPI (Annualized)	8.5%	9.1%	8.2%	**6.5%**

Note: (1) This represents the amount of money that the City would gain (or lose) if it were to liquidate its entire portfolio at the end of the reporting period. However, such gains (or losses) will not be realized if the investments are held until maturity (which is the City's historical investment strategy).

Composition of City Held Investments




City Held Investment Portfolio Maturity Distribution
$70.00
$60.00
$50.00
$40.00
$30.00
$20.00
$10.00
$-
In Millions
44.1%
3.7%
5.4%
36.1%
10.7%
Cash Equiv
0-6 Months
6-12 Months
1-3 Years
3+ Years

City of Yuba City
Monthly Investment Statement
City Held Investments

December, 2022

No.	Description of Security	CUSIP NO.	Maturity Date	Coupon Rate	Yield to Maturity	Cost Basis	Estimated Market Value	Unrealized Gain/(Loss)
	U.S. Consumer Price Index (Inflation)		12/31/22		6.500%			
1	Local Agency Investment Fund (LAIF)	N/A	Daily	2.070%	2.070%	$ 51,666,329	$ 50,704,780.64	$ (961,549)
2	Calif. Asset Management Program (CAMP)	N/A	Daily	4.300%	4.300%	1,353,591	1,353,591	-
3	Wells Fargo Money Market & Checking Accts.	N/A	Daily (Sweep)	0.010%	0.010%	5,070,064	5,070,064	-
4	First American Institutional Prime	26200630S	Daily	2.140%	2.140%	183,022	183,022	-
5	Federal Farm Credit Bank	3133EKKT2	02/08/23	2.250%	1.842%	1,017,480	997,880	(19,600)
6	Federal Home Loan Bank Bonds	313382AX1	03/10/23	2.125%	1.795%	1,011,776	995,830	(15,946)
7	American Honda Finance	02665WDH1	05/10/23	1.950%	1.770%	502,780	494,165	(8,615)
8	US Treasury Notes	912828R69	05/31/23	1.625%	2.340%	510,604	512,892	2,288
9	US Treasury Notes	912828R69	05/31/23	1.625%	1.870%	842,164	845,938	3,774
10	Federal Home Loan Bank Bonds	3133834G3	06/09/23	2.125%	1.796%	1,012,500	988,870	(23,630)
11	US Treasury Notes	91282CCN9	07/31/23	0.125%	1.009%	671,077	662,096	(8,982)
12	Federal Home Ln Mtg	3137EAEW5	09/08/23	0.250%	0.234%	600,222	581,946	(18,276)
13	US Treasury Notes	912828T26	09/30/23	1.375%	1.742%	640,227	634,160	(6,067)
14	Plumas Bank CD	269101799	09/17/23	0.000%	0.000%	1,046,940	1,046,940	-
15	Federal Farm Credit Bank	3133EMCQ3	10/13/23	0.280%	0.314%	999,000	963,830	(35,170)
16	US Treasury Notes	912828T91	10/31/23	1.625%	1.433%	1,158,715	1,121,480	(37,235)
17	Federal Farm Credit Bank	3133EHN25	11/01/23	2.200%	1.842%	1,014,870	979,420	(35,450)
18	US Treasury Notes	9128285P1	11/30/23	2.875%	0.615%	1,044,925	983,670	(61,255)
19	US Treasury Notes	91282CBE0	01/15/24	1.250%	0.443%	695,026	667,443	(27,583)
20	US Bancorp MTNS Bank Notes	91159HHV5	02/05/24	3.375%	2.075%	1,049,040	982,140	(66,900)
21	US Bancorp MTNS Bank Notes	91159HHV5	02/05/24	3.375%	3.190%	453,848	441,963	(11,885)
22	Federal National Mortgage Assn Notes (Fannie Mae)	3135G0V34	02/05/24	2.500%	2.600%	1,393,700	1,366,400	(27,300)
23	US Treasury Notes	912828B66	02/15/24	2.750%	4.270%	2,351,906	2,349,611	(2,296)
24	US Treasury Notes	912828B66	02/15/24	2.750%	4.640%	1,271,563	1,270,321	(1,241)
25	JP Morgan Chase & Co	46647PBZ8	03/16/24	0.697%	0.479%	602,058	593,688	(8,370)
26	Schwab Charles Corp	808513BN4	03/18/24	0.000%	0.770%	84,958	80,781	(4,176)
27	Federal Farm Credit Bank	3133EMBE1	03/28/24	0.300%	0.322%	1,099,175	1,039,511	(59,664)
28	US Treasury Notes	912828W71	03/31/24	2.125%	1.673%	662,444	629,688	(32,756)
29	Federal Home Loan Bank	3130AMQQ8	04/23/24	0.350%	0.350%	1,500,000	1,411,920	(88,080)
30	US Treasury Notes	912828X70	04/30/24	2.000%	1.591%	509,004	482,420	(26,584)
31	IBM Corporate Notes	459200JY8	05/15/24	3.000%	0.538%	540,180	488,431	(51,749)
32	IBM Corporate Notes	459200JY8	05/15/24	3.000%	0.715%	535,390	484,099	(51,291)
33	Caterpillar Mtn	14913R2L0	05/17/24	0.450%	0.497%	998,750	942,000	(56,750)
34	American Honda Finance Corp Med Term Notes	02665WCZ2	06/27/24	2.400%	2.430%	249,603	240,868	(8,735)
35	US Treasury Notes	912828XX3	06/30/24	2.000%	1.653%	761,191	714,197	(46,994)
36	US Treasury Notes	912828XX3	06/30/24	2.000%	1.419%	1,127,113	1,057,528	(69,585)
37	US Treasury Notes	912828XX3	06/30/24	2.000%	0.672%	422,578	396,489	(26,089)
38	US Treasury Notes	912828XX3	06/30/24	2.000%	1.566%	815,500	765,153	(50,347)

City of Yuba City
Monthly Investment Statement
City Held Investments

December, 2022

No.	Description of Security	CUSIP NO.	Maturity Date	Coupon Rate	Yield to Maturity	Cost Basis	Estimated Market Value	Unrealized Gain/(Loss)
39	US Treasury Notes	91282CEX5	06/30/24	3.000%	3.410%	796,813	785,649	(11,164)
40	US Treasury Notes	91282CEX5	06/30/24	3.000%	3.200%	2,192,008	2,161,296	(30,712)
41	US Treasury Notes	91282CEX5	06/30/24	3.000%	3.410%	1,092,094	1,076,793	(15,301)
42	US Treasury Notes	91282CEX5	06/30/24	3.000%	3.490%	2,181,266	2,150,705	(30,561)
43	US Treasury Notes	91282CEX5	06/30/24	3.000%	4.260%	2,251,215	2,219,674	(31,541)
44	US Treasury Notes	91282CCL3	07/15/24	0.375%	0.409%	649,367	608,894	(40,473)
45	US Treasury Notes	91282CCT6	08/15/24	0.375%	0.410%	1,198,922	1,121,064	(77,858)
46	Walt Disney Co Corporate Bonds	254687FK7	08/30/24	1.750%	1.836%	273,878	262,180	(11,699)
47	Darrough Drive AD		09/02/24	6.000%	6.000%	23,798	23,798	-
48	Deere John Mtn	24422EVU0	09/10/24	0.625%	0.650%	89,942	83,984	(5,957)
49	Caterpillar Finl Mtn	14913R2P1	09/13/24	0.600%	0.650%	224,694	209,887	(14,807)
50	Toyota Motor Credit Corp	89236TJN6	09/13/24	0.625%	2.770%	522,550	511,825	(10,725)
51	Inter Amer Bk Mtn	4581X0DZ8	09/23/24	0.500%	0.520%	584,567	544,968	(39,599)
52	US Treasury Notes	912828YH7	09/30/24	1.500%	0.474%	154,764	142,436	(12,328)
53	Federal Farm Credit Bank	3133EMCN0	10/15/24	0.400%	0.432%	948,813	878,779	(70,034)
54	MBART 2021-B A3	58769KAD6	11/15/24	0.400%	0.400%	129,990	126,253	(3,737)
55	Toyota Auto Recv TR 2019-C A-4	89238UAE0	11/15/24	1.880%	0.920%	287,147	277,717	(9,429)
56	California St Dept Wtr Res Cent	13067WPG1	12/01/24	2.751%	1.486%	179,348	164,025	(15,324)
57	US Treasury Notes	912828YY0	12/31/24	1.750%	0.326%	1,224,795	1,099,973	(124,822)
58	US Treasury Notes	912828YY0	12/31/24	1.750%	0.180%	961,945	863,911	(98,034)
59	US Treasury Notes	912828YY0	12/31/24	1.750%	0.270%	1,092,426	981,094	(111,332)
60	US Treasury Notes	912828YY0	12/31/24	1.750%	0.280%	955,793	858,386	(97,407)
61	US Treasury Notes	912828YY0	12/31/24	1.750%	0.290%	424,031	380,817	(43,214)
62	US Treasury Notes	912828YY0	12/31/24	1.750%	2.940%	387,875	348,346	(39,529)
63	BMWLT 2021-2 A4	09690AAD5	01/27/25	0.430%	0.431%	369,986	352,466	(17,520)
64	US Treasury Notes	91282CDZ1	02/15/25	1.500%	2.840%	337,928	329,466	(8,462)
65	American Express Co Corp Note	025816CQ0	03/04/25	2.250%	2.290%	79,919	75,510	(4,410)
66	John Deere Med Term Notes	24422EWB1	03/07/25	2.125%	3.030%	975,850	946,210	(29,640)
67	Roche Holdings Inc. (Callable) Corporate	771196BT8	03/10/25	2.130%	2.130%	365,000	345,560	(19,440)
68	Home Depot Inc Corporate Notes	437076CM2	04/15/25	2.700%	2.760%	24,956	23,958	(999)
69	Bank of New York Mellon	06406RAN7	04/24/25	1.600%	0.841%	437,402	394,906	(42,496)
70	US Treasury Notes	912828ZL7	04/30/25	0.375%	2.710%	838,409	821,394	(17,015)
71	Cintas Corporation	17252MAP5	05/01/25	3.450%	3.460%	59,987	58,051	(1,936)
72	USAA Capital Corp	90327QD89	05/01/25	3.375%	3.490%	214,297	207,387	(6,910)
73	Chevron Corp New Notes	166764BW9	05/11/25	1.554%	3.200%	572,040	558,156	(13,884)
74	Apple Inc.	037833BG4	05/13/25	3.200%	0.814%	436,332	386,472	(49,860)
75	The Goldman Sachs Group	38148LAE6	05/22/25	3.750%	1.026%	222,856	193,432	(29,424)
76	National Australia	63254ABD9	06/09/25	3.500%	3.500%	250,000	242,360	(7,640)
77	National Rural Med Term Notes	63743HFE7	06/15/25	3.450%	3.460%	44,988	43,407	(1,581)

City of Yuba City
Monthly Investment Statement
City Held Investments

December, 2022

No.	Description of Security	CUSIP NO.	Maturity Date	Coupon Rate	Yield to Maturity	Cost Basis	Estimated Market Value	Unrealized Gain/(Loss)
78	US Treasury Notes	912828ZW3	06/30/25	0.000%	0.360%	820,714	752,371	(68,342)
79	US Treasury Notes	912828ZW3	06/30/25	0.250%	0.720%	686,273	629,126	(57,147)
80	US Treasury Notes	912828ZW3	06/30/25	0.250%	3.030%	551,627	543,540	(8,087)
81	JP Morgan Chase & Co	46625HMN7	07/15/25	3.900%	1.024%	450,500	391,048	(59,452)
82	GMALT 2021-3 A4	36262XAD6	07/21/25	0.500%	0.501%	69,997	66,387	(3,611)
83	IBM Corporate Notes	459200KS9	07/27/25	4.000%	4.000%	200,000	196,754	(3,246)
84	Federal National Mortgage (Fannie Mae)	3135G05X7	08/25/25	0.375%	0.410%	499,070	450,945	(48,125)
85	Federal National Mortgage (Fannie Mae)	3135G05X7	08/25/25	0.375%	3.050%	918,880	901,890	(16,990)
86	Buttes Vista 2000-1 AD, 2013 Refunding		09/02/25	2.730%	2.730%	143,453	143,453	-
87	Walmart Inc. Corporate Notes	931142EW9	09/09/25	3.900%	3.920%	164,885	162,941	(1,944)
88	Walmart Inc. Corporate Notes	931142EW9	09/09/25	3.900%	4.070%	398,160	393,466	(4,694)
89	Federal Farm Credit Bank	3133ENP95	09/30/25	4.250%	4.191%	1,101,808	1,097,965	(3,843)
90	United Health Group	91324PEN8	10/15/25	5.150%	5.150%	69,994	70,799	805
91	National Rural Mtn	63743HFF4	10/30/25	5.450%	5.500%	64,913	65,776	863
92	Citigroup Inc. Corporate Notes (Callable)	172967ND9	11/03/25	1.281%	1.281%	135,000	124,394	(10,606)
93	HAROT 2021-3 A3	43815EAC8	11/18/25	0.410%	0.410%	129,998	124,012	(5,986)
94	Amazon	023135CN4	12/01/25	4.600%	4.600%	624,963	623,463	(1,500)
95	Bank of America Corp Notes (Callable)	06051GKE8	12/06/25	1.530%	1.530%	225,000	207,518	(17,483)
96	US Treasury Notes	91282CBC4	12/31/25	0.380%	0.728%	688,734	625,597	(63,137)
97	Hyundai Auto Rec TR	44934KAC8	01/15/26	0.590%	0.390%	184,959	176,653	(8,306)
98	HAROT 2021-4 A3	43815GAC3	01/21/26	0.880%	0.885%	129,973	123,369	(6,604)
99	Bank of America Corp F/R	06051GGZ6	01/23/26	3.366%	1.326%	219,558	190,696	(28,862)
100	Morgan Stanley	61746BDZ6	01/27/26	3.875%	1.270%	224,686	193,604	(31,082)
101	State Street Corp	857477BR3	02/06/26	1.746%	1.750%	65,000	60,490	(4,510)
102	HART 2021-C A3	44935FAD6	05/15/26	0.740%	0.745%	99,978	94,455	(5,523)
103	TAOT 2022 A3	89239KAC5	06/15/26	0.000%	1.230%	174,970	165,953	(9,018)
104	MBART 2021-1 A3	58772WAC7	06/15/26	0.460%	0.463%	214,972	204,035	(10,937)
105	Carmx 2021-3 A3	14317DAC4	06/15/26	0.550%	0.550%	184,970	175,720	(9,249)
106	GM Fin Cons Auto Rec TR 2021 A-3	380140AC7	06/16/26	0.580%	0.480%	114,993	109,740	(5,253)
107	Toyota Motor Credit Corp	89236TJK2	06/18/26	1.125%	1.204%	224,145	198,779	(25,367)
108	VALET 2021-1 A3	92868KAC7	06/22/26	1.020%	1.021%	169,993	161,561	(8,432)
109	COMET 2021-A1	14041NFW6	07/15/26	0.550%	0.550%	279,989	261,988	(18,001)
110	US Treasury Notes	91282CCP4	07/31/26	0.625%	2.940%	433,196	424,598	(8,599)
111	US Treasury Notes	91282CCP4	07/31/26	0.625%	2.960%	296,664	290,776	(5,888)
112	US Treasury Notes	91282CCP4	07/31/26	0.625%	3.030%	1,184,016	1,160,514	(23,502)
113	US Treasury Notes	91282CCP4	07/31/26	0.625%	3.040%	1,274,984	1,249,677	(25,307)
114	US Treasury Notes	91282CCP4	07/31/26	0.625%	3.330%	405,545	397,495	(8,050)
115	US Treasury Notes	91282CCP4	07/31/26	0.625%	3.460%	807,785	791,751	(16,034)
116	US Treasury Notes	91282CCP4	07/31/26	0.625%	3.930%	1,998,633	1,958,962	(39,671)

City of Yuba City
Monthly Investment Statement
City Held Investments

December, 2022

No.	Description of Security	CUSIP NO.	Maturity Date	Coupon Rate	Yield to Maturity	Cost Basis	Estimated Market Value	Unrealized Gain/(Loss)
117	COPAR 2021-1 A3	14044CAC6	09/15/26	0.770%	0.770%	129,998	122,304	(7,694)
118	TAOT 2022-B A3	89238FAD5	09/15/26	2.931%	2.931%	89,998	87,014	(2,984)
119	GM Fin Cons Auto Rec TR 2021-4 A-3	362554AC1	09/16/26	0.680%	0.681%	109,997	103,928	(6,069)
120	Citigroup Inc. Corporate Notes	172967NX5	09/29/26	5.610%	5.610%	150,000	150,642	642
121	WOART 2021-D A3	98163KAC6	10/15/26	0.810%	0.813%	154,979	146,664	(8,315)
122	COMET 2021-A3 A3	14041NFY2	11/16/26	1.040%	1.043%	324,955	303,436	(21,519)
123	Federal Home Loan Bank	3130AQF65	12/21/26	1.250%	4.122%	625,591	626,619	1,028
124	Target Corporation	87612EBM7	01/15/27	1.950%	1.990%	39,932	36,312	(3,620)
125	Berkshire Hathaway Financial Notes	084664CZ2	03/15/27	2.300%	2.690%	417,261	392,356	(24,905)
126	CARMAX 2022-3 A3	14318MAD1	04/15/27	0.000%	3.970%	209,995	205,867	(4,128)
127	UnitedHealth Group	91324PEG3	05/15/27	3.700%	3.710%	39,978	38,692	(1,286)
128	NAROT 2022-B A3	65480JAC4	05/17/27	4.580%	4.460%	174,964	173,576	(1,388)
129	Mercedes Benz Auto	58768PAC8	08/16/27	5.210%	5.210%	349,931	353,017	3,086
130	Buttes Vista 2002-1 AD, 2013 Refunding		09/02/27	2.730%	2.730%	222,720	222,720	-
131	Apple Inc	037833DB3	09/12/27	2.900%	4.135%	473,730	466,065	(7,665)
132	Discover Card	254683CX1	10/15/27	0.001%	5.030%	239,969	242,383	2,414
133	DCENT 2021-A1 A1	254683CP8	09/15/28	0.580%	0.584%	249,946	232,518	(17,429)
134	Staple/Ashley/Cornwell AD		09/02/30	6.000%	6.000%	77,099	77,099	-
135	WWTP Solar System (DS, June 30)		06/30/33	4.000%	4.000%	1,518,318	1,518,318	-
								-
								-
	Total City Held Investments					**$ 133,759,639**	**$ 129,848,197**	**$ (3,911,442)**

City of Yuba City Investment Report
Investments Held By Trustees
December, 2022

No.	Description of Debt Issuance	Account Type	Description of Security	Maturity Date	Coupon Rate	Yield to Maturity	Cost Basis	Estimated Market Value	Unrealized Gain/(Loss)
132	2013 Water Rev COP	Debt Service	Blackrock T-Fund	Daily	1.340%	1.340%	$ 357	357	-
133		Interest	Blackrock T-Fund	Daily	1.340%	1.340%	0	0	-
133	TABs Refunding - 2015	Debt Service	Blackrock T-Fund	Daily	1.240%	1.240%	1,101	1,101	-
134		Interest	Blackrock T-Fund	Daily	1.320%	1.320%	131,505	131,505	-
135		Interest	Blackrock T-Fund	Daily	0.000%	0.000%	-	-	-
136		Principal	Blackrock T-Fund	Daily	0.980%	0.980%	416	416	-
137		Reserve	Blackrock T-Fund	Daily	1.340%	1.340%	178	178	-
138		Reserve	Assured Guaranty	Daily	Discount	0.000%	1,870,568	1,870,568	-
139		Reserve	Blackrock T-Fund	Daily	1.340%	1.340%	482,727	482,727	-
140	Gauche Park Refunding - 2015	Debt Service	Blackrock T-Fund	Daily	1.340%	1.340%	160	160	-
141		Debt Service	Blackrock T-Fund	Daily	0.000%	0.000%	-	-	-
142		Reserve	Assured Guaranty	Daily	Discount	0.000%	650,031	650,031	-
143	CFD Refund 2015	Debt Service	Blackrock T-Fund	Daily	1.570%	1.570%	298	298	-
144		Reserve	Blackrock T-Fund	Daily	1.340%	1.340%	43,160	43,160	-
145		I-Bank Paymnt	Blackrock T-Fund	Daily	1.330%	1.330%	102	102	-
146	Wastewater Revenue Bonds (CREBS) - 2017	Bond	Blackrock T-Fund	Daily	1.340%	1.340%	176	176	-
147		Project	Blackrock T-Fund	Daily	0.000%	0.000%	-	-	-
148	Authority 2018 Wastewater Revenue Bonds	Bond	Blackrock T-Fund	Daily	3.890%	3.890%	-	-	
149	Authority 2018 Wastewater Revenue Bonds	Bond	Blackrock T-Fund	Daily	1.010%	1.010%	569	569	
150		Project	First Am Treas Obl	Daily	1.010%	1.010%	53,710	53,710	
	Total Trustee-Held Investments						**$ 3,235,057**	**$ 3,235,057**	**$ -**

TOTAL CITY & TRUSTEE-HELD INVESTMENTS	**$ 136,994,697**	**$ 133,083,255**	**$ (3,911,442)**

I certify to the best of my knowledge: (i) That this statement reflecting all City investments is accurate and complete; (ii) That each investment conforms with the City's investment policies, as well as California's Government Code; and (iii) That sufficient cash flow liquidity is available to meet the next six months of estimated disbursements.

Signed: /s/ Spencer Morrison
Spencer Morrison, City Treasurer

Date: 2/27/2023

City of Yuba City - Quarterly Investment Transaction Report
December 2022 - Market Value Summary

Account Types	Balance 9/30/2022	Balance 12/31/2022	Period Activity
City Held Investments			
Local Agency Investment Fund	$ 63,307,499	$ 50,704,781	$ (12,602,718)
California Asset Management Program	1,340,774	1,353,591	12,817
Cash/Money Market	6,093,945	5,253,086	(840,859)
Federal Agency Securities	12,486,992	13,281,805	794,813
US Treasuries	33,823,660	37,867,388	4,043,728
Certificates of Deposit	1,321,294	1,046,940	(274,354)
Corporate Bonds and Asset Backed Sec.	16,080,266	17,567,891	1,487,625
City-held Assessment Districts & Municipals	2,149,448	1,985,388	(164,060)
Supranationals	784,045	787,328	3,283
Total City Held Investments	**$ 137,387,922**	**$ 129,848,198**	**$ (7,539,724)**
Trustee Held Investments			
Water Refunding 2013	$ 311	$ 357	$ 47
TABs Refunding - 2015	2,482,082	2,486,495	4,413
Gauche Park Refunding	650,185	650,192	7
Sunsweet CFD Refund	43,247	43,559	312
Wastewater Revenue Bonds - 2017	92	176	84
Wastewater Revenue Bonds - 2018	112,362	54,279	(58,083)
Total Trustee Held Investments	**$ 3,288,278**	**3,235,057**	**$ (53,220)**
Total	**$ 140,676,200**	**$ 133,083,255**	**$ (7,592,944)**

Investment Activity
October, November, December, 2022

Description of Security	Broker	Settlement Date	Maturity Date	Trade Date	Activity Type	Coupon Rate	Yield to Maturity	Cost Basis
SALES/REDEMPTIONS								
US Treasury Note	Bnkofmont,Chbrnh/CM	10/28/22	12/31/22	10/25/22	Sale	2.125%	2.510%	68,991.02
FNMA		10/05/22	10/05/22	10/05/22	Matured	2.000%	1.805%	986,017.20
US Treasury Note	Bnkofmont,Chbrnh/CM	11/22/22	12/31/22	11/05/22	Sale	2.125%	2.510%	325,243.36
US Treasury Note	Bnkofmont,Chbrnh/CM	11/28/22	05/31/23	11/18/22	Sale	1.625%	2.173%	72,972.66
Toyota Auto		11/15/22	11/15/24	11/15/22	Sale	1.880%	0.920%	30,029.39
US Treasury Note		11/30/22	11/30/22	11/30/22	Matured	12.500%	0.990%	546,583.98
US Treasury Note	Bnkofmont,Chbrnh/CM	12/01/22	05/31/23	11/29/22	Sale	1.625%	2.173%	632,419.92
Dnb Bank Asa Ny		12/02/22	12/02/22	12/02/22	Matured	0.240%	2.030%	275,000.00
Toyota Auto		12/15/22	11/15/24	12/15/22	Sale	1.880%	0.920%	41,765.21
Bank of America		12/20/22	12/20/23	12/20/22	Sale	3.004%	3.203%	525,775.00
	Total Sales/Redemptions							**$ 3,504,798**
PURCHASES								
US Treasury Notes	J.P. Morgan Securities	10/03/22	02/15/24	09/30/22	Buy	2.750%	4.270%	2,351,906.25
United Health Group	BofA Securities	10/28/22	10/15/25	10/25/22	Buy	5.150%	5.150%	69,993.70
National Rural Mtn	Pnc Bank Na/Pnc Cap Markets	10/31/22	10/30/25	10/20/22	Buy	5.450%	5.500%	64,912.90
FFCB	Tdomus33 Toronto Dominion	10/05/22	09/30/25	10/04/22	Buy	4.250%	4.191%	1,101,808.40
Mercedes Benz Auto	Pershing LLC	11/22/22	08/16/27	11/15/22	Buy	5.210%	5.210%	349,930.77
Discover Card	Citigroup Global Markets	11/28/22	10/15/27	11/18/22	Buy	0.001%	5.030%	239,969.11
FHLB	Wfslus33 Wells Fargo Charl Nc	11/30/22	12/21/26	11/29/22	Buy	1.250%	4.122%	625,591.40
Amazon	J.P. Morgan Securities	12/01/22	12/01/25	11/29/22	Buy	4.600%	4.600%	624,962.50
US Treasury Notes	Citigroup Global Markets	12/02/22	02/15/24	12/01/22	Buy	2.750%	4.640%	1,271,562.50
US Treasury Notes	Citigroup Global Markets	12/02/22	07/31/26	12/01/22	Buy	0.625%	3.930%	1,998,632.81
Apple Inc	Csfbus33 Cr Suisse Sec Ny	12/20/22	09/12/27	12/15/22	Buy	2.900%	4.135%	473,730.00
	Total Purchases							**$ 9,173,000**

CITY OF YUBA CITY
STAFF REPORT

Date: March 21, 2023

To: Honorable Mayor & Members of the City Council;

From: Finance/IT Department

Presentation By: Spencer Morrison, Finance Director

Summary

Subject: Fiscal Year 22/23 Mid-Year Budget Adjustments

Recommendation: Adopt a Resolution authorizing the Finance Director to make supplemental appropriations and related transfers for the following items:

A. Temporary Relief Public Safety Dispatchers - Add three (3) part-time Relief Public Safety Dispatchers to the Communications Division budget in the amount of $5,800 to Expenditure Account No. 2170-61310;
B. Planning Manager - Add a Planning Manager position back into the Planning Division budget;
C. Park Equipment Donation - Receipt and expenditure of the Didar S. Bains Park equipment donation from the Early Risers Kiwanis Club in the amount of $33,000 to General Fund CIP Revenue Account No. 301-49010 and expenditure account no. 901207-65501;
D. Contract Janitorial Services - Increase budget amounts from unallocated General Fund Account 301 for contract janitorial services to Account Nos. 5120-63603 (Senior Center) - $18,400, 5130-63603 (Gauche Aquatic Park) - $5,400, and 7410-63601 (Sutter Animal Services Authority) - $18,900.

Fiscal Impact: The requested items will impact these funds: General Fund, $48,500 expenditure; and General Fund CIP, $33,000 revenue and expenditure.

Purpose:
Update operating and capital budgets with unforeseen and necessary items.

City Council Priority:
These expenditures support the City Council priority of fiscal responsibility and public safety.

Background:
Each March, City departments submit a budget plan for the following fiscal year, anticipating needs over a 15-month period. Over the course of those 15 months, unanticipated revenues and expenses arise that must be addressed by staff and authorized by City Council. Staff has also noted two accounts that are anticipated to go over budget but other department cost savings will cover the additional costs.

Analysis:
The requested budget adjustments are as follows:

Section I: Relief Public Safety Dispatchers

Staff has identified the need to supplement staffing inside the Communications Center of the Police Department. Full-time staffing in the dispatch center has been an ongoing problem for several years. There are currently 15 budgeted full-time dispatcher positions, with 9 currently filled, and one leaving in April. Though hiring of full-time dispatchers continues to be a priority, there is a need for an innovative way to assist the current staffing and potentially grow a pool of applicants through the hiring of three (3) part-time Relief Public Safety Dispatchers. A part-time Relief Dispatcher is someone who has prior dispatch experience or currently works for another public safety agency. It is common for dispatcher from other agencies to pick up extra shifts from other agencies and this serves as an additional recruiting tool to fill full-time positions. The Police Department has received interest from prospective applicants concerning a part-time Relief Dispatch position.The job description and salary schedule for part-time, temporary Relief Public Safety Dispatcher was updated during the current fiscal year 22/23. The mid-year fiscal impact for 22/23 will be no more than $5,800, with an on-going fiscal impact not to exceed $69,000. This cost will be absorbed through salary savings due to vacancies in the Police Communications Center in salary and benefits accounts in division 2170.

Section II: Planning Manager

The Planning Manager position was mistakenly dropped from the list of approved positions whereas the intent was to fully fund the Planning Manager position and underfill with a less experienced Planner classification. A vacancy in another department classification will provide salary savings to cover the additional costs.

Section III: Park Equipment Donation

Authorize a supplemental appropriations to General Fund CIP Revenue Account No. 301-49010 and Expenditure Account No. 901207-65501 to accept a $33,000 donation from the Early Risers Kiwanis Club of Yuba City and to spend the funds on playground equipment at Didar S. Bains Park per the donation.

Section IV: Janitorial Services

Janitorial services are contracted out due to the needs of specific facilities as well as custodial staffing levels. In FY 21/22 staff coordinated a request for proposals, resulting in a multiyear agreement with a local company. Due to performance issues the contract was terminated and a contract agreement was entered into with Ultimate Building Maintenance in early FY 22/23. The contract amount increased approximately to $20,900 annually to meet the needs of the facilities. This increase is attributed to the original budget amounts not increased to fully cover the costs for the services and in addition there was an increase in vendor costs. This leaves a need of approximately $42,700 for services in FY 22/23 related to providing janitorial services at the Senior Center, Gauche Aquatic Park, and Sutter Animal Services Authority from General Fund Account 301.

The following items do not require City Council action as department cost savings in other accounts will cover the additional costs. Staff would like to make City Council aware of these two items as anticipated increases are expected for the upcoming fiscal year.

Sam Brannan Park Security

At the request of Council in the early Fall 2022, staff increased security services at Sam Brannan Park to reduce vandalism, conflict among user groups, and maintain a safe environment. The annual budgeted line item for security is $31,000 and as of this report the account is $4,500 over budget. There are seventeen (17) weeks left in the FY 22-23 and the cost for security services at Sam Brannan Park is $975.00 per week. During weeks of bad weather, staff eliminates the service to save costs. If there is a typical spring weather, cost savings from other department accounts will cover the additional costs.

Chlorine at Gauche Aquatic Park
The annual budgeted line item for chemicals, specifically chlorine, is $37,000. The account is currently $3,800 over budget due to the universal increase of chlorine costs. Chlorine is a chemical that inhibits bacterial growth in the water at Gauche Aquatic Park and maintains a safe environment for our users during open swim and swim lessons.

Fiscal Impact:
The requested items will impact these funds: General Fund, $48,500 expenditure; and General Fund CIP, $33,000 revenue and expenditure.

Alternatives:
1. Do not authorize budget adjustments and absorb additional needs through program reductions or other cuts;
2. Do not authorize for a specific item:
   A. Relief Public Safety Dispatchers - do not authorize the temporary positions and dispatch will evaluate paying more overtime for remaining staff;
   B. Planning Manager - do not authorize the position and staffing will be further assessed in the Development Services Department;
   C. Park Equipment Donation - do not authorize and staff will not be able to accept donated money;
   D. Janitorial Services - do not authorize services and janitorial services will decrease at Senior Center, Guache Aquatic Park, Sutter Animal Services Authority.

Recommendation:

Adopt a Resolution authorizing the Finance Director to make supplemental appropriations and related transfers for the following items:

A. Temporary Relief Public Safety Dispatchers - Add three (3) part-time Relief Public Safety Dispatchers to the Communications Division budget in the amount of $5,800 to Expenditure Account No. 2170-61310;
B. Planning Manager - Add a Planning Manager position back into the Planning Division budget;
C. Park Equipment Donation - Receipt and expenditure of the Didar S. Bains Park equipment donation from the Early Risers Kiwanis Club in the amount of $33,000 to General Fund CIP Revenue Account No. 301-49010 and expenditure account no. 901207-65501
D. Contract Janitorial Services - Increase budget amounts from unallocated General Fund Account 301 for contract janitorial services to Account Nos. 5120-63603 (Senior Center) - $18,400, 5130-63603 (Gauche Aquatic Park) - $5,400, and 7410-63601 (Sutter Animal Services Authority) - $18,900.

Attachments:
1. Resolution

Prepared By:
Natalie Springer
Human Resources Director

Submitted By:
Diana Langley
City Manager

ATTACHMENT 1

RESOLUTION NO.

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY AUTHORIZING THE DIRECTOR OF FINANCE TO MAKE SUPPLEMENTAL APPROPRIATIONS TO THE FOLLOWING OPERATING AND CAPITAL BUDGETS

WHEREAS, the City departments submit a budget plan for the following fiscal year, anticipating needs over a 15-month period; and

WHEREAS, operating and capital budgets have unforeseen and necessary items; and

WHEREAS, City staff have evaluated their budgets including revenues and expenses that need to be addressed by City Council;

NOW, THEREFORE, BE IT RESOLVED, the City Council of the City of Yuba City as follows:

1. The Finance Director is authorized to make supplemental appropriations and related transfers for the items noted below.

SECTION I: RELIEF PUBLIC SAFETY DISPATCHERS

A. Authorize temporary Relief Public Safety Dispatchers to the Communications Division budget in the amount of $5,800 to expenditure account no. 2170-61310;

SECTION II: PLANNING MANAGER

B. Authorize a Planning Manager position back into the Planning Division budget;

SECTION III: PARK EQUIPMENT DONATION

C. Receipt and expenditure of the Didar S. Bains Park equipment donation from the Early Risers Kiwanis Club in the amount of $33,000 to General Fund CIP Revenue Account No. 301-49010 and expenditure account no. 901207-65501;

SECTION IV: JANITORIAL SERVICES

D. Increase budget amounts from unallocated General Fund Account 301 for contract janitorial services to Account Nos. 5120-63603 (Senior Center) - $18,400, 5130-63603 (Gauche Aquatic Park) - $5,400, and 7410-63601 (Sutter Animal Services Authority) - $18,900.

SECTION V: EFFECTIVE DATE
These changes shall become effective March 21, 2023.

2. The City Council finds these actions are in the best interest of the City.

The forgoing Resolution of the City Council of the City of Yuba City was duly introduced, passed and adopted at a regular meeting thereof held on the 21st day of March, 2023.

AYES:

NOES:

ABSENT:

_____
Wade Kirchner, Mayor

ATTEST:

_____
Ciara Wakefield, Deputy City Clerk

APPROVED AS TO FORM
COUNSEL FOR YUBA CITY

_____
Shannon Chaffin
City Attorney

CITY OF YUBA CITY
STAFF REPORT

Date: March 21, 2023
To: Honorable Mayor & Members of the City Council;
From: Administration Department
Presentation By: Ciara Wakefield, City Clerk Administrator

Summary

Subject: Appointments to the City of Yuba City Youth Commission
Recommendation: Approve the Recommendations for Appointments to the Youth Commission
Fiscal Impact: None

Purpose:

To fill vacancies and confirm the appointment of four (4) Commissioners to the Yuba City Youth Commission.

Council's Strategic Goal:

This item addresses Council's overarching Strategic Goal of Quality of Life as it is important to incorporate the thoughts and recommendations of the City's youth in decisions that impact the community.

Background:

The Youth Commission acts in an advisory capacity to the City Council, City Manager and the Community Services Director in all matters pertaining to youth and all general matters concerning issues affecting youth and the City of Yuba City. The Commission consists of nine members and three alternates. The Commission meets on the 3rd Wednesday of each month at 7:00 p.m. in the Sutter Room at City Hall and members must be between the ages of 12 and 19 years of age and reside within the City limits. Advertisements and notices for vacant positions were posted through Facebook, Instagram, and the Appeal Democrat.

Municipal Code Section 2-11 defines a rotating appointment schedule for the Youth Commission. Four members shall be appointed in odd years, five members shall be appointed in even years, and alternates take turns rotating between years as follows:

Odd years: Four members, plus alternates 1 and an optional alternate 3.
Even years: Five members, plus an optional alternate 2.

The term of service for all members is two years. We had one of nine Commissioners term out or depart mid-term. As a result, one (1) Commissioner needs to be appointed, as well as three (3)

Alternates.

The application and selection process for current vacancies on the Youth Commission is ongoing. At this time, four (4) appointments are recommended; one to fill the Youth Commissioner vacancy and appoint three (3) as alternates:

Commission	Name	Term Ending
Recommended Appointments		
Youth Commission	Amira Renee Thompson-Center	6/29/2025
Youth Commission Alternate	Jackson Miller	6/29/2025
Youth Commission Alternate	Nimervir Thiara	6/29/2025
Youth Commission Alternate	Gabby Rojo	6/29/2025
Previously Appointed Commissioners		
Youth Commission	Alejandro Macias	6/29/2023
Youth Commission	Ashleigh Skarshaug	6/29/2023
Youth Commission	Maya Sangha	6/29/2024

Fiscal Impact:

None

Recommendation:

Approve the Recommendation of Appointments to the Youth Commission.

Attachments:
None

Prepared By:
Ciara Wakefield
City Clerk Administrator

Submitted By:
Diana Langley
City Manager

Agenda Item **9**

CITY OF YUBA CITY
STAFF REPORT

Date: March 21, 2023

To: Honorable Mayor & Members of the City Council;

From: Public Works Department

Presentation By: Joshua Wolffe, Associate Engineer

Summary

Subject: Yuba City Lighting and Landscape Maintenance District No. 6, Zone of Benefit A_1 (Spirit Drive Parcel Map)

Recommendation:

A. Conduct a Public Hearing

B. Adopt a Resolution confirming and ordering annexation of the Parcel associated with the Spirit Drive Parcel Map Development, APN 63-010-141, into existing Yuba City Lighting and Landscape Maintenance District No. 6, Zone of Benefit A_1 and establishing a levy of assessments for the annexed territory

Fiscal Impact: $347.90 per acre, $6,954.52 total maximum annual levy with an inflation index.

Purpose:

To fund the ongoing operation, maintenance, and administration of street lighting and landscaping for Yuba City Lighting and Landscape Maintenance No. 6, Zone of Benefit A_1.

Council Strategic Goal:

Annexing this development into a Lighting and Landscape Maintenance District (LLMD) addresses the City Council's Strategic Goals of maintaining infrastructure and fiscal responsibility.

Background:

The Spirit Drive Parcel Map Development at Assessor's Parcel Number (APN) 63-010-141 is requesting to be included into a Zone of Benefit, as required through the Conditions of Approval for the Parcel Map. Based on the characteristics of Spirit Drive Parcel Map's improvements, the best-fit option for an existing Zone of Benefit annexation would be the existing, adjacent Zone of Benefit A_1.

The existing LLMD No. 6, Zone of Benefit A_1 was established in 2005 for the River Valley Commercial Development, with a fee per acre for the operation and maintenance costs associated with street landscaping materials, irrigation systems, and street lighting. The fee per acre for Zone of Benefit A_1

was determined based on annual maintenance costs for the aforementioned items associated with the River Valley Commercial Development.

In order to determine what the assessment will be for this parcel, the original assessment for Zone of Benefit A_1 will need to be increased to today's dollars using the Consumer Price Index (CPI).
The City has created and modified several LLMDs to encompass a number of commercial projects and subdivisions over the past few years. The process of annexing to an existing District consists of adopting multiple City Council Resolutions, holding Public Hearings, and observing rights of majority protests.

Analysis:

The public notice procedure for parcels requesting annexation into an existing LLMD can be waived and an expedited process can be substituted at the request of the property owners of said parcels. The authorized representatives of the Spirit Drive Parcel Map have requested to waive the notice of public hearing proceedings, which has allowed the City to utilize the expedited process in order to annex the parcels associated with the Spirit Drive Parcel Map into the existing LLMD No. 6, Zone of Benefit A_1. This has eliminated the need for a 45-day notice for the owner of the parcel requesting annexation.

The expedited process consists of the City Council adopting a Resolution which initiates proceedings for the annexation of the new territory into the existing Zone of Benefit, orders the preparation of an Engineer's Report for the annexation, and then sets a public hearing date for all parcel owners who are currently in the Zone of Benefit. This was completed at the March 7th, 2023 City Council meeting.

The levy amounts have been established by City staff through the creation of an Engineer's Report for the Zone of Benefit. The Engineer's Report (Attachment 2) contains a detailed estimate of annual costs to energize and maintain the street lights, and maintain street trees, landscaping materials, and irrigation systems within the Zone of Benefit.

The final steps of the annexation process consist of City Council conducting a public hearing for the owners of parcels which are currently included in the Zone of Benefit. If the public hearing is successful, the City staff will request the adoption of a Resolution which annexes the Spirit Drive Parcel Map into the existing Zone of Benefit, confirms, and orders the levy of assessment of the parcel.

Fiscal Impact:

Revenue from the assessed parcels is to be used to provide maintenance services and district administrative costs. The Engineer's Report for the Yuba City Lighting and Landscape Maintenance District No. 6 Zone of Benefit A_1 has determined that the annual assessed amount for the parcels being annexed into the Zone of Benefit is $347.90 per acre, per year, or $6,954.52 total annually, and is subject to an annual inflation increase.

Alternatives:

1. Do not adopt the following Resolution and fund the operation and maintenance of the streetlights, landscaping materials, and irrigation systems from alternative sources.

Attachments:
1. Attachment 1 - Resolution 6 A_1
2. Exhibit A - Assessment Roll
3. Exhibit B - Vicinity Map

4. Exhibit C - Existing Zone of Benefit Map
5. Attachment 2 - Engineers Report 6 A_1 - Spirit Drive Parcel Map DRAFT
6. Attachment 3 - Waive Public Hearing 6 A_1

Prepared By:	Submitted By:
Josh Wolffe	Diana Langley
Associate Civil Engineer	City Manager

ATTACHMENT 1

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY CONFIRMING AND ORDERING ANNEXATION OF THE PARCELS ASSOCIATED WITH THE SPIRIT DRIVE PARCEL MAP DEVELOPMENT, APN 63-010-141, INTO THE EXISTING YUBA CITY LIGHTING AND LANDSCAPE MAINTENANCE DISTRICT NO. 6, ZONE OF BENEFIT A_1 AND ESTABLISHING A LEVY OF ASSESSMENTS FOR THE ANNEXED TERRITORY

WHEREAS, the City of Yuba City, pursuant to the provisions of the Lighting and Landscaping Act of 1972, Part 2 of Division 15 of the Streets and Highways Code (commencing with Section 22500) (the "Act"), previously established Yuba City Lighting and Landscape Maintenance District ("District") No. 6, and has levied and collected the annual assessments for said District No. 6; and

WHEREAS, assessments levied within the District provide revenue for the purpose of financing the maintenance of certain public projects eligible under the Act, including without limitation the operation, maintenance, and servicing of street landscaping materials, irrigation systems, and street lighting; and

WHEREAS, certain property owners have requested their property to be annexed into District No. 6, Zone of Benefit A_1; and

WHEREAS, in annexation proceedings, the resolutions, report, notices of hearing, and right of majority protest shall be waived with the written consent of all of the owners of property within the territory to be annexed, and mailed notice may be dispensed with as to all property owners who shall have filed a written request for the annexation of their property; and

WHEREAS, pursuant to Section 22608 of the Streets and Highways Code, the property owners have provided written consent waiving such items, and acknowledging the amount of levy and collection of assessments; and

WHEREAS, the resolutions, report, notices of hearing, right of majority protest, and mailed notice have been properly waived; and

WHEREAS, the City Council desires to annex the territory of the property owners to existing assessment District No. 6; designate the portion of the annexed territory into existing District No. 6 Zone of Benefit A_1, and set the levy and collection of assessments against the assessable lots and parcels of land for that portion of territory.

NOW, THEREFORE, be it resolved by the City Council of the City of Yuba City as follows:

Section 1. The above recitals are true and correct, and are hereby incorporated herein by this reference.

Section 2. The City Council finds that the hearing on said annexation of territory and levy of assessment was held in accordance with law and all persons desiring to speak were heard, and that there was no majority protest by the property owners of the same.

Section 3. The City Council orders the territory identified in Exhibit “B” is annexed into existing assessment district Yuba City Lighting and Landscape Maintenance District No. 6 (“District”), Zone of Benefit A_1.

Section 4. The City Council hereby (1) finds that the public interest and convenience requires and (2) declares its intention to order the levy of and to collect assessments against the assessable lots and parcels of property within Zone of Benefit A_1 of the existing assessment district designated “Yuba City Lighting and Landscape Maintenance District No. 6” pursuant to the provisions of the Act, for the remainder of the fiscal year commencing July 1, 2022 and ending June 30, 2023, to pay for the costs and expenses of the improvements for Zone of Benefit A_1, at the assessment rate(s) set forth in Exhibit “A.”

Section 5. The City Council hereby determines that the territory within Zone of Benefit A_1 of the District, whose boundaries are set forth in Exhibit “B,” will be the territory benefited by the maintenance and servicing of the improvements.

Section 6. The City Council hereby orders the levy of the assessments described in said Exhibit “A.”

Section 7. The City Council finds that the assessment diagram showing Zone of Benefit A_1 of the District, and also the subdivision of land within the District, as contained in Exhibit “B,” be and it is hereby finally approved and confirmed as the diagram of the properties to be assessed to pay the costs of the improvements for that portion of the District.

Section 8. The City Clerk shall file the diagram and assessment, as confirmed or certified copy thereof, with the Sutter County Auditor-Controller no later than March 24th, 2023.

The foregoing Resolution was duly and regularly introduced, passed, and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on the 21st day of March 2023.

AYES:

NOES:

ABSENT:

_____

Wade Kirchner, Mayor

ATTEST

_____
Ciara Wakefield, Deputy City Clerk

APPROVED AS TO FORM
COUNSEL FOR YUBA CITY

_____
Shannon L. Chaffin, City Attorney
Aleshire & Wynder, LLP

Attachment(s):

Exhibit A – Assessment Roll
Exhibit B – Vicinity Map
Exhibit C – Existing Zone of Benefit Map

EXHIBIT A

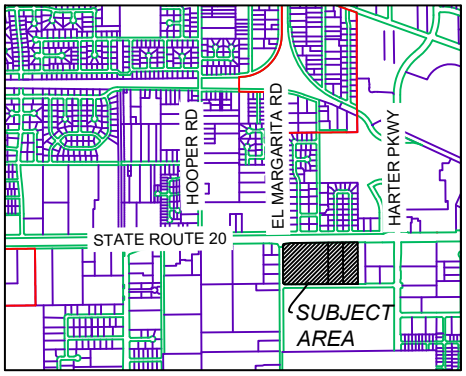
PART C
ASSESSMENT ROLL

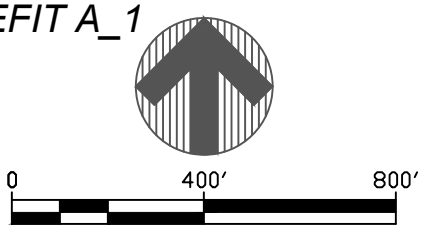
Yuba City Lighting and Landscape Maintenance District No. 6
ZONE OF BENEFIT A_1
(Spirit Drive Parcel Map)

Assessment No.	Assessor's #	Area (Acres)	Amount of Assessment
1	63-010-TBD	4.00	$1,391.60
2	63-010-TBD	4.00	$1,391.60
3	63-010-TBD	11.99	$4,171.32

EXHIBIT B

SPIRIT DRIVE PARCEL MAP
LIGHTING AND LANDSCAPE MAINTENANCE DISTRICT No. 6
ZONE OF BENEFIT A_1

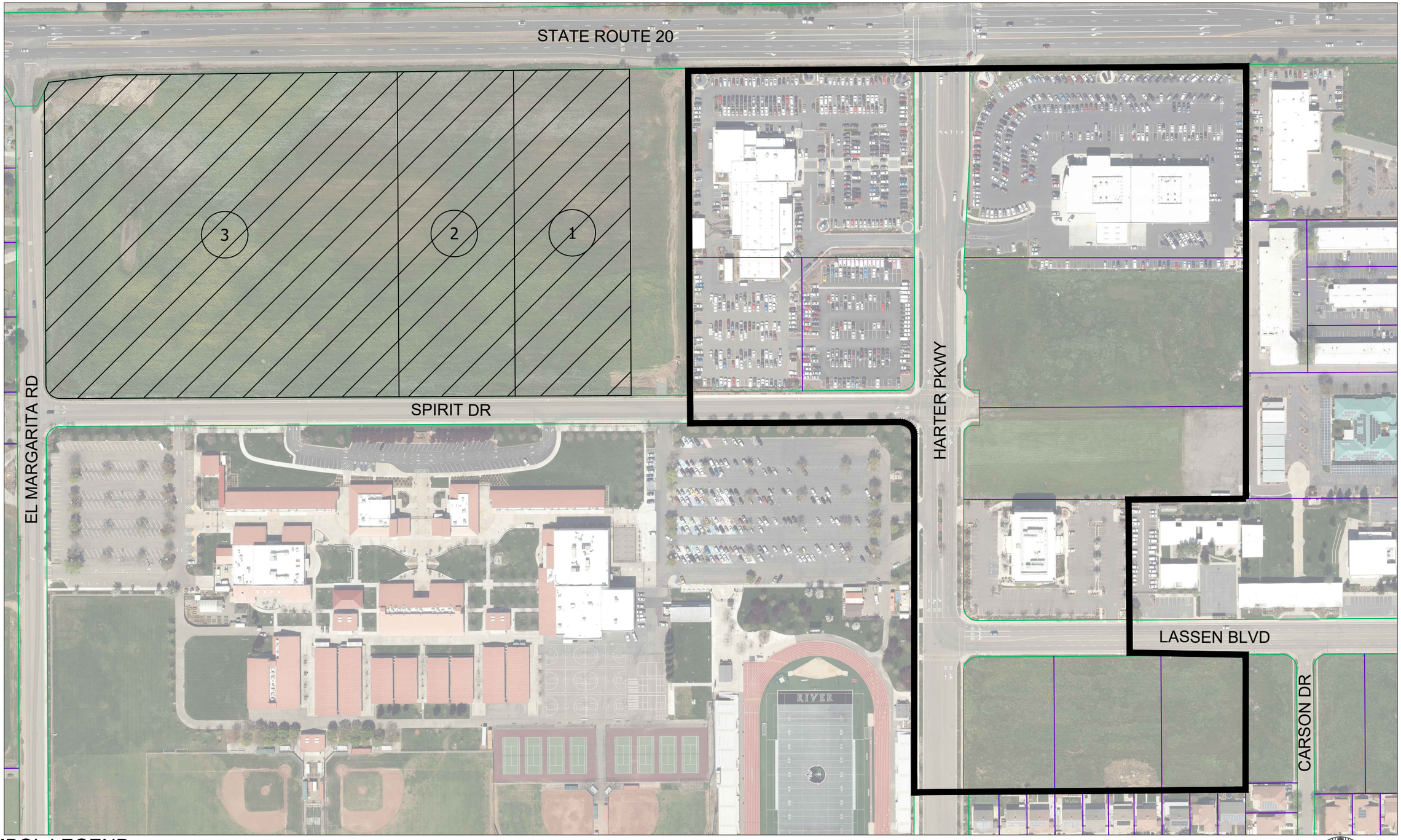




SCALE: 1" = 400'

EL MARGARITA RD
BRYN MAWR DR
RUTH AVE
KIMBERLY DR
KIMBERLY DR
HARTER PKWY
N COLUSA FRTG RD
STATE ROUTE 20
SPIRIT DR
EL MARGARITA RD
HARTER PKWY
AREA TO BE ADDED
LASSEN BLVD
REDHAVEN AVE

EXHIBIT C



SYMBOL LEGEND:

- EXISTING ZONE OF BENEFIT A_1 AREA
- PARCELS BEING ANNEXED INTO ZONE OF BENEFIT

LIGHTING AND LANDSCAPE MAINTENANCE DISTRICT No. 6, ZONE OF BENEFIT A_1
NEW AREA FOR ZONE OF BENEFIT MAP

0 200′ 400′

SCALE: 1" =200'

ATTACHMENT 2

ENGINEER'S REPORT

YUBA CITY LIGHTING AND LANDSCAPE MAINTENANCE DISTRICT NO. 6

2023-2024
ZONE OF BENEFIT A_1
(Spirit Drive Parcel Map)

ENGINEER'S REPORT
FOR
YUBA CITY LIGHTING AND LANDSCAPE MAINTENANCE DISTRICT NO. 6
ZONE OF BENEFIT A_1
(Spirit Drive Parcel Map)
(PURSUANT TO THE LANDSCAPING AND LIGHTING ACT OF 1972)

The undersigned respectfully submits the enclosed report as directed by the City Council.

Benjamin Moody, Engineer of Work
City of Yuba City

Dated : 03/13/2023 By: _____

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment and Assessment diagrams thereto attached, was filed with me on the 13TH of MARCH, 2023.

Ciara Wakefield, Deputy City Clerk
City of Yuba City
Sutter County, California

By: _____

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment and Assessment diagrams thereto attached, was approved and confirmed by the City Council of the City of Yuba City, California, on the 21ST of MARCH, 2023.

Ciara Wakefield, Deputy City Clerk
City of Yuba City
Sutter County, California

By: _____

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment and Assessment diagrams thereto attached, was filed with the County Auditor of the County of Sutter, on the 21ST of MARCH, 2023.

Ciara Wakefield, Deputy City Clerk
City of Yuba City
Sutter County, California

By: _____

ENGINEER'S REPORT
YUBA CITY LIGHTING AND LANDSCAPE MAINTENANCE DISTRICT NO. 6
ZONE OF BENEFIT A_1
(Spirit Drive Parcel Map)
(Pursuant to the Landscaping and Lighting Act of 1972)

Benjamin Moody, Engineer of Work for the Yuba City Lighting and Landscape Maintenance District No. 6, Zone of Benefit A_1, City of Yuba City, County of Sutter County, California, makes this report as directed by City Council, pursuant to Section 22585 of the Streets and Highway Code (Landscape and Lighting Act of 1972).

The improvements to be maintained subject to this report include the street landscaping materials and irrigations systems, and street lighting in the River Valley commercial Subdivision Area, as described within the original "Engineer's Report, Yuba City Lighting and Landscape District No. 6, Zone of Benefit A-1, A-2 & A-3, River Valley Commercial, Sunsweet Blvd and Harter Specific Plan".

The area requesting annexation into District 6, Zone of Benefit A_1 includes: Spirit Drive Parcel Map on Assessor's Parcel Number 63-010-141, located north of Spirit Drive, south of State Route 20, east of El Margarita Road, and west of Harter Parkway. The subject parcel is to be split into three parcels.

This report consists of five parts, as follows:

Part A- Plans and specifications (the improvements to be maintained are not filed with the City Clerk, since this will be a maintenance district only).

Part B - An estimate of the cost of maintenance.

Part C - An assessment of the estimated cost of maintenance on each benefited parcel of land within the assessment district (see attached list).

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

Part E - A diagram showing all of the parcels of real property within this assessment district. The diagram is keyed to Part C by assessment number.

Respectfully submitted,

Benjamin Moody
Engineer of Work
City of Yuba City

PART A
PLANS AND SPECIFICATIONS

YUBA CITY LIGHTING AND LANDSCAPE MAINTENANCE DISTRICT NO. 6
ZONE OF BENEFIT A_1
(Spirit Drive Parcel Map)

This is a maintenance district only -- no plans or specifications are required.

PART B
ESTIMATE OF ANNUAL COST OF MAINTENANCE
Yuba City Lighting and Landscape Maintenance District No. 6
Zone of Benefit A_1
(1 Parcel)
Basis of Calculation
Spirit Drive Parcel Map – PM 22-04

Background

The Spirit Drive Parcel Map Development at Assessor's Parcel Number (APN) 63-010-141 is requesting to be included into a Zone of Benefit, as required through the Conditions of Approval for the Parcel Map. Based on the characteristics of Spirit Drive Parcel Map's improvements, the best-fit option for an existing Zone of Benefit annexation would be the existing Zone of Benefit A_1.

The existing LLMD No. 6, Zone of Benefit A_1 was established in 2005 for the River Valley Commercial Development, with a fee per acre for the operation and maintenance costs associated with street landscaping materials, irrigation systems, and street lighting. The fee per acre for Zone of Benefit A_1 was determined based on annual maintenance costs for the aforementioned items associated with the River Valley Commercial Development.

In order to determine what the assessment will be for this parcel, the original assessment for Zone of Benefit A_1 will need to be increased to today's dollars using the Consumer Price Index (CPI).

Analysis

The original estimate for annual maintenance costs in this Zone of Benefit was as follows:

Basis of Calculation
Yuba City Lighting and Landscape Maintenance District No. 6

All areas will share proportionately (based on the subdivision area as shown on each Final Map as compared to the costs of the 185.9 acres of the Harter Specific Plan) as follows: the maintenance costs of the landscape areas ($0.23 per square foot per year) of the arterial and collector medians and miscellaneous City maintained landscaped strips; the maintenance costs of the Street Trees ($45 per tree per year) and the 100 watt street lighting costs ($141.96 per light per year) along the arterials and collectors.

Harter Specific Plan Lighting and Landscape Maintenance

Description	Total
68 Street Lights × $141.96	= $9,653.28
500 Street Trees × $45.00	= $22,500.00
Median Landscaping: 2000' × 11' × $0.23	= $5,060.00
Total	**= $37,213.28**
Divided by 185.9 acres	**= $200.17/acre**
	Say: $200/acre
+ 10% Administration Charge	**= $20.00**
TOTAL ASSESSMENT PER ACRE	**= $220.00**

The above calculations show the original annual cost for maintenance per acre ($220.00) for Zone of Benefit A_1. The below table shows the CPIs, Multipliers, and Maximum Levy Amounts for each year since the creation of the Zone of Benefit in 2005:

Fiscal Year	Assessment Period	Consumer Price Index	Multiplier (Year-to-Year)	Max Levy Amount
FY 2005/06	May 2005	194.4	1.000	$220
FY 2006/07	May 2006	202.5	1.042	$229.17
FY 2007/08	May 2007	207.949	1.027	$235.33
FY 2008/09	May 2008	216.632	1.042	$245.16
FY 2009/10	May 2009	213.856	1.000[1]	$245.16
FY 2010/11	May 2010	218.178	1.020	$250.11
FY 2011/12	May 2011	225.964	1.036	$259.04
FY 2012/13	May 2012	229.815	1.017	$263.45
FY 2013/14	May 2013	232.945	1.014	$267.04
FY 2014/15	May 2014	237.900	1.021	$272.72
FY 2015/16	May 2015	237.805	1.000[2]	$272.72
FY 2016/17	May 2016	240.229	1.010	$275.50
FY 2017/18	January 2017	242.839	1.025	$282.39
FY 2018/19	January 2018	247.867	1.021	$288.24
FY 2019/20	January 2019	251.712	1.016	$292.71
FY 2020/21	January 2020	257.971	1.025	$299.99
FY 2021/22	January 2021	261.582	1.014	$304.19
FY 2022/23	January 2022	281.148	1.075	$326.94
FY 2023/24	January 2023	299.170	1.064	$347.90

1. CPI change from May of 2008 to May of 2009 was -1.28%. Due to the CPI decrease, the City kept the maximum levy amount the same in 2008 and 2009.
2. CPI change from May of 2014 to May of 2015 was -0.04%. Due to the CPI decrease, the city kept the maximum levy amount the same in 2014 and 2015.

In order to bring the 2005 per acre assessment into January 2023 dollars, the CPI multiplier will be used. When the Zone of Benefit was originally formed, it was assessed annually from May of the previous year to may of the current year. In FY 2016-17, the assessment month changed from May to January.

Established Rate Per Parcel in 2005	=	$220.00
Maximum Rate in 2023 Based Upon CPI Increases	=	$347.90
10 % Administration (Included in Original Per Acre Rate)	=	$0.00
Per Acre Assessment	**=**	**$347.90**

PART C
ASSESSMENT ROLL

Yuba City Lighting and Landscape Maintenance District No. 6
ZONE OF BENEFIT A_1
(Spirit Drive Parcel Map)

Assessment No.	Assessor's #	Area (Acres)	Amount of Assessment
1	63-010-TBD	4.00	$1,391.60
2	63-010-TBD	4.00	$1,391.60
3	63-010-TBD	11.99	$4,171.32

PART D
METHOD OF APPORTIONMENT OF ASSESSMENT
Yuba City Lighting and Landscape Maintenance District No. 6
Zone of Benefit A_1
(Spirit Drive Parcel Map)

All areas within the LLMD will share equally in the maintenance costs of the street landscaping materials and irrigations systems, and street lighting in the River Valley commercial Subdivision Area, as described within the original "Engineer's Report, Yuba City Lighting and Landscape District No. 6, Zone of Benefit A-1, A-2 & A-3, River Valley Commercial, Sunsweet Blvd and Harter Specific Plan".

The area requesting annexation into District 6, Zone of Benefit A_1 includes: Spirit Drive Parcel Map on Assessor's Parcel Number 63-010-141, located north of Spirit Drive, south of State Route 20, east of El Margarita Road, and west of Harter Parkway. The subject parcel is to be split into three parcels.

The proposed assessments upon assessable lots and parcels of land within the assessment district shall be adjusted annually on each January 1 to reflect changes from January of the previous year to January of the current year of the "All Urban Consumers" Consumer Price Index, US City Average, as compiled by the United States Department of Labor, Bureau of Labor Statistics.

A 10% administration charge was factored into the original assessment in order to cover the cost to administer the District.

Consumer Price Index

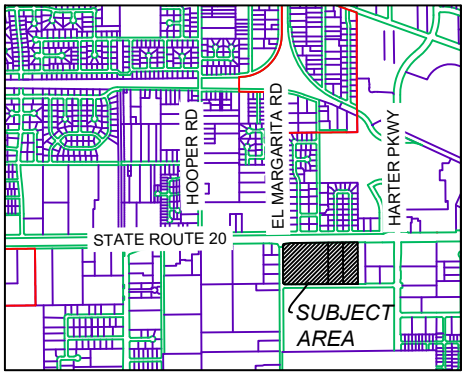
Fiscal Year	Assessment Period	Consumer Price Index	Multiplier (Year-to-Year)	Max Levy Amount
FY 2005/06	May 2005	194.4	1.000	$220
FY 2006/07	May 2006	202.5	1.042	$229.17
FY 2007/08	May 2007	207.949	1.027	$235.33
FY 2008/09	May 2008	216.632	1.042	$245.16
FY 2009/10	May 2009	213.856	1.000[1]	$245.16
FY 2010/11	May 2010	218.178	1.020	$250.11
FY 2011/12	May 2011	225.964	1.036	$259.04
FY 2012/13	May 2012	229.815	1.017	$263.45
FY 2013/14	May 2013	232.945	1.014	$267.04
FY 2014/15	May 2014	237.900	1.021	$272.72
FY 2015/16	May 2015	237.805	1.000[2]	$272.72
FY 2016/17	May 2016	240.229	1.010	$275.50
FY 2017/18	January 2017	242.839	1.025	$282.39
FY 2018/19	January 2018	247.867	1.021	$288.24
FY 2019/20	January 2019	251.712	1.016	$292.71
FY 2020/21	January 2020	257.971	1.025	$299.99
FY 2021/22	January 2021	261.582	1.014	$304.19
FY 2022/23	January 2022	281.148	1.075	$326.94
FY 2023/24	January 2023	299.170	1.064	$347.90

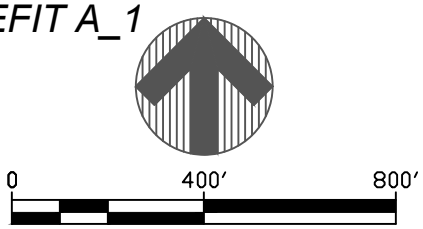
1. CPI change from May of 2008 to May of 2009 was -1.28%. Due to the CPI decrease, the City kept the maximum levy amount the same in 2008 and 2009.
2. CPI change from May of 2014 to May of 2015 was -0.04%. Due to the CPI decrease, the city kept the maximum levy amount the same in 2014 and 2015.

PART E

ASSESSMENT DIAGRAM
Yuba City Lighting and Landscape Maintenance District No. 6
ZONE OF BENEFIT A_1
(Spirit Drive Parcel Map)

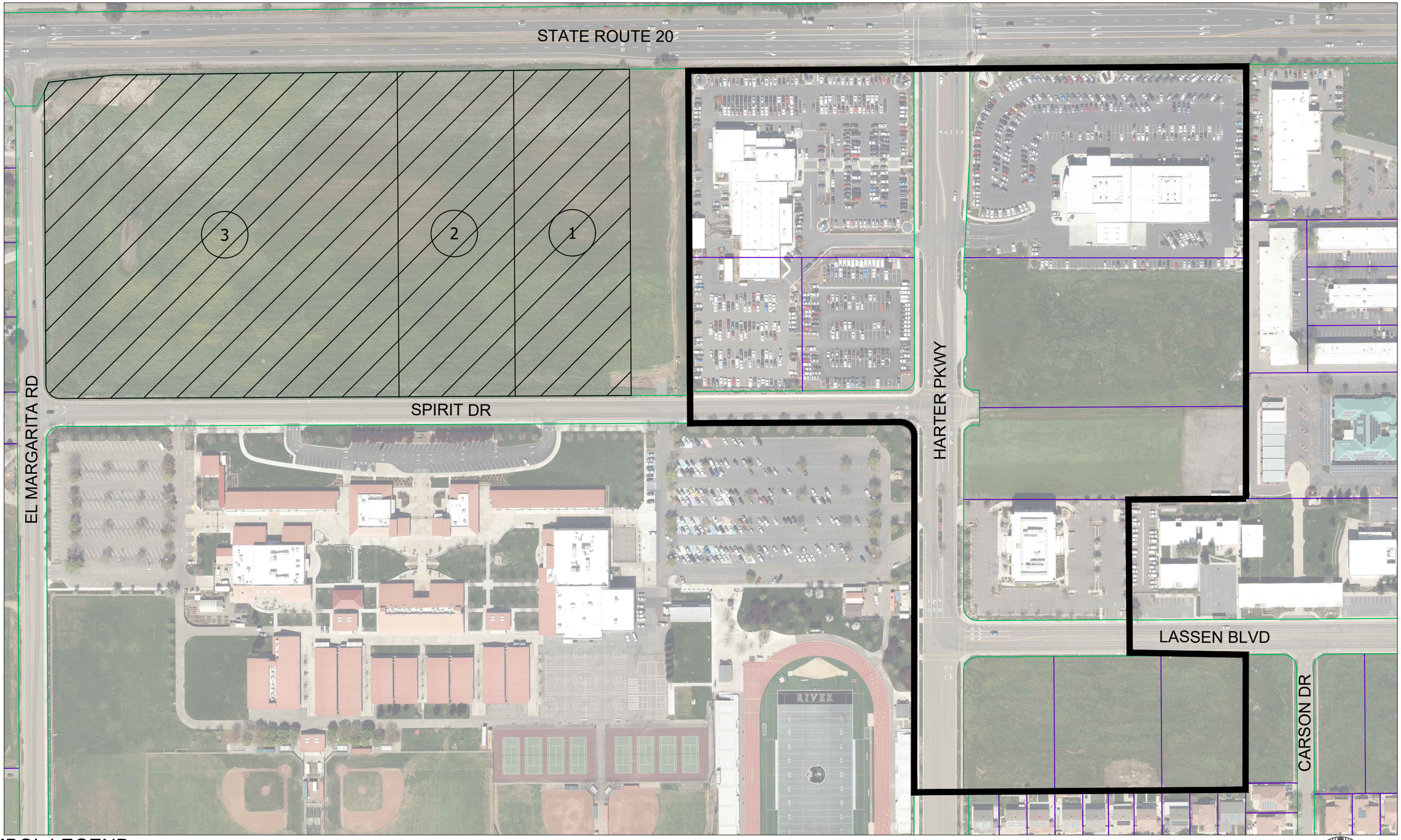
SPIRIT DRIVE PARCEL MAP
LIGHTING AND LANDSCAPE MAINTENANCE DISTRICT No. 6
ZONE OF BENEFIT A_1





SCALE: 1" = 400'

EL MARGARITA RD
BRYN MAWR DR
RUTH AVE
KIMBERLY DR
KIMBERLY DR
HARTER PKWY
N COLUSA FRTG RD
STATE ROUTE 20
EL MARGARITA RD
SPIRIT DR
HARTER PKWY
AREA TO BE ADDED
LASSEN BLVD
REDHAVEN AVE



SYMBOL LEGEND:

- EXISTING ZONE OF BENEFIT A_1 AREA
- PARCELS BEING ANNEXED INTO ZONE OF BENEFIT

LIGHTING AND LANDSCAPE MAINTENANCE DISTRICT No. 6, ZONE OF BENEFIT A_1 NEW AREA FOR ZONE OF BENEFIT MAP

0 200′ 400′

SCALE: 1" =200'

ATTACHMENT 3

Benjamin Moody
City of Yuba City
Public Works Department
1201 Civic Center Boulevard
Yuba City, CA 95993

Subject: Spirit Drive Parcel Map
Lighting and Landscape Maintenance District Assessment Formation

Dear Mr. Moody:

We are the owners/representatives of the property designated as Spirit Drive Parcel Map, which is described as Assessor Parcel Number (APN): 63-010-141, located north of Spirit Drive, south of State Route 20, east of El Margarita Road, and west of Harter Parkway. The subject parcel is to be split into three parcels.

The subject property has been conditioned to request for the formation of a Lighting and Landscape Maintenance District, Zone of Benefit, as through the Parcel Map's Conditions of Approval.

Pursuant to Section 22608 of the Streets and Highways Code, we are waiving any resolutions, report, notices of hearing, and right of majority protest regarding the annexation of the subject property described above into Lighting and Landscape Maintenance District 6, Zone of Benefit A_1. I also acknowledge and agree that the subject property will be subject to a levy of an initial assessment in the amount of $6,954.52 per year ($347.90 per acre, per year) as may be adjusted by a levy of annual assessments per Streets and Highways Code Section 22620 et seq.

It is hereby certified that the below signatures are that of the individuals authorized to sign on behalf of APN 63-010-141. If you have any questions, please call _____ at (###) ###-####. [redacted]

Sincerely,

Michael Ciociola, President

3/06/2023
Date

CITY OF YUBA CITY
STAFF REPORT

Date: March 21, 2023

To: Honorable Mayor & Members of the City Council;

From: Public Works Department

Presentation By: Kevin Bradford, Deputy Public Works Director - Engineering

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Summary

Subject: Bridge Street Widening – Gray Avenue to Cooper Avenue Project (Amendment to Construction Management Professional Services Agreement)

Recommendation: Adopt a Resolution which takes the following actions:

A. Authorize Amendment No. 1 to the Professional Services Agreement with Knight CM Group of Gold River, CA for Construction Management and Inspection Services in the amount of $458,300.00, for a total contract amount of $1,272,725.36, subject to material terms, with the finding that it is in the best interest of the City

B. Authorize the Finance Director to make a supplemental appropriation in the amount of $458,300.00 from unallocated Transportation Development Act funds to CIP Account No. 911187 (Bridge Street Widening)

Fiscal Impact: $458,300 – Account No. 1187 (Bridge Street Widening)

Purpose:

To facilitate the widening of Bridge Street to four lanes between State Route 99 east to the 5th Street Bridge in accordance with the General Plan.

Council's Strategic Goal:

This project addresses the City Council's Strategic Goal of improving the City's infrastructure.

Background:

The City is in the process of widening Bridge Street between Gray Avenue and Cooper Avenue from a two-lane roadway to a four-lane complete streets facility. This is the next segment of a multi-phased project to complete the entire Bridge Street corridor from State Route 99 to State Route 70, connecting Yuba City and Marysville. The project includes a bicycle pathway, raised landscape median, new synchronized traffic signals, and dedicated ADA-accessible sidewalks and crosswalks for pedestrians.

The project removes an extremely congested bottleneck and facilitates east-west movement of goods and people through the cities of Yuba City and Marysville. The project also provides new active

transportation options for the residents of Yuba City, Marysville, Sutter County, and Yuba County.

In March 2022, Council awarded a construction contract to Knife River Construction of Chico, CA and a professional services agreement to Knight CM Group of Gold River, CA to perform construction management and inspection services on behalf of the City. Construction commenced in May 2022 and was temporarily suspended in December 2022 due to severe winter storms and wet weather, which would have negatively impacted the next follow-on construction activities of roadway excavation, grading and forming/pouring the new curb and gutter facilities.

Analysis:

The winter suspension is expected to last through March, but weather forecasts are being monitored for opportunities to lift the temporary suspension sooner without impacting the contractor's weather-dependent work. Once the winter suspension is lifted, and assuming an April 3 re-start, it is anticipated that the contractor will submit an updated schedule with a revised completion date of around November 2023.

The professional services agreement with Knight CM Group is for an amount not to exceed $814,442. This amount is based on an original construction duration that was expected to be approximately 9 months, or 180 construction working days. The project has experienced delays resulting from several existing utility conflicts with the proposed sewer and storm lines requiring a re-design of these facilities, as well as extensive coordination with PG&E regarding the City's proposed Rule 20A Undergrounding project for this portion of Bridge Street.

Knight CM Group has actively managed its budget throughout the delayed construction process and has a balance of $148,000 remaining through December 2022. However, to provide the necessary construction management and inspection staffing to oversee the construction process, assure that City, State, and Federal standards are adhered to, and to represent the City against potential construction claims, staff is requesting an additional $458,300 in budget authority, with a finding that it is in the best interest of the City. This represents a not-to-exceed amount and Knight CM Group will only bill for actual hours worked and actual costs.

Fiscal Impact:

The estimated total construction cost presented at award of the project was $10,224,886, which consists of the following components:

Construction Contract:	$8,054,003.00
Construction Contingency (15%):	$1,208,100.00
Construction Management (12%):	$962,783
Total:	$10,224,886

Despite the delays caused by utility conflicts and coordination with PG&E, staff does not expect that additional budget authority for construction will be required to complete the project. However, up to an additional $458,300 will be required for the construction management and inspection portion of the work. Staff is requesting authorization for the City Finance Department to make a supplemental appropriation from unallocated Transportation Development Act (TDA) funds to CIP Account No. 1187 (Bridge Street Widening) to cover this increase. The current balance of unallocated TDA funds is approximately $897,000. The total construction management cost for the project is expected to be within approximately 15% of the total construction cost.

Alternatives:

There is no practical alternative to amending Knight CM Group's contract since they are intimately familiar with the project, are uniquely positioned to perform the work, and City staffing is not sufficient to complete the work.

Recommendation:

Adopt a Resolution which takes the following actions:

A. Authorize Amendment No. 1 to the Professional Services Agreement with Knight CM Group of Gold River, CA for Construction Management and Inspection Services in the amount of $458,300.00, for a total contract amount of $1,272,725.36, subject to material terms, with the finding that it is in the best interest of the City.

B. Authorize the Finance Director to make a supplemental appropriation in the amount of $458,300.00 from unallocated Transportation Development Act funds to CIP Account No. 911187 (Bridge Street Widening).

Attachments:

1. Resolution - Bridge Street Widening – Gray Avenue to Cooper Avenue Project (Amendment to Construction Management Professional Services Agreement)

Prepared By:	Submitted By:
Kevin Bradford	Diana Langley
Deputy Public Works Director – Engineering	City Manager

ATTACHMENT 1

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY APPROVING AMENDMENT NO. 1 TO THE PROFESSIONAL SERVICES AGREEMENT WITH KNIGHT CM GROUP FOR CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES ASSOCIATED WITH THE BRIDGE STREET WIDENING – GRAY AVENUE TO COOPER AVENUE PROJECT AND AUTHORIZING THE FINANCE DIRECTOR TO MAKE A SUPPLEMENTAL APPROPRIATION FROM UNALLOCATED TRANSPORTATION DEVELOPMENT ACT FUNDS

WHEREAS, on March 1, 2022, the City Council awarded a Professional Services Agreement to Knight CM Group of Gold River, CA to provide construction management and inspection services necessary for the Bridge Street Widening – Gray Avenue to Cooper Avenue Project (Project); and

WHEREAS, construction on the Project commenced on May 23, 2022 and was subsequently delayed due to several existing utility conflicts with the proposed sewer and storm lines requiring a re-design of these facilities, as well as extensive coordination with PG&E regarding the City's proposed Rule 20A Undergrounding project for this portion of Bridge Street; and

WHEREAS, Knight CM Group's authorized amount included with the Professional Services Agreement was based on a construction duration of 9 months; and

WHEREAS, the expected construction duration is now anticipated to require up to an additional 6 months through November 2023, requiring up to an additional $458,300.00 in Knight CM Group labor charges and expense; and

WHEREAS, Knight CM Group has actively managed its budget throughout the delayed construction process, is intimately familiar with the Project, is uniquely positioned to perform the work, and City staffing is not sufficient to complete this work; and

WHEREAS, the City Council desires to amend the Professional Services Agreement with Knight CM Group for construction management and inspection services associated with the Project; and,

WHEREAS, such an amendment is in the public interest.

NOW, THEREFORE, the City Council of the City of Yuba City resolves as follows:

1. The City Council finds that all of the facts set forth in the recitals above are true and correct and incorporated herein.

2. The City Council of the City of Yuba City authorizes the City Manager to enter into Amendment No. 1 to the Professional Services Agreement with Knight CM Group of Gold River, CA for construction management and inspection services in the amount of $458,300.00, for a total contract amount of $1,272,725.36, subject to material terms. The City Council finds that approval of such amendment in the best interest of the City.

3. The City Council of the City of Yuba City authorizes the Finance Director to make a supplemental appropriation in the amount of $458,300.00 from unallocated Transportation Development Act funds to CIP Account No. 911187 (Bridge Street Widening).

The foregoing resolution was duly and regularly introduced, passed, and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on the 21st day of March, 2023.

AYES:

NOES:

ABSENT:

Wade Kirchner, Mayor

ATTEST:

Ciara Wakefield, Deputy City Clerk

APPROVED AS TO FORM
COUNSEL FOR YUBA CITY:

Shannon Chaffin, City Attorney
Aleshire & Wynder, LLP

Exhibit “A” – Amendment No. 1 to the Professional Service Agreement

EXHIBIT “A”

AMENDMENT NO. 1 TO THE AGREEMENT FOR PROFESSIONAL SERVICES
KNIGHT CM GROUP

Knight CM Group
3100 Zinfandel Drive, Suite 275
Rancho Cordova, CA 95670

SUBJECT: Amendment No. 1 to Scope of Services for Bridge Street Widening – Gray Avenue to Cooper Avenue Project

This Amendment to the Agreement for Professional Services dated March 2, 2022 ("First Amendment") is made and entered into as of the _____ day of _____, 2023 by and between the City of Yuba City ("City") and Knight CM Group ("Consultant").

Recitals

Whereas, by Professional Services Agreement dated March 2, 2022 ("Prime Agreement"), City entered into an agreement with Consultant for construction management and inspection services for the City's Bridge Street Widening – Gray Avenue to Cooper Avenue Project in the amount of $814,425.36.

Whereas, construction on the Project commenced on May 23, 2022 and was subsequently delayed due to several existing utility conflicts with the proposed sewer and storm lines requiring a re-design of these facilities, as well as extensive coordination with PG&E regarding the City's proposed Rule 20A Undergrounding project for this portion of Bridge Street, extending the construction duration by an estimated 6 months.

Whereas, the Parties desire to amend the Prime Agreement for a first time to provide for construction management and inspection services through completion of the Project.

Agreement

In consideration of the foregoing Recitals and for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the City and Consultant agree as set forth herein.

1. Section 3, Method of Payment, third paragraph of the Prime Agreement is replaced in its entirety with the following:

   In addition to the allowable incurred costs, LOCAL AGENCY will pay CONSULTANT a fixed fee of **$108,422.44**. The fixed fee is nonadjustable for the term of the AGREEMENT, except in the event of a significant change in the scope of work and such adjustment is made by AGREEMENT amendment.

2. Section 3, Method of Payment, ninth paragraph of the Prime Agreement is replaced in its entirety with the following:

   The total amount payable by LOCAL AGENCY including the fixed fee shall not exceed **$1,272,725.36**.

3. Section 21, Notices, of the Prime Agreement is amended as follows:

If to Consultant: Mehrdad Varzandeh
Principal/Project Manager
Knight CM Group
3100 Zinfandel Drive, Suite 275
Rancho Cordova, CA 95670
[(916)-995-5851]

4. Attachments, Exhibit 10-H1, of the Prime Agreement is replaced in its entirety with Exhibit A.

5. A copy of the Prime Agreement is attached hereto as Exhibit "B" and, except as otherwise amended by this First Amendment, the Prime Agreement is incorporated as though set forth in full herein.

6. Except as amended in this First Amendment, the terms and conditions of the Prime Agreement shall remain the same and shall be in full force and effect. This First Amendment is not effective until approved and executed by the authorized City representative.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date and year first written above.

CITY:

CITY OF YUBA CITY, a municipal corporation

_____

Diana Langley, City Manager

CONSULTANT:
Knight CM Group

_____

Name: Mehrdad Varzandeh

Title: Principal

Kindly execute the original and two (2) copies and return to City Hall at 1201 Civic Center Boulevard, Yuba City, CA 95993; the City will return a fully-executed copy to you via mail for your files.

Attachments:
Exhibit A: Revised Exhibit 10-H1 to Prime Agreement
Exhibit B: Prime Agreement

Exhibit A
Revised Exhibit 10-H1

1201 Civic Center Boulevard • Yuba City, California 95993 • YubaCity.net

EXHIBIT 10-H1 COST PROPOSAL Page 1 of 3

COST-PLUS-FIXED FEE OR LUMP SUM OR FIRM FIXED PRICE CONTRACTS

(DESIGN, ENGINEERING AND ENVIRONMENTAL STUDIES)

Note: Mark-ups are Not Allowed ☒ Prime Consultant ☐ Subconsultant ☐ 2nd Tier Subconsultant

Consultant KCM Engineering, Inc.

Project No. LPPSB1L-5163(040) Contract No. 21-01 Date 02-23-2023

DIRECT LABOR

Classification/Title	Name	Hours	Actual Hourly Rate	Total
Project Manager*	Mehrdad Varzandeh, PE	152	$ 96.00	$ 14,592.00
Resident Engineer*	Joe Reyes, PE	1,464	$ 85.00	$ 124,440.00
Asst RE/Inspector**	Ryan Henry	3,088	$ 70.50	$ 217,704.00
Civil Inspector**	Unassigned – As Needed	1,366	$ 66.50	$ 88,844.00
Office Engineer	Unassigned – As Needed		$ 47.50	$
			$	$

LABOR COSTS

a) Subtotal Direct Labor Costs $ 445,580.00

b) Anticipated Salary Increases (see page 2 for calculation) $ 5,053.57

c) **TOTAL DIRECT LABOR COSTS** [(a) + (b)] **$** 450,633.57

INDIRECT COSTS

d) Fringe Benefits (Rate: 16.14 %) e) Total Fringe Benefits [(c) x (d)] $ 72,732.26

f) Overhead (Rate: 95.11 %) g) Overhead [(c) x (f)] $ 428,597.59

h) General and Administrative (Rate: 29.35 %) i) Gen & Admin [(c) x (h)] $ 132,260.95

j) **TOTAL INDIRECT COSTS** [(e) + (g) + (i)] **$** 633,590.80

FIXED FEE k) **TOTAL FIXED FEE** [(c) + (j)] x fixed fee 10 %] **$** 108,422.44

l) **CONSULTANT'S OTHER DIRECT COSTS (ODC) – ITEMIZE (Add additional pages if necessary)**

Description of Item	Quantity	Unit	Unit Cost	Total
Mileage Costs			$	$
Equipment Rental and Supplies			$	$
Permit Fees			$	$
Plan Sheets			$	$
Test			$	$

l) **TOTAL OTHER DIRECT COSTS** $

m) **SUBCONSULTANTS' COSTS (Add additional pages if necessary)**

Subconsultant 1: RMA Group $ 80,078.55

Subconsultant 2: $

Subconsultant 3: $

Subconsultant 4: $

m) **TOTAL SUBCONSULTANTS' COSTS** $ 80,078.55

n) **TOTAL OTHER DIRECT COSTS INCLUDING SUBCONSULTANTS** [(l)+(m)] $ 80,078.55

TOTAL COST [(c) + (j) + (k) + (n)] $ 1,272,725.36

NOTES:
1. Key personnel **must** be marked with an asterisk (*) and employees that are subject to prevailing wage requirements must be marked with two asterisks (**). All costs must comply with the Federal cost principles. Subconsultants will provide their own cost proposals.
2. The cost proposal format shall not be amended. Indirect cost rates shall be updated on an annual basis in accordance with the consultant's annual accounting period and established by a cognizant agency or accepted by Caltrans.
3. Anticipated salary increases calculation (page 2) must accompany.

EXHIBIT 10-H1 COST PROPOSAL Page 2 of 3

COST-PLUS-FIXED FEE OR LUMP SUM OR FIRM FIXED PRICE CONTRACTS

(CALCULATIONS FOR ANTICIPATED SALARY INCREASES)

1. Calculate Average Hourly Rate for 1st year of the contract (Direct Labor Subtotal divided by total hours)

Direct Labor Subtotal per Cost Proposal	Total Hours per Cost Proposal		Avg Hourly Rate	**5 Year Contract Duration**
$250,000.00	5000	=	$50.00	Year 1 Avg Hourly Rate

2. Calculate hourly rate for all years (Increase the Average Hourly Rate for a year by proposed escalation %)

	Avg Hourly Rate		Proposed Escalation			
Year 1	$50.00	+	2%	=	$51.00	Year 2 Avg Hourly Rate
Year 2	$51.00	+	2%	=	$52.02	Year 3 Avg Hourly Rate
Year 3	$52.02	+	2%	=	$53.06	Year 4 Avg Hourly Rate
Year 4	$53.06	+	2%	=	$54.12	Year 5 Avg Hourly Rate

3. Calculate estimated hours per year (Multiply estimate % each year by total hours)

	Estimated % Completed Each Year		Total Hours per Cost Proposal		Total Hours per Year	
Year 1	20.0%	*	5000	=	1000	Estimated Hours Year 1
Year 2	40.0%	*	5000	=	2000	Estimated Hours Year 2
Year 3	15.0%	*	5000	=	750	Estimated Hours Year 3
Year 4	15.0%	*	5000	=	750	Estimated Hours Year 4
Year 5	10.0%	*	5000	=	500	Estimated Hours Year 5
Total	100%		Total	=	5000	

4. Calculate Total Costs including Escalation (Multiply Average Hourly Rate by the number of hours)

	Avg Hourly Rate (calculated above)		Estimated hours (calculated above)		Cost per Year	
Year 1	$50.00	*	1000	=	$50,000.00	Estimated Hours Year 1
Year 2	$51.00	*	2000	=	$102,000.00	Estimated Hours Year 2
Year 3	$52.02	*	750	=	$39,015.00	Estimated Hours Year 3
Year 4	$53.06	*	750	=	$39,795.30	Estimated Hours Year 4
Year 5	$54.12	*	500	=	$27,060.80	Estimated Hours Year 5
	Total Direct Labor Cost with Escalation			=	$257,871.10	
	Direct Labor Subtotal before Escalation			=	$250,000.00	
	Estimated total of Direct Labor Salary Increase			=		Transfer to Page 1

NOTES:
1. This is not the only way to estimate salary increases. Other methods will be accepted if they clearly indicate the % increase, the # of years of the contract, and a breakdown of the labor to be performed each year.
2. An estimation that is based on direct labor multiplied by salary increase % multiplied by the # of years is not acceptable. (i.e. $250,000 x 2% x 5 yrs = $25,000 is not an acceptable methodology)

3. This assumes that one year will be worked at the rate on the cost proposal before salary increases are granted.
4. Calculations for anticipated salary escalation must be provided.

EXHIBIT 10-H1 COST PROPOSAL Page 3 of 3

Certification of Direct Costs:

I, the undersigned, certify to the best of my knowledge and belief that all direct costs identified on the cost proposal(s) in this contract are actual, reasonable, allowable, and allocable to the contract in accordance with the contract terms and the following requirements:

1. Generally Accepted Accounting Principles (GAAP)
2. Terms and conditions of the contract
3. Title 23 United States Code Section 112 - Letting of Contracts
4. 48 Code of Federal Regulations Part 31 - Contract Cost Principles and Procedures
5. 23 Code of Federal Regulations Part 172 - Procurement, Management, and Administration of Engineering and Design Related Service
6. 48 Code of Federal Regulations Part 9904 - Cost Accounting Standards Board (when applicable)

All costs must be applied consistently and fairly to all contracts. All documentation of compliance must be retained in the project files and be in compliance with applicable federal and state requirements. Costs that are noncompliant with the federal and state requirements are not eligible for reimbursement.
Local governments are responsible for applying only cognizant agency approved or Caltrans accepted Indirect Cost Rate(s).

Prime Consultant or Subconsultant Certifying:

Name: Joe Reyes
Title *: President
Signature :
Date of Certification (mm/dd/yyyy): 02-23-2023
Email: Joe@knightcmgroup.com
Phone Number: (916)870-9070
Address: 3100 Zinfandel Drive, Suite 275, Rancho Cordova, CA 95670

*An individual executive or financial officer of the consultant's or subconsultant's organization at a level no lower than a Vice President or a Chief Financial Officer, or equivalent, who has authority to represent the financial information utilized to establish the cost proposal for the contract.

List services the consultant is providing under the proposed contract:

Construction Management and Inspection Services

Exhibit B
Prime Agreement

AGREEMENT FOR PROFESSIONAL SERVICES
Bridge Street Widening Construction Management and Inspection Services Contract (21-01)

This Agreement is made and entered into as of March 2, 2022, by and between the City of Yuba City, a municipal corporation ("City") and Knight CM Group ("Consultant").

RECITALS

A. Consultant is specially trained, experienced and competent to perform the special services which will be required by this Agreement; and

B. Consultant possesses the skill, experience, ability, background, certification and knowledge to provide the services described in this Agreement on the terms and conditions described herein; and

C. City desires to retain Consultant to render professional services as set forth in this Agreement.

AGREEMENT

1. Scope of Services. The Consultant shall furnish the following services in a professional manner.

See Attached Scope of Services
(Exhibit A)

2. Time of Performance. This contact shall go into effect on March 2, 2022, contingent upon approval by the City. The services of Consultant shall commence within 7 calendar days of Consultant receiving Notice to Proceed from the City and shall continue until all authorized work is completed and approved by the City. The contract shall end on December 31, 2023, unless extended by contract amendment. Consultant is advised that any recommendation for contract award is not binding on the City until the contract is fully executed and approved by the City.

3. Method of Payment. The method of payment for this AGREEMENT will be based on actual cost plus a fixed fee. LOCAL AGENCY will reimburse CONSULTANT for actual costs (including labor costs, employee benefits, travel, equipment rental costs, overhead and other direct costs) incurred by CONSULTANT in performance of the work. CONSULTANT will not be reimbursed for actual costs that exceed the estimated wage rates, employee benefits, travel, equipment rental, overhead, and other estimated costs set forth in the approved CONSULTANT'S Cost Proposal, unless additional reimbursement is provided for by AGREEMENT amendment. In no event, will CONSULTANT be reimbursed for overhead costs at a rate that exceeds LOCAL

AGENCY's approved overhead rate set forth in the Cost Proposal. In the event, that LOCAL AGENCY determines that a change to the work from that specified in the Cost Proposal and AGREEMENT is required, the AGREEMENT time or actual costs reimbursable by LOCAL AGENCY shall be adjusted by AGREEMENT amendment to accommodate the changed work. The maximum total cost as specified in this Section shall not be exceeded, unless authorized by AGREEMENT amendment.

The indirect cost rate established for this AGREEMENT is extended through the duration of this specific AGREEMENT. CONSULTANT's agreement to the extension of the 1-year applicable period shall not be a condition or qualification to be considered for the work or AGREEMENT award.

In addition to the allowable incurred costs, LOCAL AGENCY will pay CONSULTANT a fixed fee of $**66,758.80**. The fixed fee is nonadjustable for the term of the AGREEMENT, except in the event of a significant change in the scope of work and such adjustment is made by AGREEMENT amendment.

Reimbursement for transportation and subsistence costs shall not exceed the rates specified in the approved Cost Proposal.

When milestone cost estimates are included in the approved Cost Proposal, CONSULTANT shall obtain prior written approval for a revised milestone cost estimate from the Contract Administrator before exceeding such cost estimate.

Progress payments will be made monthly in arrears based on services provided and allowable incurred costs. A pro rata portion of CONSULTANT's fixed fee will be included in the monthly progress payments. If CONSULTANT fails to submit the required deliverable items according to the schedule set forth in Article III Statement of Work, LOCAL AGENCY shall have the right to delay payment or terminate this AGREEMENT.

No payment will be made prior to approval of any work, nor for any work performed prior to approval of this AGREEMENT.

CONSULTANT will be reimbursed promptly according to California Regulations upon receipt by LOCAL AGENCY's Contract Administrator of itemized invoices in duplicate. Invoices shall be submitted no later than thirty (30) calendar days after the performance of work for which CONSULTANT is billing. Invoices shall detail the work performed on each milestone and each project as applicable. Invoices shall follow the format stipulated for the approved Cost Proposal and shall reference this AGREEMENT number and project title. Final invoice must contain the final cost and all credits due LOCAL AGENCY including any equipment purchased under the provisions of Article XI Equipment Purchase. The final invoice should be submitted within sixty (60) calendar days after completion of CONSULTANT's work. Invoices shall be mailed to LOCAL AGENCY's Contract Administrator at the following address:

City of Yuba City
Public Works Department

Attn: Kevin Bradford
1201 Civic Center Blvd
Yuba City, CA 95993

The total amount payable by LOCAL AGENCY including the fixed fee shall not exceed $**814,425.36**.

For personnel subject to prevailing wage rates as described in the California Labor Code, all salary increases, which are the direct result of changes in the prevailing wage rates are reimbursable.

4. Extra Work. At any time during the term of this Agreement, City may request that Consultant perform Extra Work. As used herein, "Extra Work" means any work which is determined by City to be necessary for the proper completion of the Project, but which the parties did not reasonably anticipate would be necessary at the execution of this Agreement. Consultant shall not perform, nor be compensated for, Extra Work without written authorization from City.

5. Termination. This AGREEMENT may be terminated by LOCAL AGENCY, provided that LOCAL AGENCY gives not less than thirty (30) calendar days' written notice (delivered by certified mail, return receipt requested) of intent to terminate. Upon termination, LOCAL AGENCY shall be entitled to all work, including but not limited to, reports, investigations, appraisals, inventories, studies, analyses, drawings and data estimates performed to that date, whether completed or not.

   LOCAL AGENCY may temporarily suspend this AGREEMENT, at no additional cost to LOCAL AGENCY, provided that CONSULTANT is given written notice (delivered by certified mail, return receipt requested) of temporary suspension. If LOCAL AGENCY gives such notice of temporary suspension, CONSULTANT shall immediately suspend its activities under this AGREEMENT. A temporary suspension may be issued concurrent with the notice of termination.

   Notwithstanding any provisions of this AGREEMENT, CONSULTANT shall not be relieved of liability to LOCAL AGENCY for damages sustained by City by virtue of any breach of this AGREEMENT by CONSULTANT, and City may withhold any payments due to CONSULTANT until such time as the exact amount of damages, if any, due City from CONSULTANT is determined.

   In the event of termination, CONSULTANT shall be compensated as provided for in this AGREEMENT. Upon termination, LOCAL AGENCY shall be entitled to all work, including but not limited to, reports, investigations, appraisals, inventories, studies, analyses, drawings and data estimates performed to that date, whether completed or not.

6. Ownership of Documents. All plans, studies, documents and other writings prepared by and for Consultant, its officers, employees, agents and subcontractors in the course of implementing this Agreement, except working notes and internal documents, shall become the property of the City upon payment to Consultant for such work, and the City

shall have the sole right to use such materials in its discretion without further compensation to Consultant or to any other party. Consultant shall, at Consultant's expense, provide such reports, plans, studies, documents and other writings to City upon request.

7. Licensing of Intellectual Property. This Agreement creates a nonexclusive and perpetual license for City to copy, use, modify, reuse, or sublicense any and all copyrights, designs, and other intellectual property embodied in plans, specifications, studies, drawings, estimates, and other documents or works of authorship fixed in any tangible medium of expression, including but limited to, physical drawings or data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Consultant under this Agreement ("Documents & Data"). Consultant shall require all subcontractors to agree in writing that City is granted a non-exclusive and perpetual license for any Documents & Data the subcontractor prepares under this Agreement. Consultant represents and warrants that Consultant has the legal right to license any and all Documents & Data. Consultant makes no such representation and warranty in regards to Documents & Data which were prepared by design professionals other than Consultant or provided to Consultant by the City. City shall not be limited in any way in its use of the Documents & Data at any time, provided that any such use not within the purposes intended by this Agreement shall be at City's sole risk.

8. Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents & Data either created by or provided to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant. Such materials shall not, without the prior written consent of City, be used by Consultant for any purposes other than the performance of the services under this Agreement. Nor shall such materials be disclosed to any person or entity not connected with the performance of the services under this Agreement. Nothing furnished to Consultant, which is otherwise known to Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use City's name or insignia, photographs relating to project for which Consultant's services are rendered, or any publicity pertaining to the Consultant's services under this Agreement in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of City.

9. Consultant's Books and Records. Consultant shall maintain any and all ledgers, books of accounts, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services, or expenditures and disbursements charged to City for a minimum period of three (3) years, or for any longer period required by law, from the date of final payment to Consultant to this Agreement.

   Consultant shall maintain all documents and records which demonstrated performance under this Agreement for a minimum period of three (3) years, or for any longer period required by law, from the date of termination or completion of this Agreement.

Any records or documents required to be maintained pursuant to this Agreement shall be made available for inspection or audit, at any time during regular business hours, upon written request by the City Administrator, City Attorney, City Auditor or a designated representative of these officers. Copies of such documents shall be provided to the City for inspection at City Hall when it is practical to do so. Otherwise, unless an alternative is mutually agreed upon, the records shall be available at Consultant's address indicated for receipt of notices in this Agreement.

Where City has reason to believe that such records or documents may be lost or discarded due to dissolution, disbandment or termination of Consultant's business, City may, by written request by any of the above-named officers, require that custody of the records be given to the City and that the records and documents be maintained in City Hall. Access to such records and documents shall be granted to any party authorized by Consultant, Consultant's representatives, or Consultant's successor-in-interest.

10. Independent Contractor. It is understood that Consultant, in the performance of the work and services agreed to be performed, shall act as and be an independent contractor and shall not act as an agent or employee of the City. Consultant shall obtain no rights to retirement benefits or other benefits which accrue to City's employees, and Consultant hereby expressly waives any claim it may have to any such rights.

    Consultant is not a designated employee within the meaning of the Political Reform Act because Consultant:

    a. Will conduct research and arrive at conclusions with respect to his/her rendition of information, advice, recommendation or counsel independent of the control and direction of the City or of any City official, other than normal agreement monitoring; and

    b. Possesses no authority with respect to any City decision beyond rendition of information, advice, recommendation or counsel. (FPPC Reg. 18700(B)(2).)

11. Interest of Consultant. Consultant (including principals, associates and professional employees) covenants and represents that it does not now have any investment or interest in real property and shall not acquire any interest, direct or indirect, in the area covered by this Agreement or any other source of income, interest in real property or investment which would be affected in any manner or degree by the performance of Consultant's services hereunder. Consultant further covenants and represents that in the performance of its duties hereunder no person having any such interest shall perform any services under this Agreement.

12. Conflict of Interest. During the term of this AGREEMENT, the CONSULTANT shall disclose any financial, business, or other relationship with LOCAL AGENCY that may have an impact upon the outcome of this AGREEMENT or any ensuing LOCAL AGENCY construction project. The CONSULTANT shall also list current clients who may have a

financial interest in the outcome of this AGREEMENT or any ensuing LOCAL AGENCY construction project which will follow.

CONSULTANT certifies that it has disclosed to LOCAL AGENCY any actual, apparent, or potential conflicts of interest that may exist relative to the services to be provided pursuant to this AGREEMENT. CONSULTANT agrees to advise LOCAL AGENCY of any actual, apparent or potential conflicts of interest that may develop subsequent to the date of execution of this AGREEMENT. CONSULTANT further agrees to complete any statements of economic interest if required by either LOCAL AGENCY ordinance or State law.

The CONSULTANT hereby certifies that it does not now have nor shall it acquire any financial or business interest that would conflict with the performance of services under this AGREEMENT.

The CONSULTANT hereby certifies that the CONSULTANT or subconsultant and any firm affiliated with the CONSULTANT or subconsultant that bids on any construction contract or on any Agreement to provide construction inspection for any construction project resulting from this AGREEMENT, has established necessary controls to ensure a conflict of interest does not exist. An affiliated firm is one, which is subject to the control of the same persons, through joint ownership or otherwise.

13. Professional Ability of Consultant. City has relied upon the professional training and ability of Consultant to perform the services hereunder as a material inducement to enter into this Agreement. Consultant shall therefore provide properly skilled professional and technical personnel to perform all services under this Agreement. All work performed by Consultant under this Agreement shall be in accordance with applicable legal requirements and shall meet the standard of quality ordinarily to be expected of competent professionals in Consultant's field of expertise.

14. Compliance with Laws. Consultant shall use the standard of care in its profession to comply with all applicable federal, state and local laws, codes, ordinances and regulations.

15. State Prevailing Wage Rates. No CONSULTANT or Subconsultant may be awarded an AGREEMENT containing public work elements unless registered with the Department of Industrial Relations (DIR) pursuant to Labor Code §1725.5. Registration with DIR must be maintained throughout the entire term of this AGREEMENT, including any subsequent amendments.

    The CONSULTANT shall comply with all of the applicable provisions of the California Labor Code requiring the payment of prevailing wages. The General Prevailing Wage Rate Determinations applicable to work under this AGREEMENT are available and on file with the Department of Transportation's Regional/District Labor Compliance Officer (https://dot.ca.gov/programs/construction/labor-compliance). These wage rates are made a specific part of this AGREEMENT by reference pursuant to Labor Code §1773.2 and will be applicable to work performed at a construction project site. Prevailing wages

will be applicable to all inspection work performed at LOCAL AGENCY construction sites, at LOCAL AGENCY facilities and at off-site locations that are set up by the construction contractor or one of its subcontractors solely and specifically to serve LOCAL AGENCY projects. Prevailing wage requirements do not apply to inspection work performed at the facilities of vendors and commercial materials suppliers that provide goods and services to the general public.

General Prevailing Wage Rate Determinations applicable to this project may also be obtained from the Department of Industrial Relations website at http://www.dir.ca.gov.

16. Payroll Records

a. Each CONSULTANT and Subconsultant shall keep accurate certified payroll records and supporting documents as mandated by Labor Code §1776 and as defined in 8 CCR §16000 showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by the CONSULTANT or Subconsultant in connection with the public work. Each payroll record shall contain or be verified by a written declaration that it is made under penalty of perjury, stating both of the following:

    i. The information contained in the payroll record is true and correct.
    ii. The employer has complied with the requirements of Labor Code §1771, §1811, and §1815 for any work performed by his or her employees on the public works project.

b. The payroll records enumerated under paragraph (1) above shall be certified as correct by the CONSULTANT under penalty of perjury. The payroll records and all supporting documents shall be made available for inspection and copying by LOCAL AGENCY representatives at all reasonable hours at the principal office of the CONSULTANT. The CONSULTANT shall provide copies of certified payrolls or permit inspection of its records as follows:

    i. A certified copy of an employee's payroll record shall be made available for inspection or furnished to the employee or the employee's authorized representative on request.
    ii. A certified copy of all payroll records enumerated in paragraph (1) above, shall be made available for inspection or furnished upon request to a representative of LOCAL AGENCY, the Division of Labor Standards Enforcement and the Division of Apprenticeship Standards of the Department of Industrial Relations. Certified payrolls submitted to LOCAL AGENCY, the Division of Labor Standards Enforcement and the Division of Apprenticeship Standards shall not be altered or obliterated by the CONSULTANT.
    iii. The public shall not be given access to certified payroll records by the CONSULTANT. The CONSULTANT is required to forward any requests

for certified payrolls to the LOCAL AGENCY Contract Administrator by both email and regular mail on the business day following receipt of the request.

c. Each CONSULTANT shall submit a certified copy of the records enumerated in paragraph (1) above, to the entity that requested the records within ten (10) calendar days after receipt of a written request.

d. Any copy of records made available for inspection as copies and furnished upon request to the public or any public agency by LOCAL AGENCY shall be marked or obliterated in such a manner as to prevent disclosure of each individual's name, address, and social security number. The name and address of the CONSULTANT or Subconsultant performing the work shall not be marked or obliterated.

e. The CONSULTANT shall inform LOCAL AGENCY of the location of the records enumerated under paragraph (1) above, including the street address, city and county, and shall, within five (5) working days, provide a notice of a change of location and address.

f. The CONSULTANT or Subconsultant shall have ten (10) calendar days in which to comply subsequent to receipt of written notice requesting the records enumerated in paragraph (1) above. In the event the CONSULTANT or Subconsultant fails to comply within the ten (10) day period, he or she shall, as a penalty to LOCAL AGENCY, forfeit one hundred dollars ($100) for each calendar day, or portion thereof, for each worker, until strict compliance is effectuated. Such penalties shall be withheld by LOCAL AGENCY from payments then due. CONSULTANT is not subject to a penalty assessment pursuant to this section due to the failure of a Subconsultant to comply with this section.

When prevailing wage rates apply, the CONSULTANT is responsible for verifying compliance with certified payroll requirements. Invoice payment will not be made until the invoice is approved by the LOCAL AGENCY Contract Administrator.

17. <u>Penalty</u>

a. The CONSULTANT and any of its Subconsultants shall comply with Labor Code §1774 and §1775. Pursuant to Labor Code §1775, the CONSULTANT and any Subconsultant shall forfeit to the LOCAL AGENCY a penalty of not more than two hundred dollars ($200) for each calendar day, or portion thereof, for each worker paid less than the prevailing rates as determined by the Director of DIR for the work or craft in which the worker is employed for any public work done under the AGREEMENT by the CONSULTANT or by its Subconsultant in violation of the requirements of the Labor Code and in particular, Labor Code §§1770 to 1780, inclusive.

b. The amount of this forfeiture shall be determined by the Labor Commissioner and shall be based on consideration of mistake, inadvertence, or neglect of the CONSULTANT or Subconsultant in failing to pay the correct rate of prevailing wages, or the previous record of the CONSULTANT or Subconsultant in meeting their respective prevailing wage obligations, or the willful failure by the CONSULTANT or Subconsultant to pay the correct rates of prevailing wages. A mistake, inadvertence, or neglect in failing to pay the correct rates of prevailing wages is not excusable if the CONSULTANT or Subconsultant had knowledge of the obligations under the Labor Code. The CONSULTANT is responsible for paying the appropriate rate, including any escalations that take place during the term of the AGREEMENT.

c. In addition to the penalty and pursuant to Labor Code §1775, the difference between the prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the prevailing wage rate shall be paid to each worker by the CONSULTANT or Subconsultant.

d. If a worker employed by a Subconsultant on a public works project is not paid the general prevailing per diem wages by the Subconsultant, the prime CONSULTANT of the project is not liable for the penalties described above unless the prime CONSULTANT had knowledge of that failure of the Subconsultant to pay the specified prevailing rate of wages to those workers or unless the prime CONSULTANT fails to comply with all of the following requirements:

    i. The AGREEMENT executed between the CONSULTANT and the Subconsultant for the performance of work on public works projects shall include a copy of the requirements in Labor Code §§ 1771, 1775, 1776, 1777.5, 1813, and 1815.
    ii. The CONSULTANT shall monitor the payment of the specified general prevailing rate of per diem wages by the Subconsultant to the employees by periodic review of the certified payroll records of the Subconsultant.
    iii. Upon becoming aware of the Subconsultant's failure to pay the specified prevailing rate of wages to the Subconsultant's workers, the CONSULTANT shall diligently take corrective action to halt or rectify the failure, including but not limited to, retaining sufficient funds due the Subconsultant for work performed on the public works project.
    iv. Prior to making final payment to the Subconsultant for work performed on the public works project, the CONSULTANT shall obtain an affidavit signed under penalty of perjury from the Subconsultant that the Subconsultant had paid the specified general prevailing rate of per diem wages to the Subconsultant's employees on the public works project and any amounts due pursuant to Labor Code §1813.

e. Pursuant to Labor Code §1775, LOCAL AGENCY shall notify the CONSULTANT on a public works project within fifteen (15) calendar days of receipt of a complaint that a Subconsultant has failed to pay workers the general prevailing rate of per diem wages.

f. If LOCAL AGENCY determines that employees of a Subconsultant were not paid the general prevailing rate of per diem wages and if LOCAL AGENCY did not retain sufficient money under the AGREEMENT to pay those employees the balance of wages owed under the general prevailing rate of per diem wages, the CONSULTANT shall withhold an amount of moneys due the Subconsultant sufficient to pay those employees the general prevailing rate of per diem wages if requested by LOCAL AGENCY.

Hours of Labor – Eight (8) hours labor constitutes a legal day's work. The CONSULTANT shall forfeit, as a penalty to the LOCAL AGENCY, twenty-five dollars ($25) for each worker employed in the execution of the AGREEMENT by the CONSULTANT or any of its Subconsultants for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one calendar day and forty (40) hours in any one calendar week in violation of the provisions of the Labor Code, and in particular §§1810 to 1815 thereof, inclusive, except that work performed by employees in excess of eight (8) hours per day, and forty (40) hours during any one week, shall be permitted upon compensation for all hours worked in excess of eight (8) hours per day and forty (40) hours in any week, at not less than one and one-half (1.5) times the basic rate of pay, as provided in §1815.

Employment of Apprentices

a. Where either the prime AGREEMENT or the subagreement exceeds thirty thousand dollars ($30,000), the CONSULTANT and any subconsultants under him or her shall comply with all applicable requirements of Labor Code §§ 1777.5, 1777.6 and 1777.7 in the employment of apprentices.

b. CONSULTANTs and subconsultants are required to comply with all Labor Code requirements regarding the employment of apprentices, including mandatory ratios of journey level to apprentice workers. Prior to commencement of work, CONSULTANT and subconsultants are advised to contact the DIR Division of Apprenticeship Standards website at https://www.dir.ca.gov/das/, for additional information regarding the employment of apprentices and for the specific journey-to- apprentice ratios for the AGREEMENT work. The CONSULTANT is responsible for all subconsultants' compliance with these requirements. Penalties are specified in Labor Code §1777.7.

18. Licenses. Consultant represents and warrants to City that it has all licenses, permits, qualifications, insurance and approvals of whatsoever nature, which are legally required

of Consultant to practice its profession. Consultant represents and warrants to City that Consultant shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement, any licenses, permits, insurance and approvals which are legally required of Consultant to practice its profession. Consultant shall maintain a City of Yuba City business license.

19. Indemnity. Consultant agrees to defend, indemnify and hold harmless the City, its officers, officials, agents, employees and volunteers from and against any and all claims, demands, actions, losses, damages, injuries, and liability, direct or indirect (including any and all costs, including attorney fees and expenses in connection therein), arising out of the performance of this Agreement in whole or in part by any negligent act or omission of the Consultant, or anyone directly or indirectly employed by the Consultant or anyone for whose acts the Consultant may be liable, or its failure to comply with any of its obligations contained in this Agreement, except for any such claim arising out of the sole negligence or willful misconduct of the City, its officers, agents, employees or volunteers.

20. Insurance Requirements. Consultant, at Consultant's own cost and expense, shall procure and maintain, for the duration of the contract, necessary insurance policies as described in Exhibit B.

21. Notices. Any notice required to be given under this Agreement shall be in writing and either served personally or sent prepaid, first class mail. Any such notice shall be addressed to the other party at the address set forth below. Notice shall be deemed communicated within 48 hours from the time of mailing if mailed as provided in this section.

If to City	Kevin Bradford Public Works Department City of Yuba City 1201 Civic Center Blvd Yuba City, CA 95993 [(530) 822-4626]
If to Consultant:	Mehrdad Varzandeh Principal/Project Manager Knight CM Group 2377 Gold Meadow Way, Suite 100 Gold River, CA 95670 [(916)-995-5851]

22. Entire Agreement. This Agreement constitutes the complete and exclusive statement of Agreement between the City and Consultant. All prior written and oral communications, including correspondence, drafts, memoranda, and representations, are superseded in total by this Agreement.

23. Amendments. This Agreement may be modified or amended only by a written document executed by both Consultant and City and approved as to form by the City Attorney.

24. Assignment and Subcontracting. The parties recognize that a substantial inducement to City for entering into this Agreement is the professional reputation, experience and competence of Consultant. Assignments of any or all rights, duties or obligations of the Consultant under this Agreement will be permitted only with the express consent of the City. Consultant shall not subcontract any portion of the work to be performed under the Agreement without the written authorization of the City. If City consents to such subcontract, Consultant shall be fully responsible to City for all acts or omissions of the subcontractor. Nothing in this Agreement shall create any contractual relationship between City and subcontractor nor shall it create any obligation on the part of the City to pay or to see to the payment of any monies due to any such subcontractor other than as otherwise is required by law.

25. Waiver. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver of a subsequent breach of the same or any other provision under this Agreement.

26. Severability. If any term or portion of this Agreement is held to be invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall continue in full force and effect.

27. Controlling Law Venue. This Agreement and all matters relating to it shall be governed by the laws of the State of California and any action brought relating to this Agreement shall be held exclusively in a state court in the County of Sutter.

28. Litigation Expenses and Attorneys' Fees. If either party to this Agreement commences any legal action against the other party arising out of this Agreement, the prevailing party shall be entitled to recover its reasonable litigation expenses, including court costs, expert witness fees, discovery expenses, and attorneys' fees.

29. Disputes. Prior to either party commencing any legal action under this AGREEMENT, the parties agree to try in good faith, to settle any dispute amicably between them. If a dispute has not been settled after forty-five (45) days of good-faith negotiations and as may be otherwise provided herein, then either party may commence legal action against the other.

    a. Any dispute, other than audit, concerning a question of fact arising under this AGREEMENT that is not disposed of by agreement shall be decided by a committee consisting of LOCAL AGENCY's Contract Administrator and (Insert Department Head or Official), who may consider written or verbal information submitted by CONSULTANT.

    b. Not later than thirty (30) calendar days after completion of all work under the AGREEMENT, CONSULTANT may request review by LOCAL AGENCY Governing Board of unresolved claims or disputes, other than audit. The request for review will be submitted in writing.

c. Neither the pendency of a dispute, nor its consideration by the committee will excuse CONSULTANT from full and timely performance in accordance with the terms of this AGREEMENT.

30. Execution. This Agreement may be executed in several counterparts, each of which shall constitute one and the same instrument and shall become binding upon the parties when at least one copy hereof shall have been signed by both parties hereto. In approving this Agreement, it shall not be necessary to produce or account for more than one such counterpart.

31. Authority to Enter Agreement. Consultant has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and to bind each respective party.

32. Prohibited Interest. Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising there from.

33. Equal Opportunity Employment. Consultant represents that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such non- discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination. Consultant shall also comply with all relevant provisions of City's Affirmative Action Plan or other related programs or guidelines currently in effect or hereinafter enacted.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date first written above.

CITY OF YUBA CITY:

By: Diana Langley

Diana Langley
City Manager

CONSULTANT:

By: Mehrdad Varzandeh

Mehrdad Varzandeh
Principal

Attachments:

Exhibit A – Scope of Services

Exhibit B – Insurance Requirements

Exhibit 10-H1 – Cost Proposal – Prime

Exhibit 10-H2 – Cost Proposal – Sub

EXHIBIT A
SCOPE OF SERVICES

Construction Management and Inspection Services
Bridge Street Widening Project
LPPSB1L-5163(040)

I. ITEMS OF WORK

Task 1 – Preconstruction Services

Task 1.1 – Develop a Construction Management Plan & QAP

***Construction Management Plan*:** The CONSULTANT shall prepare a construction management plan for the project for the CITY's review and approval. The plan shall indicate the standards and level of effort that the CONSULTANT's staff will adhere to during all phases of this work and describe deliverables to be received by the CITY. At a minimum, the plan shall include the sections listed below:

- Project Organization
- Meetings
- Communications Management
- Preparation of Management Reports
- Clarifications and Contract Interpretations of Specifications
- Submittals/Shop Drawings
- Design Modifications
- Change Orders
- Schedule Management
- Claims Management
- Testing and Testing Documentation
- Progress Pay Estimate Preparation
- Inspection and Inspection Reporting
- Defective Work Correction
- Record Drawings
- Complaint & Community Relations Procedures
- Safety including the handling of hazardous substances
- Photo/Video Documentation
- Special Inspections/testing
- Provide copies of all special certifications required
- Traffic Control
- Permit and Regulatory Agency Compliance
- Other Tasks

The plan shall describe the level of effort anticipated to be maintained by the Construction Manager (CM) and inspectors for the various activities during the construction period and project closeout. The plan shall describe all deliverables and timing for periodic reports. Weekly status reports shall include summaries of work that is currently being performed, behind schedule, unresolved deficiencies and defective work, outstanding change orders and status of any claims.

Deliverables:

- Final CM Plan

***Project Quality Assurance Plan*:** CONSULTANT shall assist the City in modifying the general City Quality Assurance Procedure (QAP) Manual to be project specific for the Bridge Widening Project.

The CM shall review the work of the contractor, trade, and specialty contractors on the project as it is being performed, until final completion and acceptance by the City, to assure that the work performed, and materials furnished are in accordance with the contract documents. The CM shall confer with the Project Manager and the appropriate CONSULTANTs to make the final interpretation, in writing, and transmit it to the City and appropriate parties for resolution.

Deliverable:

- Final QAP Plan

Task 1.2 Review Project Documents

CONSULTANT will review the contract documents including permits and agreements and will lead a round-table discussion with our staff and our sub-CONSULTANTs to make sure that everyone understands the requirements, roles, responsibilities, goals, and objectives specific to this project. This discussion will also focus on the job requirements, especially how the team will manage non-conforming materials, QA records, records of corrective action taken, and audits of QA records.

Submittals/Agreements: CONSULTANT will identify all submittals required by the contractor in checklist format and will provide this information to the City and contractor during the pre-construction meeting.

Environmental Mitigation Measures: Mitigation Measures shall be in accordance with the environmental document for the project and monitoring shall be enforced by the construction management staff as well as the City. CONSULTANT will also identify all Mitigation Measures required by the contractor in checklist format and will provide this information to the City and contractor during the pre-construction meeting. Dust control and air quality mitigation measures shall be addressed for each phase/stage of construction and implemented for both hauling trucks and construction equipment.

Review Resident Engineer files: The CONSULTANT will review the Resident Engineer's (RE) Pending File as well as background reports including but not limited to the *Geotechnical Investigation Report.* CONSULTANT will discuss RE pending file and background report with City and Design Engineer as needed.

Develop Master Schedule: Prepare a primary schedule based on information provided to date including the design firm's schedule. CONSULTANT shall meet with design firm to review, compare, and discuss the master schedule. The master schedule will be compared to the contractor's submitted schedule and will be used as a tool in coordinating and managing the work with the contractor.

Deliverables:

- Master Schedule

Task 1.3. Pre-Construction Condition Documentation

CONSULTANT will document pre-construction site conditions including, staging areas and access points, temporary parking areas, and any other construction related zones using photographs, written notes and/or video. Special or sensitive areas such as private properties will be noted, and extra documentation will be required for these special or sensitive areas. Copies of all documentation, including photographs, notes, and video, will be submitted to the City's Engineer, and become the property of the City.

Deliverable:

- Copies of all documentation including but not limited to photographs, notes, and video.

Task 2 - Construction Management Services

CONSULTANT construction management services will include interpretation of Contractor's conformance to the project plans, specifications, contract documents and regulatory permits. The CONSULTANT will assess the acceptability of the Contractor's work by visual observation, photo and video documentation and all applicable soil and material testing. When necessary, the CONSULTANT will issue Notices of Non-Compliance and/or take other action to ensure correction of deficiencies. The CONSULTANT will also manage requests for clarification, coordinate work with the Design Engineer as required and manage the project changes, evaluate Contractor's claims, and prepare progress pay estimates.

All construction management, materials testing, inspection, and related activities shall be completed as described in the Construction Management Plan (CMP) (Section 1.1 above). In addition to the approved CMP Manual the CONSULTANT shall perform its activities in accordance with but not limited to the following documents:

- Project Plans and Specifications
- Regulatory Agency Permits
- Yuba City Land Development Manual
- Yuba City General Specifications
- Caltrans Construction Records and Procedures Manual
- Caltrans Standard Test Methods
- Caltrans Surveying Manual
- Caltrans Manual of Traffic Control for Construction & Maintenance Work Zones
- Caltrans Construction Manual & Bulletins
- Manual of Uniform Traffic Control Devices & California Supplement

Task 2.1 - Administration

The CONSULTANT shall provide construction administration of the project to facilitate the ongoing construction efforts and maintain state and City regulations. At a minimum, the CONSULTANT shall:

- Comply with Cal-OSHA regulations regarding safety equipment and procedures, and safety instructions issued by the state.
- Provide administrative, management and related services as required to coordinate the work of the contractor, to complete the project in accordance with contract documents, state regulations and in with the City's objectives for cost, time, and quality.
- Coordinate with the City and all other involved agencies to obtain and comply with all required permits.
- Recommend necessary or desirable changes in the construction contractor's scope of work to the City, review and evaluate contractor's request for changes, assist in negotiating contractor's proposals, submit recommendations to the City supported by field data, and if they are accepted, prepare change orders for signature and the City's authorization.
- Maintain strict cost accounting records on authorized work performed under unit costs, additional work performed based on actual costs of labor and materials, or other work requiring accounting records.
- Separate billing items/work tasks for based on project funding.
- Develop and implement procedures for the review and processing of applications by contractor for progress and final payments. Make recommendations for certification to the City for payment.
- Consult with the design engineer and the City if the contractor requests interpretations of the meaning and intent of the drawings and specifications, and assist in the resolution of questions, which may arise.
- Provide a staffing schedule each month for the following month. This schedule is subject to the City's approval.
- Review the Contractor's construction schedule, request updates on weekly basis and track delays or accelerations based on actual Contractor operations as defined in the CMP. Work with the Contractor to maintain the project schedule to show current conditions and suggest revisions that may be required. Compare contractor schedule to CM master schedule on a regular basis.
- Manage any utility work to be performed by utility agencies (work not part of contractor's responsibilities).

Deliverables:

- Required permits
- Cost Control Program
- Cost Accounting Records
- Staffing Schedules
- Other reports as required

Task 2.2 - Meetings

Anticipated meetings include:

- A Pre-construction meeting with the Construction Contractor, City, regulatory agencies, Caltrans, and utility companies.
- A Preconstruction Stakeholder meeting,
- Weekly Contractor meetings,
- Weekly meetings between the CONSULTANT and City,
- Meetings scheduled as needed with regulatory agencies, Design CONSULTANT, other groups, or agencies.

CONSULTANT shall prepare agendas prior to each meeting. CONSULTANT shall take minutes of all meetings and provide these documents to the City within one week of the meeting. Meetings shall be held at the offices of the Yuba City Department of Public Works or at a mutually agreeable location determined during the pre-construction meeting.

The CM will be required to participate in a Value Analysis Workshop if such workshop is requested by the Construction Contractor.

Deliverables:

- Meeting Agendas
- Meeting Minutes

Utility Coordination: CONSULTANT will assume the primary responsibility for coordinating utility work. The responsibilities include but is not limited to the following:

- Review all documents pertaining to utility work, including the "Policy on high and low risk underground facilities;" "Notice to Relocate and/or Remove Utility Facility;" Encroachment Permits; contract plans, and correspondence relating to utilities not shown on the contract plans.
- Review the Contractor's Progress schedule in order to coordinate with the agencies that are responsible for the utility removal and/or relocation operations to prevent right of way delays and to avoid conflicts between the contractor's work and the utility relocation operations.
- Coordinate with the City, the Contractor and the utility owners to promote cooperation and timely completion of the work to avoid delays to the construction activities.
- Monitor the constraints of the utility relocation.
- Verify that underground utilities are relocated or removed before the Contractor can begin other improvements.

Task 2.3 – Submittal Management

CONSULTANT Monthly Invoice Reports. With each invoice CONSULTANT will provide a narrative status update on their Construction Management contract as well as a detailed report on the status of the budget for the team including SUB-CONSULTANTs. This report will also provide a forward looking "Burn Rate" for future budget forecasting. The monthly invoice will also include a copy of CONSULTANTs certified payroll as required in the Contract.

Deliverables:

- Invoice Reports

Contractor Progress Payments. The CONSULTANT shall implement necessary procedures for an effective system of Contractor cost control to track progress payments, contract change orders, claims and extra work requests. The Construction Manager shall prepare quantities and estimates for monthly progress payments on the 20th of the month and recommend approval to the CITY. CONSULTANT shall maintain cost accounting records (progress payments, CCO status, etc.) in accordance with Yuba City DPW Construction Division procedures. The calculations of quantities and documentation shall be in a form approved by the CITY.

Deliverables:

- Progress Payments

Contract Modifications and Extra Work, Contract Change Orders, Claims: The CONSULTANT shall perform the evaluation and administration of all contract modifications, change orders, and potential claims. The CM shall review all requests for merit, perform an independent estimate, and make recommendations to the CITY for consideration. The CITY shall approve all contract modifications, extra work, and contract change orders. If approved, the CM will complete all required documentation to process the change. If the CM receives a notice of potential claim from the Contractor, the CM shall immediately notify the CITY and work toward a timely resolution of the claim with the Contractor. The CONSULTANT's monthly report to the CITY shall include the status of any outstanding potential claims. The CONSULTANT shall support the City in any post-completion dispute with the Contractor, rendering reasonable assistance, providing access to its records, but is not intended to retain independent experts.

Deliverables:

- All records of change orders and Claims.

Request for information or Clarification: The CM shall review and respond to all contractor requests for information (RFI) or clarification. The CM shall issue necessary clarifications and interpretations of the Contract Project Documents in response to requests by the Contractor in a manner as described in the CMP. The CM shall also review and respond to all submittals, including but not limited to shop drawings, product data and product samples. The CM shall coordinate submittal and RFI responses with the Design CONSULTANT. The CM shall draft a list of required submittals in accordance with the project Specification for the City to review. The list shall be submitted to the City with the Construction Management Plan. Submittals requiring review by the CITY shall be logged and transmitted for formal review. The following Logs shall be utilized to track submittals: Shop Drawing, Shop Drawing-Resubmit, Shop Drawing-Review, Submittal List. Updated submittal logs shall be made available to the City upon request. The CM shall be responsible for tracking submittals to assure the submittals are reviewed and returned to the Contractor in a timely manner.

Deliverables:

- Copies of all documentation for clarification and interpretation of the Project Plans and Specifications

Task 2.4 – Inspection Services and Testing

Field Inspection: CONSULTANT will provide sufficient inspectors to inspect all of the Contractors' construction work on a daily basis. The CONSULTANT will review all of the construction improvements prior to burial and provide for inspection of all tests required to be performed by the Contractor or referenced in the contract documents. CONSULTANT will monitor the Contractor's performance from the perspective of quality, cost, and schedule, and will enforce the requirements of applicable Specifications.

Daily Inspection Reports and diaries of Contractor's construction activities will be completed daily and be available to the City at any time. CONSULTANT will compare notes with the Contractor's representative at the end of each day to confirm work that was accomplished, or quantities placed. Daily inspection reports will include, at a minimum, the following information:

- Contractors' activities, contractor employees on site and hours worked by each
- Equipment on site and hours of use
- Weather conditions
- Discussions with the contractor
- Problems and issues dealt with
- Approved changes
- Itemization of extra work
- Any Abnormal occurrences and unforeseen conditions
- Any other information necessary to create a satisfactory record of the day's activities at the project site in accordance with standard inspection practice.
- Photographs and or video of special situations.

CONSULTANT will prepare and submit written monthly reports to the City describing updates of project process, percent of work completed, percent of funds expended, listing of change orders, work activities behind schedule and community relations issues. All outstanding deficiencies and claims will also be noted in the weekly reports. CONSULTANT will document any defective work until it is repaired to the City's satisfaction and in accordance with the contract documents' applicable specification. Copies of the daily reports from the previous week will be included with the weekly written report.

The individual inspectors will have inspection experience that includes, but is not limited to, the following areas:

- General site preparation including clearing, grubbing, and mass grading.
- Environmentally sensitive issues such as tree protection, tree removal and mitigation, water quality management, and erosion control construction and monitoring.
- Underground construction that includes wet and dry utilities.
- New road construction, existing road widening and improvements including subgrade, structural section, and paving.
- Intersection signalization
- Preparing Daily inspection reports and diaries of Contractor's construction activities.

Deliverables:

- Daily Reports

***Testing*:** The CONSULTANT shall provide, coordinate, and monitor all field and laboratory testing of soils, backfill, aggregate base, asphalt, concrete, and other testing required by law, or the Construction Specifications. CONSULTANT testing staff shall be Caltrans certified technicians and all testing work shall be performed in Caltrans certified laboratory facilities. CONSULTANT will review test results and shall work with the Contractor to resolve deficiencies or defective work. All test procedures will be in accordance with the Contract Documents and applicable Specifications. CONSULTANT must comply with the City's Quality Assurance Program (QAP).

Deliverables:

- Copies of all testing results

Task 2.5 - QSD/QSP Water Quality Monitoring and SWPPP Support

QSD/QSP Water Quality Monitoring and SWPPP Support: CONSULTANT, will have a Qualified SWPPP Developer (QSD) who will provide oversight of the Contractor's monitoring procedures and instructions, monitoring locations, weather and rain event tracking requirements, visual monitoring frequencies, visual monitoring triggers, visual monitoring documentation requirements, Quality Assurance (QA) & Quality Control (QC), follow up procedures for violations and action thresholds, location maps, forms, and checklists as required by the Construction General Permit (2009-0009-DWQ as amended by 2010-0014-DWQ).

- Provide review, make any necessary changes, and approve the Contractors Storm Water Pollution Prevention Plan (SWPPP) as required by the Construction General Permit (Order No. 2009-0009-DWQ as amended by Order 2010-0014-DWQ and 2012-006-DWQ).
- Oversee the implementation of the SWPPP, including oversight of the monitoring/sampling, weather and event tracking requirements, visual monitoring, inspections, and checklists. Record all pertinent information regarding SWPPP efforts of Contractor on daily inspection reporting forms.
- Provide a Qualified SWPPP Practitioner (QSP) for the duration of the construction of the
- Project to ensure the Contractor complies with all requirements of the current Construction
- General Permit including:
  - Prepare all Quarterly Reports as required by the Construction General Permit
  - Prepare all Annual Reports as required by the Construction General Permit
  - Prepare all Final Reports as required by the Construction General Permit
  - Prepare a Rain Event Action Plan (REAP) every time National Oceanic and Atmospheric Administration predicts a 30% chance or more of rain 48 hours in advance of a storm event in the Project area.

The CONSULTANT's QSP shall be involved in the duration of the construction of the Project and will ensure the Project is completed to the satisfaction of the State Water Resources Control Board and the appropriate Notice of Termination (N.O.T.) is filed and approved by the State Water Resources Control Board.

Task 3 – Post-Construction Services

Task 3.1 - Final Completion and Acceptance

After the project is substantially complete, the CM will schedule a walk through with the CITY and shall coordinate preparation of a "punch list" of incomplete or unsatisfactory items and submit the list to the Contractor. Once all work is complete, the CONSULTANT will deliver a statement to the CITY indicating that to the best of the CONSULTANT'S knowledge and belief, after diligent investigation including satisfaction of its other obligations under the agreement, that the project has been completed in accordance with the Project Conditions of Approval and Project Improvement Plans Construction Contract documents and CONSULTANT recommends acceptance. A Proposed Final Estimate signed by the CM and the CONTRACTOR shall accompany the recommendation for acceptance.

Deliverables:

- Punch list.

Task 3.2 - Project Closeout

The CONSULTANT shall verify any operating and/or Regulatory Agency Permits are obtained, and inspections are complied with and completed.

The CONSULTANT will submit to the CITY, the following close out items:

- All records, maps, and plans maintained by the CONSULTANT during construction.
- All approved shop drawings, submittals and manufacturer's literature maintained by the CONSULTANT during the construction project.
- One complete set of annotated project progress photographs, bound chronologically, and videotapes taken before and during construction.
- A set of red line Record Drawings documenting any changes and/or substitutions that have been reviewed for accuracy and completeness by the CONSULTANT and a recommendation for the City to accept the Record Drawings.
- Provide final detail estimate and "as-built" cost.
- The original set of all inspection reports, summaries, testing documents, meeting minutes, clarifications, schedules, correspondence, and other documents related to the construction work as it was being installed.
- Final Project Completion Report, Acceptance Form, and Final Delivery Report.
- Final Report of DBE utilization.

Deliverables:

- Final Detail Estimate
- Change Order Summary (Exhibit 17-E)
- Final Report – Utilization of DBE (Exhibit 17-F)
- Disadvantaged Business Enterprises Certification Status Change (Exhibit 17-0)
- Statement of Materials and Labor Used by Contractors Involving Federal Funds (Exhibit 17-H)
- Materials Certificate (Exhibit 17-G)

- All approved shop drawings, submittals and manufacturers' literature maintained
- A complete set of annotated project progress photographs bound chronologically and videotapes.
- Project “As-Built” plans.
- Category 1-63 in digital and Binder format.
- Regional Water Quality Control Board Closeout.

Deliverables List:

Pre-construction

- Written report of review comments and background or reason for suggested adjustments or revisions.
- Pre-bid meeting agenda minutes and records of bidders' inquiries and responses.
- Project site photos and video documenting preconstruction conditions.

Construction

- Pre-construction meeting agenda, list of attendees, and meeting minutes.
- Records and summaries of quality assurance test results.
- Non-conformance reports with recommended actions.
- Certificates of compliance with mill test reports, manufacturer test reports, specifications, and product data.
- Certified weight master road tags and scale sheet and identification tags.
- Tracking logs of deficiencies, omissions, non-conformances, and corrective status.
- RFI log tracking date of receipt, transmittal to Design CONSULTANT, responses, and response date.
- Requests for Quotes from the Contractor for design changes based on RFI clarification or interpretation.
- Records of quality control test results.
- Submittal log identifying the specified submittals and reflects the submittal and approval dates.
- Records of schedule review, impact analyses, deviations from baseline/updated schedule.
- Records of payment requests and associated quantity calculations, measurements, and extra work bills.
- Change Order for City Project Manager's signature including calculations, sketches, cost estimates/analyses.
- Original executed change orders for project file.
- Change Order Log tracking all change order types and costs including underrun and overrun contract quantities.
- Records of potential claims, their descriptions, initial response, impact analyses,
- Claims analyses and supporting documentation and records including chronology of events leading to claims.
- Monthly Progress Report and associated Cash Flow projections (CM Contract).
- Presentation materials, reports and documents as needed.
- Photo and video records.
- Electronic and hard copies of daily inspection reports and associated photos and documentation.
- Records of non-compliance and corrective actions.
- Field records of construction staking notes, cut sheets and deviation from original design.
- Punch lists and records of corrections.
- Record of Labor Compliance/EEO interviews.
- SWPPP review and inspection records.

Post Construction

- Complete set of contract files including all logs and inspection reports in paper and electronic format.
- Final as-built drawings.
- Reports of completion for Roadway construction.
- Project closeout forms and reports

Exhibit B

Agreement for Professional Services

Insurance Requirements

I. **Workers' Compensation Coverage**. Consultant shall maintain Workers' Compensation Insurance for his/her employees in accordance with the laws of the State of California and Employers Liability Insurance in an amount not less than one million dollars ($1,000,000) per accident for bodily injury and/or disease. In addition, Consultant shall require each subcontractor to similarly maintain Workers' Compensation Insurance in accordance with the laws of the State of California and Employers Liability Insurance in an amount not less than one million dollars ($1,000,000) per accident for bodily injury and/or disease. For all of the subcontractor's employees. Any notice of cancellation or non-renewal of all Workers' Compensation policies must be received by the City at least thirty (30) days prior to such change. The insurer shall agree to waive all rights of subrogation against City, its officers, agents, employees and volunteers for losses arising from work performed by Consultant for City. This provision shall not apply if Consultant has no employees performing work under this Agreement. If the Consultant has no employees for the purposes of this Agreement, Consultant shall sign the "Certificate of Exemption from Workers' Compensation Insurance" which is attached hereto as Exhibit C.

II. **General Liability Coverage**. Consultant shall maintain commercial general liability insurance in an amount not less than one million dollars ($1,000,000) per occurrence for bodily injury, personal injury and property damage. If a commercial general liability insurance form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit.

III. **Automobile Liability Coverage**. Consultant shall maintain automobile liability insurance covering bodily injury and property damage for all activities of the Consultant arising out of or in connection with the work to be performed under this Agreement, including coverage for owned, hired and non-owned vehicles, in an amount of not less than one million dollars ($1,000,000) combined single limit for each occurrence.

IV. **Professional Liability Coverage**. Consultant shall maintain professional errors and omissions liability insurance for protection against claims alleging negligent acts, errors or omissions which may arise from Consultant's operations under this

Agreement, whether such operations are by the Consultant or by its employees, subcontractors, or sub-consultants. The amount of this insurance shall not be less than one million dollars ($1,000,000) on a claims-made annual aggregate basis, or a combined single-limit per occurrence basis.

V. **Endorsements**. Each general liability and automobile liability insurance policy shall be with insurers possessing a current A.M. Best's rating of no less than A:VII and shall be endorsed with the following specific language or equivalent:

A. The City, its elected or appointed officers, officials, employees, agents and volunteers are to be covered as additional insured with respect to liability arising out of work performed by or on behalf of the Consultant, including materials, parts or equipment furnished in connection with such work or operations. Conforms to ISO CG 2009 and CG 2037 10 01. Both are required.

B. This policy shall be considered primary insurance as respects to the City, its elected or appointed officers, officials, employees, agents and volunteers. Any insurance maintained by the City, including any self-insured retention the City may have, shall be considered excess insurance only and shall not contribute with it.

C. This insurance shall act for each insured and additional insured as though a separate policy had been written for each, except with respect to the limits of liability of the insuring company.

D. The insurer waives all rights of subrogation against the City, its elected or appointed officers, officials, employees or agents.

E. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City, its elected or appointed officers, officials, employees, agents or volunteers.

F. The insurance provided by this policy shall not be suspended, voided, canceled, or reduced in coverage except after thirty (30) days written notice has been received by the City.

VI. **Deductibles and Self-Insured Retentions.** Any deductibles or self-insured retentions must be declared to and approved by the City. At the City's option,

Consultant shall demonstrate financial capability for payment of such deductibles or self-insured retention's.

VII. **Certificates of Insurance**. Consultant shall provide certificates of insurance with original endorsements to City, as evidence of the insurance coverage required herein. Certificates of such insurance shall be filed with the City on or before commencement of performance of this agreement. Current certification of insurance shall be kept on file with the City at all times during the term of this Agreement.

EXHIBIT 10-H1 COST PROPOSAL Page 1 of 3

COST-PLUS-FIXED FEE OR LUMP SUM OR FIRM FIXED PRICE CONTRACTS

(DESIGN, ENGINEERING AND ENVIRONMENTAL STUDIES)

Note: Mark-ups are Not Allowed

☒ Prime Consultant ☐ Subconsultant ☐ 2nd Tier Subconsultant

Consultant KCM Engineering, Inc.

Project No. LPPSB1L-5163(040) Contract No. 21-01 Date 02/24/2022

DIRECT LABOR

Classification/Title	Name	Hours	Actual Hourly Rate	Total
Project Manager*	Mehrdad Varzandeh, PE	152	$ 96.00	$ 14,592.00
Resident Engineer*	Joe Reyes, PE	800	$ 85.00	$ 68,000.00
Asst RE/Inspector**	Ryan Henry	1504	$ 70.50	$ 106,032.00
Civil Inspector**	Unassigned - As Needed	1336	$ 66.50	$ 88,844.00
Office Engineer	Unassigned - As Needed		$ 47.50	

LABOR COSTS

a) Subtotal Direct Labor Costs $ 277,468.00

b) Anticipated Salary Increases (see page 2 for calculation) $ 0.00

c) **TOTAL DIRECT LABOR COSTS** [(a) + (b)] **$** 277,468.00

INDIRECT COSTS

d) Fringe Benefits (Rate: 16.14 %) e) Total Fringe Benefits [(c) x (d)] $ 44,783.34

f) Overhead (Rate: 95.11%) g) Overhead [(c) x (f)] $ 263,899.81

h) General and Administrative (Rate: 29.35 %) i) Gen & Admin [(c) x (h)] $ 81,436.86

j) **TOTAL INDIRECT COSTS** [(e) + (g) + (i)] **$** 390,120.01

FIXED FEE k) **TOTAL FIXED FEE** [(c) + (j)] x fixed fee 10 %] **$** 66,758.80

l) **CONSULTANT'S OTHER DIRECT COSTS (ODC) – ITEMIZE (Add additional pages if necessary)**

Description of Item	Quantity	Unit	Unit Cost	Total
Mileage Costs			$	$
Equipment Rental and Supplies			$	$
Permit Fees			$	$
Plan Sheets			$	$
Test			$	$

l) **TOTAL OTHER DIRECT COSTS** $ 0.00

m) **SUBCONSULTANTS' COSTS (Add additional pages if necessary)**

Subconsultant 1: RMA Group - Materials Testing $ 80,078.55

Subconsultant 2: $

Subconsultant 3: $

Subconsultant 4: $

m) **TOTAL SUBCONSULTANTS' COSTS** $ 80,078.55

n) **TOTAL OTHER DIRECT COSTS INCLUDING SUBCONSULTANTS** [(l)+(m)] $

TOTAL COST [(c) + (j) + (k) + (n)] $ **$814,425.36**

NOTES:
1. Key personnel **must** be marked with an asterisk (*) and employees that are subject to prevailing wage requirements must be marked with two asterisks (**). All costs must comply with the Federal cost principles. Subconsultants will provide their own cost proposals.
2. The cost proposal format shall not be amended. Indirect cost rates shall be updated on an annual basis in accordance with the consultant's annual accounting period and established by a cognizant agency or accepted by Caltrans.
3. Anticipated salary increases calculation (page 2) must accompany.

EXHIBIT 10-H1 COST PROPOSAL Page 2 of 3

COST-PLUS-FIXED FEE OR LUMP SUM OR FIRM FIXED PRICE CONTRACTS

(CALCULATIONS FOR ANTICIPATED SALARY INCREASES)

1. Calculate Average Hourly Rate for 1st year of the contract (Direct Labor Subtotal divided by total hours)

Direct Labor Subtotal per Cost Proposal	Total Hours per Cost Proposal		Avg Hourly Rate	**5 Year Contract Duration**
$250,000.00	5000	=	$50.00	Year 1 Avg Hourly Rate

2. Calculate hourly rate for all years (Increase the Average Hourly Rate for a year by proposed escalation %)

	Avg Hourly Rate		Proposed Escalation			
Year 1	$50.00	+	2%	=	$51.00	Year 2 Avg Hourly Rate
Year 2	$51.00	+	2%	=	$52.02	Year 3 Avg Hourly Rate
Year 3	$52.02	+	2%	=	$53.06	Year 4 Avg Hourly Rate
Year 4	$53.06	+	2%	=	$54.12	Year 5 Avg Hourly Rate

3. Calculate estimated hours per year (Multiply estimate % each year by total hours)

	Estimated % Completed Each Year		Total Hours per Cost Proposal		Total Hours per Year	
Year 1	20.0%	*	5000	=	1000	Estimated Hours Year 1
Year 2	40.0%	*	5000	=	2000	Estimated Hours Year 2
Year 3	15.0%	*	5000	=	750	Estimated Hours Year 3
Year 4	15.0%	*	5000	=	750	Estimated Hours Year 4
Year 5	10.0%	*	5000	=	500	Estimated Hours Year 5
Total	100%		Total	=	5000	

4. Calculate Total Costs including Escalation (Multiply Average Hourly Rate by the number of hours)

	Avg Hourly Rate (calculated above)		Estimated hours (calculated above)		Cost per Year	
Year 1	$50.00	*	1000	=	$50,000.00	Estimated Hours Year 1
Year 2	$51.00	*	2000	=	$102,000.00	Estimated Hours Year 2
Year 3	$52.02	*	750	=	$39,015.00	Estimated Hours Year 3
Year 4	$53.06	*	750	=	$39,795.30	Estimated Hours Year 4
Year 5	$54.12	*	500	=	$27,060.80	Estimated Hours Year 5
	Total Direct Labor Cost with Escalation			=	$257,871.10	
	Direct Labor Subtotal before Escalation			=	$250,000.00	
	Estimated total of Direct Labor Salary Increase			=	**$ 0.00**	Transfer to Page 1

NOTES:
1. This is not the only way to estimate salary increases. Other methods will be accepted if they clearly indicate the % increase, the # of years of the contract, and a breakdown of the labor to be performed each year.
2. An estimation that is based on direct labor multiplied by salary increase % multiplied by the # of years is not acceptable. (i.e. $250,000 x 2% x 5 yrs = $25,000 is not an acceptable methodology)

3. This assumes that one year will be worked at the rate on the cost proposal before salary increases are granted.
4. Calculations for anticipated salary escalation must be provided.

EXHIBIT 10-H1 COST PROPOSAL Page 3 of 3

Certification of Direct Costs:

I, the undersigned, certify to the best of my knowledge and belief that all direct costs identified on the cost proposal(s) in this contract are actual, reasonable, allowable, and allocable to the contract in accordance with the contract terms and the following requirements:

1. Generally Accepted Accounting Principles (GAAP)
2. Terms and conditions of the contract
3. Title 23 United States Code Section 112 - Letting of Contracts
4. 48 Code of Federal Regulations Part 31 - Contract Cost Principles and Procedures
5. 23 Code of Federal Regulations Part 172 - Procurement, Management, and Administration of Engineering and Design Related Service
6. 48 Code of Federal Regulations Part 9904 - Cost Accounting Standards Board (when applicable)

All costs must be applied consistently and fairly to all contracts. All documentation of compliance must be retained in the project files and be in compliance with applicable federal and state requirements. Costs that are noncompliant with the federal and state requirements are not eligible for reimbursement.
Local governments are responsible for applying only cognizant agency approved or Caltrans accepted Indirect Cost Rate(s).

Prime Consultant or Subconsultant Certifying:

Name: Joe Reyes
Title *: President
Signature :
Date of Certification (mm/dd/yyyy): 02/24/2022
Email: Joe@knightcmgroup.com
Phone Number: (916)870-9070
Address: 2377 Gold Meadow Way, Suite 100, Gold River, CA 95670

*An individual executive or financial officer of the consultant's or subconsultant's organization at a level no lower than a Vice President or a Chief Financial Officer, or equivalent, who has authority to represent the financial information utilized to establish the cost proposal for the contract.

List services the consultant is providing under the proposed contract:

Construction Management and Inspection Services

EXHIBIT 10-H2 COST PROPOSAL Page 1 of 3

SPECIFIC RATE OF COMPENSATION (USE FOR ON-CALL OR AS-NEEDED CONTRACTS)

(CONSTRUCTION ENGINEERING AND INSPECTION CONTRACTS)

Note: Mark-ups are Not Allowed

Consultant RMA Group ☐ Prime Consultant **X** Subconsultant ☐ 2nd Tier Subconsultant

Project No. LPPSB1L-5163(040) Contract No. 21-01 Participation Amount $ 80,078.55 Date February 24, 2022

For Combined Rate	62.31%	+	41.78%		104.09%
	Fringe Benefit %	+	General &Administrative %	=	Combined ICR%
			OR		
For Home Office Rate					
	Fringe Benefit %	+	General &Administrative %	=	Home Office ICR%
For Field Office Rate					
	Fringe Benefit %	+	General &Administrative %	=	Field Office ICR%
			Fee	=	10%

BILLING INFORMATION				CALCULATION INFORMATION				
Name/Job Title/Classification[1]	Hourly Billing Rates[2] Straight[3]	OT(1.5x)	OT(2x)	Effective Date of Hourly Rate From	To	Actual **or** Avg. Hourly Rate[4]	% or $ Increase	Hourly Range - for Classifications Only
*Jim Bishop – Project Manager	$149.99	$224.99	$299.98	01/01/2022	12/31/2023	$66.81	N/A	Not Applicable
	$0.00	$0.00	$0.00	01/01/2023	12/31/2024			
	$0.00	$0.00	$0.00	01/01/2024	12/31/2025			
*Josh Summers, PE – Project Engineer	$165.01	$247.52	$330.02	01/01/2022	12/31/2023	$73.50	N/A	Not Applicable
	$0.00	$0.00	$0.00	01/01/2023	12/31/2024			
	$0.00	$0.00	$0.00	01/01/2024	12/31/2025			
*Matt Lowrance – Supervising Technician	$130.01	$195.02	$260.02	01/01/2022	12/31/2023	$57.91	N/A	Not Applicable
	$0.00	$0.00	$0.00	01/01/2023	12/31/2024			
	$0.00	$0.00	$0.00	01/01/2024	12/31/2025			
Staff Engineer	$130.01	$195.02	$260.02	01/01/2022	12/31/2023	$57.91	N/A	Not Applicable
	$0.00	$0.00	$0.00	01/01/2023	12/31/2024			
	$0.00	$0.00	$0.00	01/01/2024	12/31/2025			
Administrative	$70.00	$105.00	$140.00	01/01/2022	12/31/2023	$31.18	N/A	Not Applicable
	$0.00	$0.00	$0.00	01/01/2023	12/31/2024			
	$0.00	$0.00	$0.00	01/01/2024	12/31/2025			

(Add pages as necessary)

Name/Job Title/Classification[1]	Hourly Billing Rates[2] Straight[3]	OT(1.5x)	OT(2x)	Effective Date of Hourly Rate From	To	Actual **or** Avg. Hourly Rate[4]	% or $ Increase	Hourly Range - for Classifications Only
**Journeyman Group 1	$121.27	$181.91	$242.54	01/01/2022	12/31/2023	$54.02		Not Applicable
Shift 1	$0.00	$0.00	$0.00	01/01/2023	12/31/2024	$0.00	3.0%^	Adj. per year based on CA Prevailing Wage
	$0.00	$0.00	$0.00	01/01/2024	12/31/2025	$0.00	0.0%	
**Journeyman Group 2	$116.78	$175.17	$233.56	01/01/2022	12/31/2023	$52.02		Not Applicable
Shift 1	$0.00	$0.00	$0.00	01/01/2023	12/31/2024	$0.00	3.0%^	Adj. per year based on CA Prevailing Wage
	$0.00	$0.00	$0.00	01/01/2024	12/31/2025	$0.00	0.0%	
**Journeyman Group 3	$100.60	$150.90	$201.20	01/01/2022	12/31/2023	$44.81		Not Applicable
Shift 1	$0.00	$0.00	$0.00	01/01/2023	12/31/2024	$0.00	3.0%^	Adj. per year based on CA Prevailing Wage
	$0.00	$0.00	$0.00	01/01/2024	12/31/2025	$0.00	0.0%	
**Journeyman Group 4	$87.20	$130.80	$174.40	01/01/2022	12/31/2023	$38.84		Not Applicable
Shift 1	$0.00	$0.00	$0.00	01/01/2023	12/31/2024	$0.00	3.0%^	Adj. per year based on CA Prevailing Wage
	$0.00	$0.00	$0.00	01/01/2024	12/31/2025	$0.00	0.0%	
**Apprentice Period 1	$64.23	$96.35	$128.46	01/01/2022	12/31/2023	$28.61		Not Applicable
Shift 1	$0.00	$0.00	$0.00	01/01/2023	12/31/2024	$0.00	3.0%^	Adj. per year based on CA Prevailing Wage
	$0.00	$0.00	$0.00	01/01/2024	12/31/2025	$0.00	0.0%	
**Apprentice Period 2	$70.07	$105.11	$140.14	01/01/2022	12/31/2023	$31.21		Not Applicable
Shift 1	$0.00	$0.00	$0.00	01/01/2023	12/31/2024	$0.00	3.0%^	Adj. per year based on CA Prevailing Wage
	$0.00	$0.00	$0.00	01/01/2024	12/31/2025	$0.00	0.0%	
**Apprentice Period 3	$75.90	$113.85	$151.80	01/01/2022	12/31/2023	$33.81		Not Applicable
Shift 1	$0.00	$0.00	$0.00	01/01/2023	12/31/2024	$0.00	3.0%^	Adj. per year based on CA Prevailing Wage
	$0.00	$0.00	$0.00	01/01/2024	12/31/2025	$0.00	0.0%	
**Apprentice Period 4	$81.74	$122.61	$163.48	01/01/2022	12/31/2023	$36.41		Not Applicable
Shift 1	$0.00	$0.00	$0.00	01/01/2023	12/31/2024	$0.00	3.0%^	Adj. per year based on CA Prevailing Wage
	$0.00	$0.00	$0.00	01/01/2024	12/31/2025	$0.00	0.0%	
**Apprentice Period 5	$99.27	$148.91	$198.54	01/01/2022	12/31/2023	$44.22		Not Applicable
Shift 1	$0.00	$0.00	$0.00	01/01/2023	12/31/2024	$0.00	3.0%^	Adj. per year based on CA Prevailing Wage
	$0.00	$0.00	$0.00	01/01/2024	12/31/2025	$0.00	0.0%	

(Add pages as necessary)

NOTES:

1. Key personnel **must** be marked with an asterisk (*) and employees that are subject to prevailing wage requirements must be marked with two asterisks (**).All costs must comply with the Federal cost principles. Subconsultants will provide their own cost proposals.
2. The cost proposal format shall not be amended.
3. Billing rate = actual hourly rate * (1+ ICR) * (1+ Fee). Indirect cost rates shall be updated on an annual basis in accordance with the consultant's annual accounting period and established by a cognizant agency or accepted by Caltrans. All costs must comply with the Federal cost principles for reimbursement.
4. For named employees and key personnel enter the actual hourly rate. For classifications only, enter the Average Hourly Rate for that classification.
5. Escalation for employees subject to prevailing wage requirements are estimates only but are dependent on DIR requirements (marked with a ^).

EXHIBIT 10-H2 COST PROPOSAL Page 2 of 3

SPECIFIC RATE OF COMPENSATION (USE FOR ON-CALL OR AS-NEEDED CONTRACTS)
(CONSTRUCTION ENGINEERING AND INSPECTION CONTRACTS)

Consultant ___RMA Group_____ ☐ Prime Consultant **X** Subconsultant

Project No. LPPSB1L-5163(040) Contract No. __21-01_____ Date ___February 24, 2022____

SCHEDULE OF OTHER DIRECT COST ITEMS (Add additional pages as necessary)				
Description of Item	**Quantity**	**Unit**	**Unit Cost**	**Total**
Compaction / Earthwork				
CT 202 Sieve Analysis Combined Sample	27	each	$205.00	$5,535.00
CT 217 Sand Equivalent	27	each	$150.00	$4,050.00
CT 229 Durability Index	2	each	$330.00	$660.00
CT 301 Resistance R-value Stabilometer	2	each	$330.00	$660.00
CT 216 CA Impact Max Density	50	each	$250.00	$12,500.00
HMA				
AASHTO T335 Percentage Crushed Particles	2	each	$175.00	$350.00
AASHTO T304 Fine Aggregate Angularity	2	each	$215.00	$430.00
ASTM D4791 Flat and Elongated Particles	2	each	$290.00	$580.00
AASTHO T283 Moisture Susceptibility	2	each	$950.00	$1,900.00
AASHTO T176 Sand Equivalent	7	each	$150.00	$1,050.00
AASHTO T96 Abrasion, Los Angeles Rattler	2	each	$305.00	$610.00
AASHTO T27 Sieve Analysis Fine Aggregate	7	each	$180.00	$1,260.00
AASHTO T27 Sieve Analysis Coarse Aggregate	21	each	$165.00	$3,465.00
AASHTO T209 Maximum Theoretical Specific Gravity	7	each	$230.00	$1,610.00
CT 370 Moisture Content by Microwave	7	each	$65.00	$455.00
AASHTO T324 Hamburg Wheel Tracking Test	2	each	$650.00	$1,300.00
AASHTO T275 Core Density Paraffin Coated	21	each	$60.00	$1,260.00
AASHTO T308 Asphalt Binder Content by Ignition Oven	7	each	$205.00	$1,435.00
AASHTO T308 Ignition Oven Correction Factor	2	each	$370.00	$740.00
Portland Cement Concrete				
CT 521 Concrete Compressive Strength	16	each	$42.00	$672.00
Sample Pick up and Delivery	4	each	$75.00	$300.00
Subconsultant :				$40,822.00 (ODCs)

Note: Add additional pages if necessary.

NOTES:

1. List other direct cost items with estimated costs. These costs should be competitive in their respective industries and supported with appropriate documentation.
2. Proposed ODC items should be consistently billed regardless of client and contract type.
3. Items when incurred for the same purpose, in like circumstance, should not be included in any indirect cost pool or in the overhead rate.
4. Items such as special tooling, will be reimbursed at actual cost with supporting documentation (invoice).
5. Items listed above that would be considered "tools of the trade" are not reimbursable as other direct cost.
6. Travel related costs should be pre-approved by the contracting agency and shall not exceed current State Department of Personnel Administration rules.
7. If mileage is claimed, the rate should be properly supported by the consultant's calculation of their actual costs for company vehicles. In addition, the miles claimed should be supported by mileage logs.
8. If a consultant proposes rental costs for a vehicle, the company must demonstrate that this is its standard procedure for all of their contracts and that they do not own any vehicles that could be used for the same purpose.
9. The cost proposal format shall not be amended. All costs must comply with the Federal cost principles.
10. Add additional pages if necessary.
11. Subconsultants must provide their own cost proposals.

EXHIBIT 10-H2 COST PROPOSAL Page 3 of 3

Certification of Direct Costs:

I, the undersigned, certify to the best of my knowledge and belief that all direct costs identified on the cost proposal(s) in this contract are actual, reasonable, allowable, and allocable to the contract in accordance with the contract terms and the following requirements:

1. Generally Accepted Accounting Principles (GAAP)
2. Terms and conditions of the contract
3. Title 23 United States Code Section 112 - Letting of Contracts
4. 48 Code of Federal Regulations Part 31 - Contract Cost Principles and Procedures
5. 23 Code of Federal Regulations Part 172 - Procurement, Management, and Administration of Engineering and Design Related Service
6. 48 Code of Federal Regulations Part 9904 - Cost Accounting Standards Board (when applicable)

All costs must be applied consistently and fairly to all contracts. All documentation of compliance must be retained in the project files and be in compliance with applicable federal and state requirements. Costs that are noncompliant with the federal and state requirements are not eligible for reimbursement.

Prime Consultant or Subconsultant Certifying:

Name: Jim Bishop Title *: Vice President

Signature : Date of Certification (mm/dd/yyyy): 02/24/2022

Email: jbishop@rmacompanies.com Phone Number: 916.631.7194

Address: 3150 Fitzgerald Road, Rancho Cordova, CA 95742

* An individual executive or financial officer of the consultant's or subconsultant's organization at a level no lower than a Vice President or a Chief Financial Officer, or equivalent, who has authority to represent the financial information utilized to establish the cost proposal for the contract.

List services the consultant is providing under the proposed contract:

Materials testing and construction inspection of materials used.

CITY OF YUBA CITY
STAFF REPORT

Date: March 21, 2023
To: Honorable Mayor & Members of the City Council;
From: Public Works Department
Presentation By: David Giongco

Summary

Subject: Walton Avenue Improvements Preliminary Engineering Services (Award)

Recommendation: Adopt a Resolution awarding a Professional Services Agreement to MHM Inc. of Marysville, CA for the Walton Avenue Improvements Preliminary Engineering Services in the amount of $263,844.38, subject to material terms, with the finding that it is in the best interest of the City

Fiscal Impact: $329,805.48 – Total Cost – Account No. 1302 (Walton Avenue Improvements)
$263,844.38 – Contract Award Amount
$ 39,576.66 – Design Management (15%)
$ 26,384.44 – Design Contingency (10%)

Purpose:

To improve safety for pedestrians and cyclists while also improving the City's roadways.

Council Strategic Goal:

Awarding the Preliminary Engineering Services Agreement for the Walton Avenue Improvements Project (Project) addresses Council's Strategic Goals for Infrastructure and Public Safety, as completion of this Project's design will allow for the construction of improvements to the City's roadways, while also making travel safer for pedestrians and cyclists.

Background:

In January of 2021, the Public Works Department applied for a Sacramento Area Council of Governments (SACOG) Regional Program Maintenance & Modernization Grant (Grant) to secure funding for the Walton Avenue Improvements Project. This project is proposed to construct the following improvements:

- Roadway widening on west side of Walton Avenue from Lincoln to Franklin for sidewalk and bike lane construction
- Installation of ADA-compliant curb ramps from Hazel Avenue to Sam's Club intersection, both sides of Walton Avenue
- Upgrade traffic signal controllers, battery backups, signal timing, and pedestrian hardware on all traffic signals on Walton Avenue from Hazel Avenue to Sam's Club intersection

- Improve pavement with various rehabilitation methods, and provide striping and signage improvements on Walton Avenue from Hazel Avenue to Sam's Club intersection

In late 2021, the City was notified that it was awarded $1,200,000 in Congestion Mitigation and Air Quality (CMAQ) funds, and $2,850,000 in Surface Transportation Block Grant (STBG) funds for the construction of the project. The City would provide a $1,150,000 local match, creating a total construction cost of $5,200,000.

The City issued a Request for Proposal for Preliminary Engineering Services on November 29, 2022, with a deadline for submittals of December 28, 2022.

Analysis:

The City received four proposals. A review of each proposal was completed by a selection committee of Public Works Engineering staff. The proposals were ranked using the following evaluation criteria:

Evaluation Criteria	Maximum Score
Project Understanding	20 points
Methodology	30 points
Project Schedule	25 points
Experience and Qualifications	15 points
Familiarity with the City	10 points
Total:	100 points

While all of the consultants were highly qualified, the selection committee ranked MHM Inc. as the top-ranked, responsive proposer, with an average score of 89.33. MHM submitted a proposal which provided a very detailed analysis of existing conditions and conflicts that may arise, which will help significantly through project design. The proposal was also very cognizant of the effects that this project will have on local businesses and residences, and proposed good solutions for addressing potential issues.

The City and MHM have worked together on many of the City's previous projects and developments, and as such have created a good working relationship over the years. Staff met with MHM to develop a detailed scope of work and plan for project delivery. MHM Inc. has the professional qualifications for the services required, availability, and can provide the services at a fair and reasonable cost. Based on the City's current schedule, it is estimated that the project's design, right of way, and environmental phases will be completed by December of 2023. After these phases, City Staff and MHM will coordinate with Caltrans to request advanced authorization of the FY 2025-26 construction funding.

Fiscal Impact:

The total contract amount to be awarded is $263,844.38. Additionally, staff is requesting a 10-percent contingency of $26,384.44, for any unforeseen circumstances or additional work that may be required to complete the design, and 7.5-percent design management funding of $19,788.33 for staff time to manage the design process. The total cost of the project's design would be $310,017.15 of local funds. Staff is requesting that the Finance Director be authorized to make an appropriation of unallocated Transportation Development Act (TDA) funds in the amount of $310,017.15 to CIP Account No. 911302-65501.

Alternatives:

1. Do not award the contract to MHM Inc., and either negotiate with the next ranked consultant, or issue another request for proposals. This may result in delays that could create a loss of

available funds for the Study.
2. Modify the terms of MHM Inc.'s contract.

Recommendation:

Adopt a Resolution awarding a Professional Services Agreement to MHM Inc. of Marysville, CA for the Walton Avenue Improvements Preliminary Engineering Services in the amount of $263,844.38, subject to material terms, with the finding that it is in the best interest of the City.

Attachments:
1. Attachment 1 - Resolution
2. Exhibit A - (Draft) Professional Services Agreement

Prepared By:	Submitted By:
Josh Wolffe	Diana Langley
Associate Civil Engineer	City Manager

ATTACHMENT 1

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY AWARDING A PROFESSIONAL SERVICES AGREEMENT TO MHM INC. FOR PRELIMINARY ENGINEERING SERVICES IN THE AMOUNT OF $263,844.38 FOR THE WALTON AVENUE IMPROVEMENTS PROJECT

WHEREAS, the Sacramento Area Council of Governments has allocated funding in the amount of $4,050,000 for the construction of the Walton Avenue Improvements Project (Project); and

WHEREAS, staff issued a Request for Proposals on November 29, 2022 to find the most qualified consultant to provide preliminary engineering services for the Project and received four proposals by or on December 28, 2022; and

WHEREAS, after careful analysis of the proposals based on the guidelines set forth by the California Department of Transportation, staff has determined MHM, Inc. to be the most qualified to provide the preliminary engineering services; and

WHEREAS, staff recommends awarding a Professional Services Agreement to the top-ranked consultant, MHM Inc., for preliminary engineering services for the Project.; and

WHEREAS, it has been determined by the City Council that such provisions are in the public interest.

NOW, THEREFORE, the City Council of the City of Yuba City does resolve as follows:

Section 1. The City Council of the City of Yuba City finds that MHM Inc. is the top ranked, most qualified responsive proposer, and has demonstrated competence. The City Council finds that MHM Inc. has the professional qualifications for the services required, availability, and can provide the services at a fair and reasonable cost. The City Council approves the “Professional Services Agreement” attached as Exhibit “A” with MHM Inc. subject to its material terms. The City Manager is authorized to execute the same on behalf of the City and to make any non-material, technical, and clerical edits and corrections to the agreement subject to approval as to form by City Attorney.

Section 2. This Resolution shall take effect immediately.

The foregoing Resolution was duly and regularly introduced, passed, and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on the 21st day of March, 2023.

AYES:

NOES:

ABSENT:

Wade Kirchner, Mayor

ATTEST:

Ciara Wakefield, Deputy City Clerk

APPROVED AS TO FORM
COUNSEL FOR YUBA CITY:

Shannon Chaffin, City Attorney
Aleshire & Wynder, LLP

Exhibit(s):

A. (Draft) Professional Services Agreement

EXHIBIT A

PROFESSIONAL SERVICES AGREEMENT

This Agreement is made and entered into as of March 24, 2023 by and between the City of Yuba City, a municipal corporation ("City") and MHM, Inc. ("Consultant").

RECITALS

A. Consultant is specially trained, experienced and competent to perform the special services which will be required by this Agreement; and

B. Consultant possesses the skill, experience, ability, background, certification and knowledge to provide the services described in this Agreement on the terms and conditions described herein; and

C. City desires to retain Consultant to render professional services as set forth in this Agreement.

AGREEMENT

1. Scope of Services. The Consultant shall furnish the following services in a professional manner.

See Attached Scope of Services
(Exhibit 1)

2. Time of Performance. The services of Consultant are to commence upon execution of this Agreement and shall continue until all authorized work is completed and approved by the City. Finalization shall be completed at the direction of the City of Yuba City, but prior to December 31, 2026.

3. Compensation. Compensation to be paid to Consultant shall be in accordance with the Schedule of Charges set forth in Exhibit 1, which is attached hereto and incorporated herein by reference. In no event shall Consultant's compensation exceed $263,844.38 without additional written authorization from the City. Payment by City under this Agreement shall not be deemed a waiver of defects, even if such defects were known to the City at the time of payment.

4. Method of Payment.
   A. The method of payment for this AGREEMENT will be based on actual cost plus a fixed fee. LOCAL AGENCY will reimburse CONSULTANT for actual costs (including labor costs,

employee benefits, travel, equipment rental costs, overhead and other direct costs) incurred by CONSULTANT in performance of the work. CONSULTANT will not be reimbursed for actual costs that exceed the estimated wage rates, employee benefits, travel, equipment rental, overhead, and other estimated costs set forth in the approved CONSULTANT'S Cost Proposal, unless additional reimbursement is provided for by AGREEMENT amendment. In no event, will CONSULTANT be reimbursed for overhead costs at a rate that exceeds LOCAL AGENCY's approved overhead rate set forth in the Cost Proposal. In the event, that LOCAL AGENCY determines that a change to the work from that specified in the Cost Proposal and AGREEMENT is required, the AGREEMENT time or actual costs reimbursable by LOCAL AGENCY shall be adjusted by AGREEMENT amendment to accommodate the changed work. The maximum total cost as specified in Paragraph "I" of this Article shall not be exceeded, unless authorized by AGREEMENT amendment.

B. The indirect cost rate established for this AGREEMENT is extended through the duration of this specific AGREEMENT. CONSULTANT's agreement to the extension of the 1-year applicable period shall not be a condition or qualification to be considered for the work or AGREEMENT award.

C. In addition to the allowable incurred costs, LOCAL AGENCY will pay CONSULTANT a fixed fee of $19,580.14. The fixed fee is nonadjustable for the term of the AGREEMENT, except in the event of a significant change in the scope of work and such adjustment is made by AGREEMENT amendment.

D. Reimbursement for transportation and subsistence costs shall not exceed the rates specified in the approved Cost Proposal.

E. When milestone cost estimates are included in the approved Cost Proposal, CONSULTANT shall obtain prior written approval for a revised milestone cost estimate from the Contract Administrator before exceeding such cost estimate.

F. Progress payments will be made monthly in arrears based on services provided and allowable incurred costs. A pro rata portion of CONSULTANT's fixed fee will be included in the monthly progress payments. If CONSULTANT fails to submit the required deliverable items according to the schedule set forth in Article III Statement of Work, LOCAL AGENCY shall have the right to delay payment or terminate this AGREEMENT.

G. No payment will be made prior to approval of any work, nor for any work performed prior to approval of this AGREEMENT.

H. CONSULTANT will be reimbursed promptly according to California Regulations upon receipt by LOCAL AGENCY's Contract Administrator of itemized invoices in duplicate. Invoices shall be submitted no later than thirty (30) calendar days after the performance of work for which CONSULTANT is billing. Invoices shall detail the work performed on each milestone and each project as applicable. Invoices shall follow the format stipulated for the approved Cost Proposal and shall reference this AGREEMENT number and project title. Final invoice must contain the final cost and all credits due LOCAL AGENCY including any equipment

purchased under the provisions of Article XI Equipment Purchase. The final invoice should be submitted within sixty (60) calendar days after completion of CONSULTANT's work. Invoices shall be mailed to LOCAL AGENCY's Contract Administrator at the following address:

Josh Wolffe
Public Works Department
City of Yuba City
1201 Civic Center Blvd
Yuba City, CA 95993
(530) 822-3288

I. The total amount payable by LOCAL AGENCY including the fixed fee shall not exceed $263,844.38.

J. For personnel subject to prevailing wage rates as described in the California Labor Code, all salary increases, which are the direct result of changes in the prevailing wage rates are reimbursable.

5. Extra Work. At any time during the term of this Agreement, City may request that Consultant perform Extra Work. As used herein, "Extra Work" means any work which is determined by City to be necessary for the proper completion of the Project, but which the parties did not reasonably anticipate would be necessary at the execution of this Agreement. Consultant shall not perform, nor be compensated for, Extra Work without written authorization from City.

6. Termination.

A. This AGREEMENT may be terminated by LOCAL AGENCY, provided that LOCAL AGENCY gives not less than thirty (30) calendar days' written notice (delivered by certified mail, return receipt requested) of intent to terminate. Upon termination, LOCAL AGENCY shall be entitled to all work, including but not limited to, reports, investigations, appraisals, inventories, studies, analyses, drawings and data estimates performed to that date, whether completed or not.

B. LOCAL AGENCY may temporarily suspend this AGREEMENT, at no additional cost to LOCAL AGENCY, provided that CONSULTANT is given written notice (delivered by certified mail, return receipt requested) of temporary suspension. If LOCAL AGENCY gives such notice of temporary suspension, CONSULTANT shall immediately suspend its activities under this AGREEMENT. A temporary suspension may be issued concurrent with the notice of termination.

C. Notwithstanding any provisions of this AGREEMENT, CONSULTANT shall not be relieved of liability to LOCAL AGENCY for damages sustained by City by virtue of any breach of this AGREEMENT by CONSULTANT, and City may withhold any payments due to CONSULTANT until such time as the exact amount of damages, if any, due City from CONSULTANT is determined.

D. In the event of termination, CONSULTANT shall be compensated as provided for in this AGREEMENT. Upon termination, LOCAL AGENCY shall be entitled to all work, including but not limited to, reports, investigations, appraisals, inventories, studies, analyses, drawings and data estimates performed to that date, whether completed or not.

7. Ownership of Documents. All plans, studies, documents and other writings prepared by and for Consultant, its officers, employees, agents and subcontractors in the course of implementing this Agreement, except working notes and internal documents, shall become the property of the City upon payment to Consultant for such work, and the City shall have the sole right to use such materials in its discretion without further compensation to Consultant or to any other party. Consultant shall, at Consultant's expense, provide such reports, plans, studies, documents and other writings to City upon request.

* Licensing of Intellectual Property. This Agreement creates a nonexclusive and perpetual license for City to copy, use, modify, reuse, or sublicense any and all copyrights, designs, and other intellectual property embodied in plans, specifications, studies, drawings, estimates, and other documents or works of authorship fixed in any tangible medium of expression, including but limited to, physical drawings or data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Consultant under this Agreement ("Documents & Data"). Consultant shall require all subcontractors to agree in writing that City is granted a non-exclusive and perpetual license for any Documents & Data the subcontractor prepares under this Agreement. Consultant represents and warrants that Consultant has the legal right to license any and all Documents & Data. Consultant makes no such representation and warranty in regards to Documents & Data which were prepared by design professionals other than Consultant or provided to Consultant by the City. City shall not be limited in any way in its use of the Documents & Data at any time, provided that any such use not within the purposes intended by this Agreement shall be at City's sole risk.

Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents & Data either created by or provided to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant. Such materials shall not, without the prior written consent of City, be used by Consultant for any purposes other than the performance of the services under this Agreement. Nor shall such materials be disclosed to any person or entity not connected with the performance of the services under this Agreement. Nothing furnished to Consultant, which is otherwise known to Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use City's name or insignia, photographs relating to project for which Consultant's services are rendered, or any publicity pertaining to the Consultant's services under this Agreement in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of City.

8. Consultant's Books and Records:

a. Consultant shall maintain any and all ledgers, books of accounts, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services, or expenditures and disbursements charged to City for a minimum period of three (3) years, or for any longer period required by law, from the date of final payment to Consultant to this Agreement.
b. Consultant shall maintain all documents and records which demonstrated performance under this Agreement for a minimum period of three (3) years, or for any longer period required by law, from the date of termination or completion of this Agreement.
c. Any records or documents required to be maintained pursuant to this Agreement shall be made available for inspection or audit, at any time during regular business hours, upon written request by the City Administrator, City Attorney, City Auditor or a designated representative of these officers. Copies of such documents shall be provided to the City for inspection at City Hall when it is practical to do so. Otherwise, unless an alternative is mutually agreed upon, the records shall be available at Consultant's address indicated for receipt of notices in this Agreement.
d. Where City has reason to believe that such records or documents may be lost or discarded due to dissolution, disbandment or termination of Consultant's business, City may, by written request by any of the above named officers, require that custody of the records be given to the City and that the records and documents be maintained in City Hall. Access to such records and documents shall be granted to any party authorized by Consultant, Consultant's representatives, or Consultant's successor-in-interest.

9. Independent Contractor. It is understood that Consultant, in the performance of the work and services agreed to be performed, shall act as and be an independent contractor and shall not act as an agent or employee of the City. Consultant shall obtain no rights to retirement benefits or other benefits which accrue to City's employees, and Consultant hereby expressly waives any claim it may have to any such rights.

Consultant is not a designated employee within the meaning of the Political Reform Act because Consultant:

a. Will conduct research and arrive at conclusions with respect to his/her rendition of information, advice, recommendation or counsel independent of the control and direction of the City or of any City official, other than normal agreement monitoring; and

b. Possesses no authority with respect to any City decision beyond rendition of information, advice, recommendation or counsel. (FPPC Reg. 18700(B)(2).)

10. Interest of Consultant. Consultant (including principals, associates and professional employees) covenants and represents that it does not now have any investment or interest in real property and shall not acquire any interest, direct or indirect, in the area covered by this Agreement or any other source of income, interest in real property or investment which would be affected in any manner or degree by the performance of Consultant's services hereunder.

Consultant further covenants and represents that in the performance of its duties hereunder no person having any such interest shall perform any services under this Agreement.

11. Conflict of Interest.

A. During the term of this AGREEMENT, the CONSULTANT shall disclose any financial, business, or other relationship with LOCAL AGENCY that may have an impact upon the outcome of this AGREEMENT or any ensuing LOCAL AGENCY construction project. The CONSULTANT shall also list current clients who may have a financial interest in the outcome of this AGREEMENT or any ensuing LOCAL AGENCY construction project which will follow.

B. CONSULTANT certifies that it has disclosed to LOCAL AGENCY any actual, apparent, or potential conflicts of interest that may exist relative to the services to be provided pursuant to this AGREEMENT. CONSULTANT agrees to advise LOCAL AGENCY of any actual, apparent or potential conflicts of interest that may develop subsequent to the date of execution of this AGREEMENT. CONSULTANT further agrees to complete any statements of economic interest if required by either LOCAL AGENCY ordinance or State law.

C. The CONSULTANT hereby certifies that it does not now have nor shall it acquire any financial or business interest that would conflict with the performance of services under this AGREEMENT.

D. The CONSULTANT hereby certifies that the CONSULTANT or subconsultant and any firm affiliated with the CONSULTANT or subconsultant that bids on any construction contract or on any Agreement to provide construction inspection for any construction project resulting from this AGREEMENT, has established necessary controls to ensure a conflict of interest does not exist. An affiliated firm is one, which is subject to the control of the same persons, through joint ownership or otherwise.

12. Professional Ability of Consultant. City has relied upon the professional training and ability of Consultant to perform the services hereunder as a material inducement to enter into this Agreement. Consultant shall therefore provide properly skilled professional and technical personnel to perform all services under this Agreement. All work performed by Consultant under this Agreement shall be in accordance with applicable legal requirements and shall meet the standard of quality ordinarily to be expected of competent professionals in Consultant's field of expertise.

13. Compliance with Laws. Consultant shall use the standard of care in its profession to comply with all applicable federal, state and local laws, codes, ordinances and regulations.

14. State Prevailing Wage Rates.

A. No CONSULTANT or Subconsultant may be awarded an AGREEMENT containing public work elements unless registered with the Department of Industrial Relations (DIR) pursuant

to Labor Code §1725.5. Registration with DIR must be maintained throughout the entire term of this AGREEMENT, including any subsequent amendments.

B. The CONSULTANT shall comply with all of the applicable provisions of the California Labor Code requiring the payment of prevailing wages. The General Prevailing Wage Rate Determinations applicable to work under this AGREEMENT are available and on file with the Department of Transportation's Regional/District Labor Compliance Officer (https://dot.ca.gov/programs/construction/labor-compliance). These wage rates are made a specific part of this AGREEMENT by reference pursuant to Labor Code §1773.2 and will be applicable to work performed at a construction project site. Prevailing wages will be applicable to all inspection work performed at LOCAL AGENCY construction sites, at LOCAL AGENCY facilities and at off-site locations that are set up by the construction contractor or one of its subcontractors solely and specifically to serve LOCAL AGENCY projects. Prevailing wage requirements do not apply to inspection work performed at the facilities of vendors and commercial materials suppliers that provide goods and services to the general public.

C. General Prevailing Wage Rate Determinations applicable to this project may also be obtained from the Department of Industrial Relations website at http://www.dir.ca.gov**.**

D. Payroll Records

1. Each CONSULTANT and Subconsultant shall keep accurate certified payroll records and supporting documents as mandated by Labor Code §1776 and as defined in 8 CCR §16000 showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by the CONSULTANT or Subconsultant in connection with the public work. Each payroll record shall contain or be verified by a written declaration that it is made under penalty of perjury, stating both of the following:

   a. The information contained in the payroll record is true and correct.

   b. The employer has complied with the requirements of Labor Code §1771, §1811, and §1815 for any work performed by his or her employees on the public works project.

2. The payroll records enumerated under paragraph (1) above shall be certified as correct by the CONSULTANT under penalty of perjury. The payroll records and all supporting documents shall be made available for inspection and copying by LOCAL AGENCY representatives at all reasonable hours at the principal office of the CONSULTANT. The CONSULTANT shall provide copies of certified payrolls or permit inspection of its records as follows:

   a. A certified copy of an employee's payroll record shall be made available for inspection or furnished to the employee or the employee's authorized representative on request.

b. A certified copy of all payroll records enumerated in paragraph (1) above, shall be made available for inspection or furnished upon request to a representative of LOCAL AGENCY, the Division of Labor Standards Enforcement and the Division of Apprenticeship Standards of the Department of Industrial Relations. Certified payrolls submitted to LOCAL AGENCY, the Division of Labor Standards Enforcement and the Division of Apprenticeship Standards shall not be altered or obliterated by the CONSULTANT.

c. The public shall not be given access to certified payroll records by the CONSULTANT. The CONSULTANT is required to forward any requests for certified payrolls to the LOCAL AGENCY Contract Administrator by both email and regular mail on the business day following receipt of the request.

3. Each CONSULTANT shall submit a certified copy of the records enumerated in paragraph (1) above, to the entity that requested the records within ten (10) calendar days after receipt of a written request.

4. Any copy of records made available for inspection as copies and furnished upon request to the public or any public agency by LOCAL AGENCY shall be marked or obliterated in such a manner as to prevent disclosure of each individual's name, address, and social security number. The name and address of the CONSULTANT or Subconsultant performing the work shall not be marked or obliterated.

5. The CONSULTANT shall inform LOCAL AGENCY of the location of the records enumerated under paragraph (1) above, including the street address, city and county, and shall, within five (5) working days, provide a notice of a change of location and address.

6. The CONSULTANT or Subconsultant shall have ten (10) calendar days in which to comply subsequent to receipt of written notice requesting the records enumerated in paragraph (1) above. In the event the CONSULTANT or Subconsultant fails to comply within the ten (10) day period, he or she shall, as a penalty to LOCAL AGENCY, forfeit one hundred dollars ($100) for each calendar day, or portion thereof, for each worker, until strict compliance is effectuated. Such penalties shall be withheld by LOCAL AGENCY from payments then due. CONSULTANT is not subject to a penalty assessment pursuant to this section due to the failure of a Subconsultant to comply with this section.

E. When prevailing wage rates apply, the CONSULTANT is responsible for verifying compliance with certified payroll requirements. Invoice payment will not be made until the invoice is approved by the LOCAL AGENCY Contract Administrator.

F. Penalty

1. The CONSULTANT and any of its Subconsultants shall comply with Labor Code §1774 and §1775. Pursuant to Labor Code §1775, the CONSULTANT and any Subconsultant shall forfeit to the LOCAL AGENCY a penalty of not more than two hundred dollars

($200) for each calendar day, or portion thereof, for each worker paid less than the prevailing rates as determined by the Director of DIR for the work or craft in which the worker is employed for any public work done under the AGREEMENT by the CONSULTANT or by its Subconsultant in violation of the requirements of the Labor Code and in particular, Labor Code §§1770 to 1780, inclusive.

2. The amount of this forfeiture shall be determined by the Labor Commissioner and shall be based on consideration of mistake, inadvertence, or neglect of the CONSULTANT or Subconsultant in failing to pay the correct rate of prevailing wages, or the previous record of the CONSULTANT or Subconsultant in meeting their respective prevailing wage obligations, or the willful failure by the CONSULTANT or Subconsultant to pay the correct rates of prevailing wages. A mistake, inadvertence, or neglect in failing to pay the correct rates of prevailing wages is not excusable if the CONSULTANT or Subconsultant had knowledge of the obligations under the Labor Code. The CONSULTANT is responsible for paying the appropriate rate, including any escalations that take place during the term of the AGREEMENT.

3. In addition to the penalty and pursuant to Labor Code §1775, the difference between the prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the prevailing wage rate shall be paid to each worker by the CONSULTANT or Subconsultant.

4. If a worker employed by a Subconsultant on a public works project is not paid the general prevailing per diem wages by the Subconsultant, the prime CONSULTANT of the project is not liable for the penalties described above unless the prime CONSULTANT had knowledge of that failure of the Subconsultant to pay the specified prevailing rate of wages to those workers or unless the prime CONSULTANT fails to comply with all of the following requirements:

   a. The AGREEMENT executed between the CONSULTANT and the Subconsultant for the performance of work on public works projects shall include a copy of the requirements in Labor Code §§ 1771, 1775, 1776, 1777.5, 1813, and 1815.

   b. The CONSULTANT shall monitor the payment of the specified general prevailing rate of per diem wages by the Subconsultant to the employees by periodic review of the certified payroll records of the Subconsultant.

   c. Upon becoming aware of the Subconsultant's failure to pay the specified prevailing rate of wages to the Subconsultant's workers, the CONSULTANT shall diligently take corrective action to halt or rectify the failure, including but not limited to, retaining sufficient funds due the Subconsultant for work performed on the public works project.

   d. Prior to making final payment to the Subconsultant for work performed on the public works project, the CONSULTANT shall obtain an affidavit signed under penalty of perjury from the Subconsultant that the Subconsultant had paid the specified general

prevailing rate of per diem wages to the Subconsultant's employees on the public works project and any amounts due pursuant to Labor Code §1813.

5. Pursuant to Labor Code §1775, LOCAL AGENCY shall notify the CONSULTANT on a public works project within fifteen (15) calendar days of receipt of a complaint that a Subconsultant has failed to pay workers the general prevailing rate of per diem wages.

6. If LOCAL AGENCY determines that employees of a Subconsultant were not paid the general prevailing rate of per diem wages and if LOCAL AGENCY did not retain sufficient money under the AGREEMENT to pay those employees the balance of wages owed under the general prevailing rate of per diem wages, the CONSULTANT shall withhold an amount of moneys due the Subconsultant sufficient to pay those employees the general prevailing rate of per diem wages if requested by LOCAL AGENCY.

G. Hours of Labor

Eight (8) hours labor constitutes a legal day's work. The CONSULTANT shall forfeit, as a penalty to the LOCAL AGENCY, twenty-five dollars ($25) for each worker employed in the execution of the AGREEMENT by the CONSULTANT or any of its Subconsultants for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one calendar day and forty (40) hours in any one calendar week in violation of the provisions of the Labor Code, and in particular §§1810 to 1815 thereof, inclusive, except that work performed by employees in excess of eight (8) hours per day, and forty (40) hours during any one week, shall be permitted upon compensation for all hours worked in excess of eight (8) hours per day and forty (40) hours in any week, at not less than one and one-half (1.5) times the basic rate of pay, as provided in §1815.

H. Employment of Apprentices

1. Where either the prime AGREEMENT or the subagreement exceeds thirty thousand dollars ($30,000), the CONSULTANT and any subconsultants under him or her shall comply with all applicable requirements of Labor Code §§ 1777.5, 1777.6 and 1777.7 in the employment of apprentices.

2. CONSULTANTs and subconsultants are required to comply with all Labor Code requirements regarding the employment of apprentices, including mandatory ratios of journey level to apprentice workers. Prior to commencement of work, CONSULTANT and subconsultants are advised to contact the DIR Division of Apprenticeship Standards website at https://www.dir.ca.gov/das/, for additional information regarding the employment of apprentices and for the specific journey-to- apprentice ratios for the AGREEMENT work. The CONSULTANT is responsible for all subconsultants' compliance with these requirements. Penalties are specified in Labor Code §1777.7.

15. Licenses. Consultant represents and warrants to City that it has all licenses, permits, qualifications, insurance and approvals of whatsoever nature, which are legally required of Consultant to practice its profession. Consultant represents and warrants to City that Consultant shall, at its sole cost and expense, keep in effect or obtain at all times during the

term of this Agreement, any licenses, permits, insurance and approvals which are legally required of Consultant to practice its profession. Consultant shall maintain a City of Yuba City business license.

14. Indemnity. Consultant agrees to defend, indemnify and hold harmless the City, its officers, officials, agents, employees and volunteers from and against any and all claims, demands, actions, losses, damages, injuries, and liability, direct or indirect (including any and all costs, including attorney fees and expenses in connection therein), arising out of the performance of this Agreement in whole or in part by any negligent act or omission of the Consultant, or anyone directly or indirectly employed by the Consultant or anyone for whose acts the Consultant may be liable, or its failure to comply with any of its obligations contained in this Agreement, except for any such claim arising out of the sole negligence or willful misconduct of the City, its officers, agents, employees or volunteers.

15. Insurance Requirements. Consultant, at Consultant's own cost and expense, shall procure and maintain, for the duration of the contract, necessary insurance policies as described in Exhibit 2.

16. Notices. Any notice required to be given under this Agreement shall be in writing and either served personally or sent prepaid, first class mail. Any such notice shall be addressed to the other party at the address set forth below. Notice shall be deemed communicated within 48 hours from the time of mailing if mailed as provided in this section.

If to City	Josh Wolffe Public Works Department City of Yuba City 1201 Civic Center Blvd Yuba City, CA 95993 (530) 822-3288
If to Consultant:	John Mallen Project Manager MHM, Inc. 1204 E Street Marysville, CA 95901 (530) 742-6485 x 126

17. Entire Agreement. This Agreement constitutes the complete and exclusive statement of Agreement between the City and Consultant. All prior written and oral communications, including correspondence, drafts, memoranda, and representations, are superseded in total by this Agreement.

18. Amendments. This Agreement may be modified or amended only by a written document executed by both Consultant and City and approved as to form by the City Attorney.

19. Assignment and Subcontracting. The parties recognize that a substantial inducement to City for entering into this Agreement is the professional reputation, experience and competence of Consultant. Assignments of any or all rights, duties or obligations of the Consultant under this Agreement will be permitted only with the express consent of the City. Consultant shall not subcontract any portion of the work to be performed under the Agreement without the written authorization of the City. If City consents to such subcontract, Consultant shall be fully responsible to City for all acts or omissions of the subcontractor. Nothing in this Agreement shall create any contractual relationship between City and subcontractor nor shall it create any obligation on the part of the City to pay or to see to the payment of any monies due to any such subcontractor other than as otherwise is required by law.

20. Waiver. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver of a subsequent breach of the same or any other provision under this Agreement.

21. Severability. If any term or portion of this Agreement is held to be invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall continue in full force and effect.

22. Controlling Law Venue. This Agreement and all matters relating to it shall be governed by the laws of the State of California and any action brought relating to this Agreement shall be held exclusively in a state court in the County of Sutter.

23. Litigation Expenses and Attorneys' Fees. If either party to this Agreement commences any legal action against the other party arising out of this Agreement, the prevailing party shall be entitled to recover its reasonable litigation expenses, including court costs, expert witness fees, discovery expenses, and attorneys' fees.

24. Disputes. Prior to either party commencing any legal action under this AGREEMENT, the parties agree to try in good faith, to settle any dispute amicably between them. If a dispute has not been settled after forty-five (45) days of good-faith negotiations and as may be otherwise provided herein, then either party may commence legal action against the other.

    A. Any dispute, other than audit, concerning a question of fact arising under this AGREEMENT that is not disposed of by agreement shall be decided by a committee consisting of LOCAL AGENCY's Contract Administrator and Public Works Director, who may consider written or verbal information submitted by CONSULTANT.

    B. Not later than thirty (30) calendar days after completion of all work under the AGREEMENT, CONSULTANT may request review by LOCAL AGENCY Governing Board of unresolved claims or disputes, other than audit. The request for review will be submitted in writing.

    C. Neither the pendency of a dispute, nor its consideration by the committee will excuse CONSULTANT from full and timely performance in accordance with the terms of this AGREEMENT.

25. Execution. This Agreement may be executed in several counterparts, each of which shall constitute one and the same instrument and shall become binding upon the parties when at least one copy hereof shall have been signed by both parties hereto. In approving this Agreement, it shall not be necessary to produce or account for more than one such counterpart.

26. Authority to Enter Agreement. Consultant has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and to bind each respective party.

27. Prohibited Interest. Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising there from.

28. Equal Opportunity Employment. Consultant represents that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination. Consultant shall also comply with all relevant provisions of City's Affirmative Action Plan or other related programs or guidelines currently in effect or hereinafter enacted.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date first written above.

CITY OF YUBA CITY:	**CONSULTANT:**
By: _____	By: _____
Diana Langley	**Sean Minard**
Interim City Manager	**President**
City of Yuba City	**MHM, Inc.**

Attachments:
Exhibit 1 – Scope of Services
Exhibit 2 – Insurance Requirements
Exhibit 3 – Vendor Payment Options

Exhibit 1
Scope of Services

Scope of Work

With the construction phase of the project federally funded, the chosen consultant must understand the process to obtain approval of the Request for Authorization to proceed with construction from Caltrans. Services to be provided will include the following:

- **Project Management** – MHM shall coordinate with key personnel from the City, Caltrans, and be responsible for scheduling design review and coordination meetings, preparing and distributing minutes, tracking action items, and all submissions to Caltrans throughout the duration of the project.

  Deliverables:
  - Project kick off and scoping meeting
  - Monthly progress reports and schedule updates.
  - Meeting agenda, minutes, and action items.

- **Project Initiation & Conceptual** – MHM will compile all project data available from the City, MHM files, "A" plans would be sent out for utility information. MHM would supplement the project topographic survey information with additional field surveys and boundary surveys where needed. MHM all the information is compiled into a more detailed schematic design and meet with the City to review and discuss the desired alternatives to address any problem areas that still remain after this process.

  Deliverables:
  - Plan "A" Utility Letters
  - Schematic Design for the project
  - Preliminary Engineer's Estimate
  - Concept alternatives for problem areas

- **Design Development 30% plans**– MHM will coordination with City Public Works and Maintenance to further develop the schematic design and incorporate the signal upgrades. MHM will further develop the grading on the improvements and develop a hydraulic investigation for the proposed drainage. MHM will initiate the public outreach process by beginning contacting property owners for additional access for acquisition and conform surveying.

  Deliverables:
  - Hydraulics investigation
  - Draft Signal modification Plans
  - Preliminary Engineer's Estimate
  - 30% submittal PS&E
  - Outreach to affected property owners acquiring permissions from private property owners

- **65% Construction Documents** – MHM will revise the plans from all comments received on the 30% and any other additional information or input. The preliminary 65% plans will be used for a public outreach and coordination meeting. MHM will generate drat acquisition plats and engage BRI to begin the acquisition process with the affected property owners. MHM will

prepare the Caltrans Preliminary Environmental Study for the project from the City prepared CEQA document with the assistant Marcus Bole & Associates as necessary.

Deliverables:

- Utility coordination / Plan B Letters
- Utility Potholing as necessary
- Caltrans Preliminary Environmental Study
- Public Outreach Meeting /Design Presentation
- Preliminary Right-of-Way Acquisition Plats / Start of Acquisition Contact
- 65% submittal PS&E

- **95% Construction Documents** – MHM will revise the plans from all comments received on the 65% and any other additional information or input. The preliminary 65% plans will be used for a public outreach and coordination meeting. MHM will generate drat acquisition plats and engage BRI to begin the acquisition process with the affected property owners. MHM will prepare the Caltrans Preliminary Environmental Study for the project from the City prepared CEQA document with the assistant Marcus Bole & Associates as necessary.

  Deliverables:

  - Supplemental environmental studies as generated by the PES review comments
  - Final NEPA document / environmental clearance of the project
  - Caltrans Preliminary Environmental Study
  - Final Utility coordination / Plan C Letters
  - Right-of-Way Acquisition & Clearance
  - 95% submittal PS&E

- **Bid Construction Documents** – MHM will revise the plans from all comments received on the 95% PS&E package and any other additional information or input. The final PS&E will be used to request release of construction funds. Once funding date is known, MHM will updated the PS&E information for bid PS&E package that the City can advertise for bid.

  Deliverables:
  - Final submittal PS&E
  - Request for construction funds
  - PS&E bid package

- **Bid Process** – Provide an electronic copy of the final approved plans in both AutoCAD files and PDF format, specifications in both Microsoft Word and PDF format, and estimate in both Excel and PDF format. MHM will respond to RFIs during the bid phase and prepare addenda which will be distributed by the City as necessary. MHM will prepare the Resident Engineers file with appropriate backup documentation such as utility as-builts, relocation plans, right-of-way agreements, contact information for project stakeholders, calculations for quantities, the geotechnical report, and any other relevant project design documents that may need to be referenced during construction activities.

  Deliverables:
  - Response to bid RFIs prepare addenda
  - Electronic PS&E of conform plans
  - Resident Engineer file for the project

- **Construction Support** – The Consultant will assist City with any RFI and potential contract change orders that may arise. The Consultant will also be available for field meetings or Teams meeting on an as-needed basis.

  Deliverables:
  - Response to bid RFIs prepare field instructions
  - Construction Meetings
  - Record Drawings from contractor As-Built Information

Exhibit 2

Agreement for Professional Services

Insurance Requirements

I. **Workers' Compensation Coverage**. Consultant shall maintain Workers' Compensation Insurance for his/her employees in accordance with the laws of the State of California and Employers Liability Insurance in an amount not less than one million dollars ($1,000,000) per accident for bodily injury and/or disease. In addition, Consultant shall require each subcontractor to similarly maintain Workers' Compensation Insurance in accordance with the laws of the State of California and Employers Liability Insurance in an amount not less than one million dollars ($1,000,000) per accident for bodily injury and/or disease. For all of the subcontractor's employees. Any notice of cancellation or non-renewal of all Workers' Compensation policies must be received by the City at least thirty (30) days prior to such change. The insurer shall agree to waive all rights of subrogation against City, its officers, agents, employees and volunteers for losses arising from work performed by Consultant for City. This provision shall not apply if Consultant has no employees performing work under this Agreement. If the Consultant has no employees for the purposes of this Agreement, Consultant shall sign the "Certificate of Exemption from Workers' Compensation Insurance" which is attached hereto as Exhibit C.

II. **General Liability Coverage**. Consultant shall maintain commercial general liability insurance in an amount not less than one million dollars ($1,000,000) per occurrence for bodily injury, personal injury and property damage. If a commercial general liability insurance form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit.

III. **Automobile Liability Coverage**. Consultant shall maintain automobile liability insurance covering bodily injury and property damage for all activities of the Consultant arising out of or in connection with the work to be performed under this Agreement, including coverage for owned, hired and non-owned vehicles, in an amount of not less than one million dollars ($1,000,000) combined single limit for each occurrence.

IV. **Professional Liability Coverage**. Consultant shall maintain professional errors and omissions liability insurance for protection against claims alleging negligent acts, errors or omissions which may arise from Consultant's operations under this Agreement, whether such operations are by the Consultant or by its employees, subcontractors, or sub-consultants. The amount of this insurance shall not be less than one million dollars ($1,000,000) on a claims-made annual aggregate basis, or a combined single-limit per occurrence basis.

V. **Endorsements**. Each general liability and automobile liability insurance policy shall be with insurers possessing a current A.M. Best's rating of no less than A:VII and shall be endorsed with the following specific language or equivalent:

A. The City, its elected or appointed officers, officials, employees, agents and volunteers are to be covered as additional insured with respect to liability arising out of work performed by or on behalf of the Consultant, including materials, parts or equipment furnished in connection with such work or operations. Conforms to ISO CG 2009 and CG 2037 10 01. Both are required.

B. This policy shall be considered primary insurance as respects to the City, its elected or appointed officers, officials, employees, agents and volunteers. Any insurance maintained by the City, including any self-insured retention the City may have, shall be considered excess insurance only and shall not contribute with it.

C. This insurance shall act for each insured and additional insured as though a separate policy had been written for each, except with respect to the limits of liability of the insuring company.

D. The insurer waives all rights of subrogation against the City, its elected or appointed officers, officials, employees or agents.

E. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City, its elected or appointed officers, officials, employees, agents or volunteers.

F. The insurance provided by this policy shall not be suspended, voided, canceled, or reduced in coverage except after thirty (30) days written notice has been received by the City.

VI. **Deductibles and Self-Insured Retentions.** Any deductibles or self-insured retentions must be declared to and approved by the City. At the City's option, Consultant shall demonstrate financial capability for payment of such deductibles or self-insured retention's.

VII. **Certificates of Insurance**. Consultant shall provide certificates of insurance with original endorsements to City, as evidence of the insurance coverage required herein. Certificates of such insurance shall be filed with the City on or before commencement of

performance of this agreement. Current certification of insurance shall be kept on file with the City at all times during the term of this Agreement.

Exhibit 3

Vendor Payment Options

The City of Yuba City currently participates in an electronic bill pay program.

The Control Pay Advanced program offered through Commerce Bank is an automated accounts payable solution. Commerce Bank enrolls City vendors in the program. Once enrolled, the Finance Department will send weekly electronic accounts payable files using the standard industry Automated Clearing House (ACH) technology, to Commerce Bank listing all information regarding the payment to the vendor. Commerce Bank will then process the accounts payable file and transmit electronic payments to those vendors in the program through Visa instead of the City processing individual checks and sending by mail. Vendors will receive the funds in their bank account within 24-48 hours.

Does your company accept Visa payment for invoices? _____ YES _____ NO

AUTHORIZED SIGNER:

By:_____

Title:_____

Agenda Item **12**

CITY OF YUBA CITY
STAFF REPORT

Date: March 21, 2023

To: Honorable Mayor & Members of the City Council;

From: Administration Department

Presentation By: Diana Langley, City Manager

Summary

Subject: Merriment Village Apartments - Proposed Habitat for Humanity Homekey 3.0 Project

Recommendation: Receive a presentation related to Habitat for Humanity's proposed Merriment Village Apartment Project and provide direction to staff regarding support of the project

Fiscal Impact: Habitat for Humanity is requesting a contribution of $4,500,000 from the City toward City of Yuba City and Sutter County Development Impact Fees and $155,000 annually of Permanent Local Housing Allocation (PLHA) Funding for ongoing annual operation costs.

Purpose:

To provide affordable housing options through the development of Habitat for Humanity's proposed Merriment Village Apartment Project, a 217-unit apartment complex located on the east side of Walton Avenue, north of Franklin Road.

Council's Strategic Goal:

This proposed project addresses Council's goals of Public Safety, Fiscal Responsibility, and the overarching goal of Quality of Life.

Background:

For approximately the last year, Vice Mayor Harris and Councilmember Boomgaarden have worked on a committee with Habitat for Humanity to explore opportunities to provide affordable housing options within Yuba City utilizing the California Department of Housing and Community Development's (HCD) Homekey funding. Through the process, the team evaluated existing hotel/motel sites for the potential to convert to affordable housing. In evaluating these sites, the owners were either unwilling to sell, were asking too much for the property, or the sites were not a good fit for conversion to affordable housing. Once it was determined that an existing site was not an option, consideration was turned to vacant properties for new construction.

The committee looked at a couple of vacant properties that were large enough to accommodate a sizable project, and landed on a 7.47-acre property located on the east side of Walton Avenue, north of

Franklin Road, identified by APN 58-120-001. Habitat for Humanity brought their design team together, consisting of Hilbers, Inc. of Yuba City and BSB Design of Sacramento to develop a site plan for a proposed 217-unit apartment complex titled Merriment Village Apartments.

Homekey is a statewide effort to sustain and rapidly expand housing for persons experiencing homelessness or at risk of homelessness. HCD has previously funded 2 rounds of Homekey funding and a Notice of Funding Availability is expected to be issued soon for Round 3. Homekey requires lead applicants to be cities, counties, cities and counties, and all other state, regional, and local public entities, which is why Habitat for Humanity is requesting the City's participation in the project. Homekey funding requires a 55-year commitment for the use of the property to be affordable permanent housing. There is an option that the City would be able to sell the property should it not be feasible. However, the use would still be required to meet Homekey standards and must be approved by HCD. Habitat for Humanity will be the owner and property manager for the site, and multiple agencies will provide support services to residents.

As it is not anticipated that funding available through Homekey 3.0 will be enough to fund the entire project, Habitat for Humanity is preparing an application for Affordable Housing and Sustainable Communities (AHSC) Program funding as well. The ASHC Program is also administered by HCD and funds land-use, housing, transportation, and land preservation projects to support infill and compact development that reduce greenhouse gas emissions. The AHSC Program is provided from the State's Greenhouse Gas Reduction Fund, which is an account established to receive Cap-and-Trade auction proceeds. The deadline for submission of applications is April 1st and Habitat for Humanity would like the City of Yuba City to be a co-applicant.

Also in regard to funding, in July 2020, the City applied for the Permanent Local Housing Allocation (PLHA) grant under HCD. The City was awarded approximately $310,000 on an annual basis. The City was required to submit a plan to allocate the PLHA funding with the grant application and the City committed to utilizing 50% for the predevelopment, development, acquisition, rehabilitation, and preservation of affordable, multi-family rental housing projects in collaboration with the Regional Housing Authority and other affordable housing developers. The remaining 50% is to be used for supportive services and programs for the local homeless population in collaboration with Sutter County, Sutter Yuba Homeless Consortium, and other qualified homeless service providers. Over the five years covered by the current Notice of Funding Availability under the PLHA program, the City is projected to receive a total of $1,866,000.

Analysis:

Habitat for Humanity staff will provide a presentation of the proposed Merriment Village Apartments, which includes the following:

- 70 Studio Units
- 67 1 Bedroom/1 Bathroom Units
- 79 2 Bedroom/1 Bathroom Units
- 1 3 Bedroom/2 Bathroom Unit
- Club house/Supportive Services
- Facilities Building

A community workshop was held on February 28, 2023, to obtain community feedback on the proposed project. The attached flyer and presentation were provided to attendees. Approximately 20 individuals plus City staff and the Habitat for Humanity project team attended the workshop. Concerns expressed at the workshop are summarized below:

- Traffic - Increase in traffic, particularly when considering the cumulative impact of several proposed projects within the area, and safety of pedestrians and bicyclists
- Construction Timeline - Homekey requires an aggressive construction schedule. Can the project be constructed within the allowed timeframe?
- Fire Department Access to the proposed 4-story building - Does the Fire Department have the ability to access a 4-story building?
- Potential of the City “waiving” the Impact Fees - What are the long-term impacts of the City "waiving" the Impact Fees?
- Energy Efficiency - Was the project designed with energy efficiency in mind?
- Prevailing Wage/Use of Local Labor Force - Will the project be required to pay prevailing wages and will local labor be used to construct the project?
- Require developers to make 10% of their residential developments available for affordable housing - The City should require that residential developers make 10% of their proposed residential projects available for affordable housing.
- Capacity of the local schools - Does Yuba City Unified School District have the capacity to serve this project?
- Concerns with the height of the 4-Story building fronting Walton Avenue - Yuba City is a rural community and a 4-story building does not fit in with the rural nature of the City.

These items will be addressed as part of the presentation.

Staff is requesting that the City Council receive the presentation on the Merriment Village Apartment Project and provide direction to staff as to City Council support of the project including being a co-applicant for AHSC funding and Homekey 3.0 funding. If Council is supportive of the project, staff will bring forward an item on the April 4th Council agenda for Council's formal action to partner with Habitat for Humanity on the Project, including supporting the applications for Homekey and AHSC Program funding.

Fiscal Impact:

Habitat for Humanity is requesting that the City Council consider waiving fees that would be owed to the City, totaling $4,500,000, as well as contribute $155,000 of Permanent Local Housing Allocation (PLHA) funding toward the annual ongoing operation of the project. Projected City fees for the development of the project are as follows:

City Fee	Fee Estimate
Development Impact Fees	$2,229,695.13
Building Permit Fees	$454,926.64
Sewer Connection Fees	$1,292,070.26
Water Connection Fees	$560,000.00
Total Estimated City Fees:	$4,536,692.03

An outright waiver of the fees would typically require them to be paid or offset from another source. Instead, options available to address the fees include:

- Execute a loan for the fees that would then be paid by a combination of PLHA funds and other funding sources available to the City for affordable housing. There is approximately $1,474,000 of Low-Mod Housing Asset Funds available, although $1M is currently committed to the Richland Village Affordable Housing Development project through January 19, 2025. Should

the Richland Village project not proceed, the $1M would be available for Merriment Village or other affordable housing projects.

- Direct the proceeds from the sale of the nine (9) Housing Successor agency homes toward the fees for Merriment Village. The Regional Housing Authority is interested in utilizing at least a portion of the proceeds for their proposed senior housing project on Garden Highway. However, the City has not committed those funds to the Regional Housing Authority at this time.
- Request that Habitat for Humanity include a portion or all of the fees in their grant applications.

In regard to the request for $155,000 of the City's PLHA funds for the ongoing operation of the project, it cannot be assumed that HCD will continue to provide the funding for the 55-year duration required by Homekey funding. Should the PLHA program be discontinued, the City would either need the option of not contributing the funding toward the project or would need to identify an alternative funding source. In addition, there are several demands for the PLHA funding including the City's contribution to Sutter County for the ongoing operation of the Second Street homeless campground, estimated to be approximately $90,000 annually.

Alternatives:

1. Receive the presentation and provide direction to modify the project or modify the requested City contribution toward the project.
2. Receive the presentation and decline participation in the project, which will essentially stop the development of the project.

Recommendation:

Receive a presentation related to Habitat for Humanity's proposed Merriment Village Apartment Project and provide direction to staff regarding support of the project.

Attachments:

1. Attachment 1 - Merriment Village - Workshop Flyer
2. Attachment 2 - Merriment Village - Workshop Presentation
3. Attachment 3 - PLHA Funding Staff Report

Prepared By:	Submitted By:
Diana Langley	Diana Langley
City Manager	City Manager

ATTACHMENT 1

MERRIMENT VILLAGE APARTMENTS

Located at 428 North Walton Ave, Yuba City CA 95991

Location	428 North Walton, Yuba City California
Project Summary:	Total gross site area +/-7.7 ac Gross density +/-28.01du/ac **Apartments-**217 units 70 Studio units-33% 67 units 1 br/ 1 ba -30% 79 units 2 br / 1 ba-37% 1 units 3 br / 2 ba-1.5% **Parking summary** Total provided parking 276 spaces Ratio +/- 1.32
Who will Merriment Village Apts. House?	This project will benefit young mothers with children, families with disabled member(s), seniors, and veterans living at 30%-50% of the average median income for Sutter County.
Is this another homeless project?	Merriment Village is creating affordable rents for our vulnerable populations.
How will this be	The project would be funded by California Department of

funded?	Housing and Community Development (HCD) HomeKey Round 3, tax credits Phase 1: $48,812,500 Affordable Housing Sustainable Communities (AHSC: $24,587,500 HOMEKEY: $21,525,000 City Contribution: $2,700,000 Phase 2: $25,416,880 AHSC:$13,269,405 Tax Credits: $12,147
Timeline:	Should the Council vote to approve Merriment Village Apartments the application for HomeKey will begin in April of 2023, awardees will likely be announced in December of 2023. Pre-construction planning has been completed by Habitat with Hilber's Construction to show project viability. Constructed will be completed in 2024.

Exterior Elevations of Merriment Village Apartments

Statement of Need

17.9% of the total population falls below the poverty line, while an estimated 10,219 children live in poverty. Habitat for Humanity's low-income communities provide safe environments for children to focus on their education and activities, build relationships with neighbors, and access mentors and role models. Stable housing also helps guardians provide a secure environment and devote more time and resources to parenting. The goal is to break the cycle of poverty.

Yuba City, CA is in dire need of affordable and low-income housing options. With the rising cost of living many citizens are unable to keep up with the cost of rent, or even find a place to live. This lack of access to safe and affordable housing is a serious problem that affects many of the city's residents.

Habitat's Proposal

Yuba City, CA faces a lack of affordable housing and increasing homelessness that can be prevented for many. Habitat for Humanity Y/S aims to make affordable housing more accessible and provide support for those in need, including seniors, veterans, and children living in poverty.

Objective and Scope

The objective of Merriment Village Apartments is to provide permanent housing for low-income families and individuals in Yuba City, Sutter County area of California. The project is being developed by Habitat for Humanity Yuba/Sutter and will consist of 217 apartment units.

The scope of the project includes the construction of the apartment complex, which will include amenities such as community gardens, playgrounds, and a community center. The complex will provide a safe and stable living environment for families.

The project's ultimate goal is not just to provide affordable housing, but to change the perception of low-income communities and inspire the community to illicit change Habitat for Humanity Yuba/Sutter's team is invested in both their mission, and the community where they live and raise their families.

ANNUAL INCOME AND EXPENSES

EMPLOYEE INFORMATION					Comments
No.	FTE	Employee Job Title	Salary/Wages	Value of Free Rent	
2	1.00	Day Monitors	$81,328		
2	1.00	Evening Monitors	$40,664		
2	1.00	Weekend Monitors	$40,664		
1	1.00	Assistant Manager	$51,840		
1	1.00	Apartment Manager	$74,152		
1	1.00	Office Manager (Supportive Services)	$68,205		
1	1.00	Office Assistant (Supportive Services)	$40,664		
12	1.00	Case Workers (Supportive Services)	$580,560		
		Total Salaries and Value of Free Rent Units	**$978,077**	**$0**	
	6711	Payroll Taxes	$32,869	Show free rent as an expense?	
	6722	Workers Compensation & Benefits	$99,514		No free rent
		Employee(s) Payroll Taxes, Workers Comp. & Benefits	**$132,383**		
		Total Employee(s) Expenses	**$1,110,460**		

Annual Operating Budget

Acct. No.	REVENUE - INCOME	Residential	Commercial	Comments
5120/5140	Rent Revenue - Gross Potential			
	Restricted Unit Rents	$1,604,196		40% average AMI
	Unrestricted Unit Rents	$0		
5121	Tenant Assistance Payments			
	Operating Subsidies (CalAIM)	$894,913		
	Other: SB2 Funding	$155,000	$0	
5910	Laundry and Vending Revenue	$16,560		
5170	Garage and Parking Spaces	$0	$0	
5990	Miscellaneous Rent Revenue	$0	$0	
	Gross Potential Income (GPI)	**$2,670,669**	**$0**	
	Vacancy Rate: Restricted Units	7.0%		
	Vacancy Rate: Unrestricted Units	0.0%		
	Vacancy Rate: Tenant Assistance Payments	0.0%		
	Vacancy Rate: Other: SB2 Funding	0.0%		
	Vacancy Rate: Laundry & Vending & Other Income	0.0%		
	Vacancy Rate: Commercial Income			

Acct. No.	EXPENSES	Residential	Commercial	Comments
	ADMINISTRATIVE EXPENSES: 6200/6300			
6203	Conventions and Meetings	$0	$0	
6210	Advertising and Marketing	$0	$0	
6250	Other Renting Expenses	$0	$0	
6310	Office/Administrative Salaries -- from above		$0	
6311	Office Expenses	$5,104	$0	
6312	Office or Model Apartment Rent	$0	$0	
6320	Management Fee	$0	$0	
6330	Site/Resident Manager(s) Salaries -- from above	$81,328	$0	
6331	Administrative Free Rent Unit -- from above		$0	
6340	Legal Expense -- Project	$0	$0	
6350	Audit Expense	$10,000	$0	
6351	Bookkeeping Fees/Accounting Services	$14,000	$0	
6390	Miscellaneous Administrative Expenses	$0	$0	
6263T	**TOTAL ADMINISTRATIVE EXPENSES**	$110,432	$0	

Acct. No.	EXPENSES (continued)	Residential	Commercial	Comments
	UTILITIES EXPENSES: 6400			
6450	Electricity	$60,000	$0	
6451	Water	$204,179	$0	
6452	Gas	$0	$0	No gas appliances, all electric
6453	Sewer	$5,581	$0	
	Other Utilities: (specify)		$0	
6400T	**TOTAL UTILITIES EXPENSES**	$269,760	$0	
	OPERATING AND MAINTENANCE EXPENSES: 6500			**Comments**
6510	Payroll -- from above	$0	$0	

6515	Supplies	$17,015	$0	
6520	Contracts	$0	$0	
6521	Operating & Maintenance Free Rent Unit – from above	$0	$0	
6525	Garbage and Trash Removal	$30,780	$0	
6530	Security Contract	$0	$0	
6531	Security Free Rent Unit – from above		$0	
6546	Heating/Cooling Repairs and Maintenance	$17,015	$0	
6548	Snow Removal	$0	$0	
6570	Vehicle & Maintenance Equipment Operation/Reports	$11,910	$0	
6590	Miscellaneous Operating and Maintenance Expenses	$11,910	$0	
6500T	**TOTAL OPERATING & MAINTENANCE EXPENSES**	$88,631	$0	
	TAXES AND INSURANCE: 6700			**Comments**
6710	Real Estate Taxes	$0	$0	TAX EXEMPT
6711	Payroll Taxes (Project's Share) -- from above	$32,869	$0	
6720	Property and Liability Insurance (Hazard)	$30,000	$0	
6729	Other Insurance (e.g. Earthquake)	$0	$0	
6721	Fidelity Bond Insurance	$0	$0	
6722	Worker's Compensation – from above	$99,514	$0	
6723	Health Insurance/Other Employee Benefits--from above	$0	$0	
6790	Miscellaneous Taxes, Licenses, Permits & Insurance	$0	$0	
6700T	**TOTAL TAXES AND INSURANCE**	$162,383	$0	
	SUPPORTIVE SERVICES COSTS: 6900			**Comments**
6990	Staff Supervisor(s) Salaries - from above	$68,205	$0	
6990	Services Coordinator Salaries, On-Site - from above	$40,664	$0	
6990	Other Supportive Services Staff Salaries - from above	$580,560	$0	
6990	Supportive Services Admin Overhead	$0	$0	
6990	Other Supportive Services Costs: (specify)	$0	$0	
6990	Other Supportive Services Costs: (specify)	$0	$0	
6900T	**TOTAL SUPPORTIVE SERVICES COSTS**	$689,429	$0	
	TOTAL OPERATING EXPENSES	**$2,431,096**	**$0**	**Comments**
	FUNDED RESERVES: 7200	**Residential**	**Commercial**	
7210	Required Replacement Reserve Deposits	$57,000	$0	
7220	Other Reserves: (Operating Reserve)	$0	$0	
7230	Other Reserves: (specify)	$0	$0	
7240	Other Reserves: (specify)	$0	$0	
	TOTAL RESERVES	$57,000	$0	
	GROUND LEASE	**Residential**	**Commercial**	
	Ground Lease	$0	$0	
	TOTAL GROUND LEASE	$0	$0	
	NET OPERATING INCOME	**$182,573**	**$0**	
	FINANCIAL EXPENSES: 6800			**Comments**
6820	1st Mortgage Debt Service (AHSC)	$158,811	$0	
6890	HCD Annual Monitoring Fee	$0	$0	
6890	Miscellaneous Financial Expenses: (specify)	$0	$0	
6890	Miscellaneous Financial Expenses: (specify)	$0	$0	
6890	Miscellaneous Financial Expenses: (specify)	$0	$0	
6800T	**TOTAL FINANCIAL EXPENSES**	$158,811	$0	
	CASH FLOW	**$23,762**	**$0**	
7190	Asset Management/Similar Fees	$0	$0	
		Per Year	Per Month	
Total Operating Expenses Per Unit				
Without any Adjustments		$8,715	$726	
With the Value of Rent-Free Units Included		$8,715	$726	
Without RE Taxes, Social Services Coordinator or Social Services/Social Programs and With the Value of Rent Fee Units Included		$8,580	$715	
			#REF!	

ATTACHMENT 2

HOMEKEY ROUND #3: MERRIMENT VILLAGE APARTMENTS PRESENTATION
CITY OF YUBA CITY COUNCIL CHAMBERS
FEBRUARY 28TH, 2023

Our vision is to create strong and thriving neighborhoods and bring people together to build brighter futures.

When the COVID19 pandemic began, our team was presented with a 2020 vision on how to expand our mission for those in need.

HomeKey #1 funding and a Partnership with Sutter County expanded our homeownership program into low-income, subsidized rents for our communities most vulnerable population.

Welcoming in

HABITAT 2.0

HARMONY VILLAGE PERMANENT HOUSING PROJECT: Sutter County, CA, Completed.

Harmony Village is a 62-unit permanent supportive housing for low-income individuals who are either homeless or precariously housed, with priority going to veterans, disabled and the elderly. On-site services are provided by Sutter County HHS, and other Service agencies.

PROSPERITY VILLAGE PERMANENT HOUSING PROJECT: Yuba County, CA, Completed.

Prosperity Village, located in Marysville, CA, will consist of 62 housing units and include supportive services from case workers and other onsite providers. Onsite providers include Hands of Hope, the local Veterans Affairs office, Nation's Finest, and Yuba County Health and Human Services. Rehabilitation and renovation of current units to commence in February 2023.

PURPOSE PLACE APARTMENTS: Orland, CA, 2022 - Current.

Purpose Place Apartments, located in Orland, CA, will produce 31 units of Affordable Housing in a housing area in need of increased housing supply. The project seeks to encourage affordable housing accessibility while promoting livability for homeless and formerly homeless households.

OLIVEHURST AFFORDABLE HOUSING: Yuba County, CA. 2022 - Current.

Habitat intends to construct 124 units of affordable housing on two parcels in Olivehurst, CA to provide housing for families experiencing homelessness in the city of Olivehurst. These units are co-developed by Habitat for Humanity Yuba/Sutter and Thurmond Consulting LLC.

Habitat for Humanity® Yuba/Sutter

About Supportive Outreach Services Community Support Services

Habitat has been contracted in partnership with Hands of Hope to provide CalAIM Enhanced Care Management (ECM) and Community Support (CS) services. This will benefit our residents living within our subsidized housing projects as the on-site services can now be provided through the Supportive Outreach Services Department.

CalAIM is a comprehensive extension of Medical that requires it's own presentation.

To simplify, safe and affordable housing is understood to be a medical prescription to mental and physical health, enabling approved providers to bill for services aimed at solving housing insecurities for vulnerable populations.
Funding pays for the staffing and services provided for qualified ECM and CS clients, helping to make our affordable housing even more affordable for our continued success.

MERRIMENT VILLAGE APARTMENTS

Project Proposal

What is HomeKey Funding?

The Homekey program is administered by the California Department of Housing and Community Development (HCD). HCD distributes funds to eligible organizations based on a competitive application process, with priority given to projects that can be quickly implemented and that will benefit the most vulnerable populations AND entire communities.

Homekey funds can be used to cover a variety of costs related to acquiring, rehabilitating, and converting properties, including acquisition costs, rehabilitation costs, and ongoing operational costs.

Overall, the Homekey program represents an innovative and collaborative approach to addressing homelessness in California, with state, local, and nonprofit organizations working together to provide safe and stable housing to some of the most vulnerable members of our communities.

Will this be the same project as Harmony Village?

Our current HomeKey programs provide affordable housing to low-income, vulnerable individuals that would otherwise be unhoused.
Merriment will serve families, create strong communities and act as crucial piece of addressing homeless prevention, both now and in the future.

Habitat's Proposal

Merriment Village Apartments is a proposal to the City of Yuba City to partner together and apply for Homekey #3 funding to build an affordable housing complex.

This complex will provide much-needed housing to families in the area and will further strengthen the local community.

We are confident that, with the City's support, we can successfully apply for the Homekey funding and build a complex that will benefit all involved. We look forward to discussing this proposal further and begin building a better future for Yuba City residents.

Project Objective

The objective of the project is to increase the supply of affordable units, recreational space, and amenities within the community.

Merriment apartment complex, which will include amenities such as community gardens, playgrounds, and a community center. The complex will provide a safe and stable living environment for families and individuals who may have otherwise been struggling with housing insecurity.

Project Details

HILBERS
INCORPORATED
CONTRACTORS & ENGINEERS

428 North Walton Ave, Yuba City CA 95991

Project Scope

Merriment Village Apartments will provide:
Apartment Total-217 units
70 Studio units-33%
67 units 1 br/ 1 ba -30%
79 units 2 br / 1 ba-37%
1 units 3 br / 2 ba-1.5%
276 Parking spaces, including EV charging stations
A community center
Pool and Play Area
Office Space for Supportive Outreach Services

Project Timeline

	2023				2024			
Project Phase	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Funding Application Submissions		Application		Awards Announced				
Pre-Construction (Design, Appraisals, A/E, Permits)								
Site Work + Construction								
Building TCO Inspections								

Should the Council vote to approve Merriment Village Apartments the application for HomeKey funding will begin in April of 2023 and awardees will likely be announced in December of 2023.

Pre-construction planning has been completed by Habitat with Hilbers Construction to show project viability

Project Budget

Phase 1 of this project will be funded by Housing and Community Development (HCD) HomeKey Round 3 in the amount of $47,988,513

Gross Potential income of Merriment: $2,670,669
Projected annual cost of operations : $2,431,096

Budget is attached to informative handout on Merriment

$48,812,500
Affordable Housing Sustainable Communities (AHSC):
$24,587,500
HOMEKEY: $21,525,000
City Contribution: $2,700,000

Exterior Elevations of Merriment Village Apartments

Multi-Purpose
1236
Community Center
Hall/Parcel

IS THERE A NEED FOR A HOUSING PROJECT LIKE MERRIMENT?

In Yuba City, California, census data shows that a significant portion of the population struggles with housing insecurity.
According to the American Community Survey, over 11% of households spend more than half of their income on rent.

The poverty rate is also high, with 17% of residents living below the poverty line. This creates a pressing need for low-income affordable housing in the area.

Without access to affordable housing, low-income residents are at risk of being forced to live in substandard or overcrowded conditions, which can have negative impacts on physical and mental health. It is essential to address the need for affordable housing in Yuba City in order to promote stability and well-being for all residents.

The Needs of Our Senior and Veteran Residents

- Approximately 10.7% of seniors and veterans in Yuba City fall below the poverty line. The total poverty rate in Yuba City is 17.9%, which means that seniors and veterans make up a significant portion of those living in poverty.

- Many of our seniors and veterans face the challenge of living on their fixed low-incomes while the median rent in Yuba City, California is an astonishingly high $1,242 per month.

- These are residents that have never experienced housing insecurity that are at risk.

- With costs rising many will be subjected to substandard living conditions based on the limited availability to affordable rents.

The Needs of our youth

- Over 10,000 children in Yuba City, California are living in poverty, a staggering statistic that demands immediate attention.

- Safe and secure housing is crucial for children's development, allowing them to focus on education and other activities that promote growth and success.

- Safe neighborhoods offer children the opportunity to receive the physical and mental stimulation they need to reach their full potential.

- With consistent and stable housing, guardians are better able to provide a safe and secure environment for their children, in addition to having more energy and resources to devote to their parenting responsibilities.

Habitat for Humanity® Yuba/Sutter | We build **strength**, **stability** and **self-reliance** through **shelter**.

HOW DOES AFFORDABLE HOUSING HELP YUBA CITY?

Reduction of Social Costs:

- When people have access to affordable housing, they are less likely to become homeless or rely on social services. This can save the city money on emergency services and social programs, and reduce the burden on local law enforcement.

- Stable housing can improve mental health and reduce the risk of chronic illnesses, which can lead to additional savings for the city in healthcare costs.

- Building clean and safe communities with opportunities can help break the cycle of poverty, especially for children.

Habitat for Humanity Yuba/Sutter | We build **strength**, **stability** and **self-reliance** through **shelter**.

What About the Needs of the Median Income Household?

Economic Benefits:

- When people have affordable housing, they have more money to spend on other things, such as food, clothing, and entertainment.

- This increased spending can boost the local economy, generating more tax revenue for the city and potentially creating new job opportunities.

- Affordable housing can attract new businesses to the area, as well as workers who may have previously been unable to afford to live there.

Habitat for Humanity Yuba/Sutter | We build **strength**, **stability** and **self-reliance** through **shelter**.

INCREASED PROPERTY VALUES

Contrary to popular belief, affordable housing can actually increase property values.

Studies have shown that well-designed affordable housing projects can improve the overall aesthetic of a neighborhood and make it a more desirable place to live.

This increased demand for housing can actually drive up property values over time.

TOGETHER WE TRULY CAN BUILD A BETTER FUTURE

Project Q&A

Who will qualify to live at Merriment Village Apt?

Merriment will house families with children, seniors, and veterans living at 30%-50% of the average median income for Sutter County.

Project Q&A

Is this another "homeless housing" project?

No. The opportunity to bring HomeKey funding into our community to build 217 units for families and individuals that are at risk of losing housing due to inflated costs is homeless prevention

Project Q&A

How can Yuba City afford to invest this much money into such a large project?

Funding for this project will be coming from The Department of Housing and Community Development and other Federal funds.

HomeKey reimburses the City for all payroll costs associated with the application process.

Project Q&A

Is it true this is a 55 year contract?!

Most all affordable housing projects are 55 years. It is standard practice

Project Q&A

What cost will be requested of Yuba City by Habitat?

Habitat has requested YC to wave development impact feed during phase I and II of Construction and $1 million of their subsidized housing budget funding. We believe the benefits will more than cover the costs associated with this project.

TOGETHER WE CAN BUILD A BETTER FUTURE IN A FISCALLY AND SOCIALLY RESPONSIBLE MANNER

HILBERS INCORPORATED
CONTRACTORS & ENGINEERS

Thurmond Consulting LLC

Habitat for Humanity® Yuba/Sutter
30th Anniversary

CITY OF YUBA CITY
FOUNDED 1849

Contact Us

202 D Street
Marysville, CA 95901

(530) 742-2727
info@yubasutterhabitat.org
Yubasutterhabitat.org

ATTACHMENT 3

CITY OF YUBA CITY
STAFF REPORT

Date: July 21, 2020

To: Honorable Mayor & Members of the City Council

From: Development Services Department

Presented by: Benjamin Moody, Development Services Director

Summary

Subject: Authorizing submittal of an application for Permanent Local Housing Allocation (PLHA) Funds; and approving PLHA Section 302(c)(4) Plan

Recommendation: A. Adopt a Resolution authorizing the Development Services Director to submit an application for the projects utilizing Permanent Local Housing Allocation

B. After consideration and input from Council regarding funding allocations, adopt a Resolution approving for the Permanent Local Housing Allocation Funds Section 302(c)(4) Plan

C. Authorize the Finance Director to amend Fiscal Year 20/21 budget to receive funding and establish a CIP account (951281) for Permanent Local Housing Allocation Funds in the amount of $311,140 and take any actions to allocate the funding for use in accordance with federal and state guidelines

Fiscal Impact: Fiscal Year 20/21 Revenue $311,140. Approximately $1,800,000 over the next five years

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Purpose:

To obtain state grant funds to further the City's efforts to provide affordable housing and assist with homelessness.

Background:

The California Department of Housing and Community Development (HCD) has released a Notice of Funding Availability (NOFA) of approximately $195 million for the Permanent Local Housing Allocation (PLHA) program. Funding for the NOFA is provided pursuant to Senate Bill 2. Senate Bill 2 was signed into law by Governor Brown on September 29, 2017 and took effect January 1, 2018. It creates a $75 fee on certain real estate transaction documents when they are recorded, capped at $225 per transaction. The fee does not apply to sales of residential and commercial properties but instead to other transactions like mortgage refinancing and county fixture filings.

Senate Bill (SB) 2 established the Building Homes and Jobs Trust Fund so that 70 percent of the

moneys collected would be deposited into the Fund, beginning in 2019, and allocated to local governments for eligible housing activities. The intent of SB 2 is to provide a permanent source of funding to local governments for housing-related projects and programs that address the unmet housing needs in their communities.

Analysis:

Under the PLHA program, HCD is required to allocate 90 percent of the funds based on the federal Community Development Block Grant (CDBG) formula to local agencies. The remaining 10 percent is required to be distributed through a competitive grant program for communities that do not receive CDBG allocations. The current NOFA covers the first year of the program and the subsequent four annual allocations.

In the first year's allocation, HCD has allocated $311,140 to the City of Yuba City. Over the five years covered by the current NOFA, the City is projected to receive a total of $1,866,000. The City can use five percent of its annual allocation for administrative costs, $15,557 of the first-year allocation.

As a basis for the funding allocation plan and recognizing the City's 5-Year Consolidated Plan, staff proposes to utilize 50% ($147,792, year 1) of the available funding for the predevelopment, development, acquisition, rehabilitation, and preservation of affordable, multifamily rental housing projects identified by the City in collaboration with the Regional Housing Authority and other qualified affordable housing developers. With the remainder 50% ($147,792, year 1) will be used to help fund supportive services and programs for the local homeless population in collaboration with the Sutter-Yuba Homeless Consortium, Sutter County and other qualified homeless services providers. If there is a shift in priorities within the next five years, staff is able to re-allocate 10% of the funding without having to amend the Plan with HCD.

Fiscal Impact:

Fiscal Year 20/21 Revenue $311,140. Approximately $1,800,000 over the next five years.

Alternatives:

Provide guidance to staff to modify the funding plan in accordance with City Council priorities.

Recommendation:

A. Adopt a Resolution authorizing the Development Services Director to submit an application for the projects utilizing Permanent Local Housing Allocation

B. After consideration and input from Council regarding funding allocations, adopt a Resolution approving for the Permanent Local Housing Allocation Funds Section 302(c)(4) Plan

C. Authorize the Finance Director to amend Fiscal Year 20/21 budget to receive and establish a CIP account (951281) for Permanent Local Housing Allocation Funds in the amount of $311,140 and take any actions to allocate the funding for use in accordance with federal and state guidelines.

Attachments:

1. Resolution to submit application
2. Resolution approving Permanent Local Housing Allocation Funds Section 302(c)(4) Plan

a. Section 302(c)(4) Plan

Prepared by:

/s/ Jaspreet Kaur
Jaspreet Kaur
Administrative Analyst

Submitted by:

/s/ Diana Langley
Diana Langley
Interim City Manager

Reviewed by:

Department Head	BM
Finance	SM
City Attorney	SLC by email

ATTACHMENT 1

RESOLUTION NO. ____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY AUTHORIZING THE DEVELOPMENT SERVICES DIRECTOR TO SUBMIT AN APPLICATION FOR PROJECTS UTILIZING PERMANENT LOCAL HOUSING ALLOCATION FUNDS FROM THE STATE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

WHEREAS, the Department is authorized to provide up to $195 million under the SB 2 Permanent Local Housing Allocation Program Formula Component from the Building Homes and Jobs Trust Fund for assistance to Cities and Counties (as described in Health and Safety Code section 50470 et seq. (Chapter 364, Statutes of 2017 (SB 2)); and,

WHEREAS, the State of California (the "State"), Department of Housing and Community Development ("Department") issued a Notice of Funding Availability ("NOFA") dated 02/26/2020 under the Permanent Local Housing Allocation (PLHA) Program; and,

WHEREAS, Applicant is an eligible Local government applying for the program to administer one or more eligible activities, or a Local or Regional Housing Trust Fund to whom an eligible Local government delegated its PLHA formula allocation; and,

WHEREAS, the Department may approve funding allocations for PLHA Program, subject to the terms and conditions of the Guidelines, NOFA, Program requirements, the Standard Agreement and other contracts between the Department and PLHA grant recipients.

NOW, THEREFORE, be it resolved by the City Council of Yuba City as follows:

1. If Applicant receives a grant of PLHA funds from the Department pursuant to the above referenced PLHA NOFA, it represents and certifies that it will use all such funds in a manner consistent and in compliance with all applicable state and federal statutes, rules, regulations, and laws, including without limitation all rules and laws regarding the PLHA Program, as well as any and all contracts Applicant may have with the Department.

2. Applicant is hereby authorized and directed to receive a PLHA grant, in an amount not to exceed the five-year estimate of the PLHA formula allocations, as stated in Appendix C of the current NOFA ($1,866,840), in accordance with all applicable rules and laws.

3. Applicant hereby agrees to use the PLHA funds for eligible activities as approved by the Department and in accordance with all Program requirements, Guidelines, other rules and laws, as well as in a manner consistent and in compliance with the Standard Agreement and other contracts between the Applicant and the Department.

4. Applicant certifies that, if funds are used for the acquisition, construction or rehabilitation of for-sale housing projects or units within for-sale housing projects, the grantee shall record a deed restriction against the property that will ensure compliance with one of the requirements stated in Guidelines Section 302(c)(6)(A), (B) and (C).

5. Applicant certifies that, if funds are used for the development of an Affordable Rental Housing Development, the Local government shall make PLHA assistance in the form of a low-interest, deferred loan to the Sponsor of the Project, and such loan shall be evidenced through a Promissory Note secured by a Deed of Trust and a Regulatory Agreement shall restrict

occupancy and rents in accordance with a Local government-approved underwriting of the Project for a term of at least 55 years.

6. Applicant shall be subject to the terms and conditions as specified in the Standard Agreement, the PLHA Program Guidelines and any other applicable SB 2 Guidelines published by the Department.

7. The Development Services Director is authorized to execute the PLHA Program Application, the PLHA Standard Agreement and any subsequent amendments or modifications thereto, aswell as any other documents which are related to the Program or the PLHA grant awarded to Applicant, as the Department may deem appropriate.

The foregoing resolution was duly and regularly introduced, passed, and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on the 21st day of July 2020.

AYES:

NOES:

ABSENT:

_____
Shon Harris, Mayor

ATTEST:

_____
Patricia Buckland, City Clerk

APPROVED AS TO FORM
COUNSEL FOR YUBA CITY:

_____
Shannon Chaffin, City Attorney
Aleshire & Wynder, LLP

ATTACHMENT 2

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY APPROVING THE PERMANENT LOCAL HOUSING ALLOCATION FUNDS SECTION 302(c)(4) PLAN

WHEREAS, the Department is authorized to provide up to $195 million under the SB 2 Permanent Local Housing Allocation Program Formula Component from the Building Homes and Jobs Trust Fund for assistance to Cities and Counties (as described in Health and Safety Code section 50470 et seq. (Chapter 364, Statutes of 2017 (SB 2)); and,

WHEREAS, the State of California (the "State"), Department of Housing and Community Development ("Department") issued a Notice of Funding Availability ("NOFA") dated 02/26/2020 under the Permanent Local Housing Allocation (PLHA) Program; and,

WHEREAS, Applicant is an eligible Local government applying for the program to administer one or more eligible activities, or a Local or Regional Housing Trust Fund to whom an eligible Local government delegated its PLHA formula allocation; and,

WHEREAS, the Department may approve funding allocations for PLHA Program, subject to the terms and conditions of the Guidelines, NOFA, Program requirements, the Standard Agreement and other contracts between the Department and PLHA grant recipients.

NOW THEREFORE BE IT RESOLVED THAT:

1. The City Council of the City of Yuba City approves the attached five-year PLHA Section 302(c)(4) Plan ("Plan") to be submitted with the Applicant's PLHA allocation funds application to the Department.

2. Applicant is hereby authorized and directed to distribute the PLHA funds according to the above-referenced Plan.

3. The Development Services Director is authorized to request funds from the Department on behalf of the Applicant for the Plan's approved, eligible activities.

The foregoing resolution was duly and regularly introduced, passed, and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on the 21st day of July 2020.

AYES:

NOES:

ABSENT:

_____
Shon Harris, Mayor

ATTEST:

_____
Patricia Buckland, City Clerk

APPROVED AS TO FORM
COUNSEL FOR YUBA CITY:

_____
Shannon Chaffin, City Attorney
Aleshire & Wynder, LLP

Attachment:
a. PLHA Section 302(c)(4) Plan

ATTACHMENT A

Permanent Local Housing Allocation (PLHA) Formula Allocation

2020 Application

State of California
Governor, Gavin Newsom

Lourdes Castro Ramirez, Secretary
Business, Consumer Services and Housing Agency

Douglas R. McCauley, Acting Director
Department of Housing and Community Development

Program Design and Implementation, PLHA Program
2020 West El Camino Avenue, Suite 150, Sacramento, CA 95833
PLHA Program Email: PLHA@hcd.ca.gov

Final Filing Date: April 27, 2020 through July 27, 2020 at 5 P.M. PST

Instructions

Rev. 2/26/20

When opening this file, a yellow banner at the top may appear with a button that says "Enable Content". It is essential that you click this box so that the macros are enabled. Enabling macros is necessary for full worksheet functionality. Macros do not work with Microsoft's Excel version for Apple Mac.

HCD will only accept applications through a postal carrier service such as U.S. Postal Service, UPS, FedEx or other carrier services that provide date stamp verification confirming delivery to HCD's office. A complete original application and an electronic copy on a USB flash drive with all applicable information must be received by HCD via postal carrier no later than 5:00 p.m. on:

Monday, July 27, 2020

Applications must be on the Department's forms and cannot be altered or modified by the Applicant. Excel forms must be in Excel format and unprotected, not a .pdf document. For application errors please fill out the Application Support worksheet and email the entire workbook to Application Support for application errors at AppSupport@hcd.ca.gov.

General Instructions (Additional instructions and guidance are given throughout the Supplemental Application in "red" text and in cell comments.

Guideline references are made with "§" and the corresponding guideline section number.

"Yellow" cells are for Sponsor input. Failure to provide the required attachments and documentation may disqualify your application from consideration or may negatively impact your point score.

Required attachments are indicated in "orange" throughout the Supplemental Application. Failure to provide the required attachments and documentation may disqualify your application from consideration or may negatively impact your point score. Electronically attached files must use the naming convention in the Supplemental Application. For Example: "App1 Payee Data" for Sponsor 1 Payee Data Record/STD. 204.

Threshold items are indicated in "blue" cells.

"Red" shaded cells indicate the Sponsor has failed to meet a requirement of the program. Point cells in the Scoring worksheet shaded in "red" indicate that the Sponsor has failed to meet the minimum points required.

Sponsor must complete the following worksheets in the PLHA Formula Allocation Application.

Formula Allocation Application

302(c)(4) Plan

Legislative Contacts

Checklist

Binder Tab #	Threshold Requirement	Electronic File Name	Document Description	Included?
1	X	App1 Resolution	PLHA webpage for Resolution Document	Included
2	X	App1 Signature Block	Signature Block - upload in Microsoft Word Document	Included
3	X	App1 TIN	Taxpayer Identification Number Document	Included
4		Applicant Agreement	Legally binding agreement between Delegating and Administering Local Governments	Not applicable
5	X	Plan Adoption	§302(c)(4)(D) Evidence that the Plan was authorized and adopted by resolution by the Local jurisdiction and that the public had an adequate opportunity to review and comment on its content.	Included

Disclosure of Application (California Public Records Act Statutes of 1968 Chapter 1473): Information provided in the application will become a public record available for review by the public, pursuant to the California Public Records Act Statutes of 1968 Chapter 1473. As such, any materials provided will be disclosable to any person making a request under this Act. The Department cautions Applicants to use discretion in providing information not specifically requested, including but not limited to, bank accounts, personal phone numbers and home addresses. By providing this information to the Department, the Applicant is waiving any claim of confidentiality and consents to the disclosure of submitted material upon request."

Local Government Formula Allocation

Rev. 5/20/20

Eligible Applicant Type:	**Entitlement**		
Local Government Recipient of PLHA Formula Allocation:		Yuba City	
Approximate PLHA Formula Allocation Amount:	**$311,140**	**Allowable Local Admin (5%):**	**$15,557**

Instructions: If the Local Government Recipient of the PLHA Formula Allocation delegated its PLHA formula allocation to a Local Housing Trust Fund or to another Local Government, the Applicant (for which information is required below) is the Local Housing Trust Fund or administering Local Government. The PLHA award will be made to the Applicant (upon meeting threshold requirements) and the Applicant is responsible for meeting all program requirements throughout the term of the Standard Agreement.

The 302(c)(4) Plan template worksheet requires first choosing one or more of the Eligible Activities listed below. If "Yes" is clicked, the 302(c)(4) Plan worksheet opens a series of questions about what precise activities are planned. Some specific activities, such as providing downpayment assistance to lower-income households for acquisition of an affordable home, could be included under either Activity 2 or 9. Please only choose one of those Activities; don't list the downpayment assistance under both Activities.

If the PLHA funds are used for the same Activity but for different Area Median Income (AMI) level, select the same Activity twice (or more times) and the different AMI level the Activity will serve. Please enter the percentage of funds allocated to the Activity in only the first Activity listing to avoid double counting the funding allocation.

Eligible Applicants §300

§300(a) and **(b)** Eligible Applicants for the entitlement and Non-entitlement formula component described in Section §100(b)(1) and (2) are limited to the metropolitan cities and urban counties allocated a grant for the federal fiscal year 2017 pursuant to the federal CDBG formula specified in 42 USC, Section §5306 and Non-entitlement local governments.

Applicant:	Yuba City						
Address:	1201 Civic Center Boulevard						
City:	Yuba City	State:	CA	Zip:	95993-3005	County:	Sutter

§300(d) Is Applicant delegated by another Local government to administer on its behalf its formula allocation of program funds?				No
§300(d) If Applicant answered "Yes" above, has the Applicant attached the legally binding agreement required by §300 (c) and (d)?				N/A
File Name:	App1 Resolution	**PLHA webpage for Resolution Document**	Attached and on USB?	Yes
File Name:	**App1 Signature Block**	**Signature Block - upload in Microsoft Word Document**	Attached and on USB?	Yes
File Name:	App1 TIN	**Taxpayer Identification Number Document**	Attached and on USB?	Yes
File Name:	**Applicant Agreement**	**Legally binding agreement between Delegating and Administering Local Governments**	Attached and on USB?	Not Applicable

Eligible Activities, §301

§301(a) Eligible activities are limited to the following:	**Included?**
§301(a)(1) The predevelopment, development, acquisition, rehabilitation, and preservation of multifamily, residential live-work, rental housing that is affordable to Extremely low-,Very low-, Low-, or Moderate-income households, including necessary operating subsidies.	☑ **YES**
§301(a)(2) The predevelopment, development, acquisition, rehabilitation, and preservation of affordable rental and ownership housing, including Accessory Dwelling Units (ADUs), that meets the needs of a growing workforce earning up to 120 percent of AMI, or 150 percent of AMI in high-cost areas. ADUs shall be available for occupancy for a term of no less than 30 days.	☐ **YES**
§301(a)(3) Matching portions of funds placed into Local or Regional Housing Trust Funds.	☐ **YES**
§301(a)(4) Matching portions of funds available through the Low- and Moderate-Income Housing Asset Fund pursuant to subdivision (d) of HSC Section 34176.	☐ **YES**
§301(a)(5) Capitalized Reserves for services connected to the preservation and creation of new permanent supportive housing.	☐ **YES**
§301(a)(6) Assisting persons who are experiencing or At-risk of homelessness, including, but not limited to, providing rapid re-housing, rental assistance, supportive/case management services that allow people to obtain and retain housing, operating and capital costs for navigation centers and emergency shelters, and the new construction, rehabilitation, and preservation of permanent and transitional housing.	☑ **YES**
§301(a)(7) Accessibility modifications in Lower-income Owner-occupied housing.	☐ **YES**
§301(a)(8) Efforts to acquire and rehabilitate foreclosed or vacant homes and apartments.	☐ **YES**
§301(a)(9) Homeownership opportunities, including, but not limited to, down payment assistance.	☐ **YES**
§301(a)(10) Fiscal incentives made by a county to a city within the county to incentivize approval of one or more affordable housing Projects, or matching funds invested by a county in an affordable housing development Project in a city within the county, provided that the city has made an equal or greater investment in the Project. The county fiscal incentives shall be in the form of a grant or low-interest loan to an affordable housing Project. Matching funds investments by both the county and the city also shall be a grant or low-interest deferred loan to the affordable housing Project.	☐ **YES**

Threshold Requirements, §302

§302(a) Housing Element compliance: Applicant or Delegating Local Government's Housing Element was adopted by the Local Government's governing body by the application deadline and subsequently determined to be in substantial compliance with state Housing Element Law pursuant to Government Code Section 65585.	Yes
§302(b) Applicant or Delegating Local Government has submitted the current or prior year's Annual Progress Report to the Department of Housing and Community Development pursuant to Governemnt Code Section 65400.	Yes
§302(c)(2) Applicant certifies that submission of the application was authorized by the governing board of the Applicant.	Yes
§302(c)(3) Applicant certifies that, if the Local Government proposes allocation of funds for any activity to another entity, the Local government's selection process had no conflicts of interest and was accesible to the public.	Yes
§302(c)(4) Does the application include a Plan in accordance with §302(c)(4)?	Yes
§302(c)(4)(D) Applicant certifies that the Plan was authorized and adopted by resolution by the Local Government and that the public had an adequate opportunity to review and comment on its content	Yes
§302(c)(5) Applicant certifies that the Plan submitted is for a term of five years. Local Governments agree to inform the Department of changes made to the Plan in each succeeding year of the term of the Plan.	Yes
§302(c)(6) Applicant certifies that it will ensure compliance with §302(c)(6) if funds are used for the acquisition, construction, or rehabilitation of for-sale housing projects or units within for-sale housing projects.	Yes
§302(c)(7) Applicant certifies that it will ensure that the PLHA assistance is in the form of a low-interest, deferred loan to the Sponsor of the Project, if funds are used for the development of an Affordable Rental Housing Development. The loan shall be evidenced through a Promissory Note secured by a Deed of Trust.	Yes
§302(c)(8) Has Applicant attached a program income reuse plan describing how repaid loans will be reused for eligible activities specified in Section 301?	N/A

Administration

Applicant agrees to adhere to §500, Accounting Records.	Yes
Applicant agrees to adhere to §501, Audits/Monitoring of PLHA Files.	Yes
Applicant agrees to adhere to §502, Cancellation/Termination.	Yes
Applicant agrees to adhere to §503, Reporting.	Yes

Certifications

On behalf of the entity identified below, I certify that: The information, statements and attachments included in this application are, to the best of my knowledge and belief, true and correct and I possess the legal authority to submit this application on behalf of the entity identified in the signature block.

Benjamin Moody	Development Services Director	**Required at Final Draft.**	
Authorized Representative Printed Name	Title	Signature	Date

Entity name:	Yuba City	Phone Number:	530-822-3231				
Entity Address	1201 Civic Center Boulevard	City	Yuba City	State	CA	Zip	95993-3005

§302(c)(4) Plan

Rev. 5/20/20

§302(c)(4)(A) Describe the manner in which allocated funds will be used for eligible activities.

Yuba City plans to utilize its five-year allocation of PLHA funds on two eligible activities: 1) Section 301(a)(1) includes the predevelopment, development, acquisition, rehabilitation, and preservation of multifamily, residential rental housing that is affordable to extremely low-, very low-, low-, and moderate-income households; and 2) Section 301(a)(6) includes assisting persons who are experiencing or At-Risk of homelessness. Please see below for details regarding each of these activities.

§302(c)(4)(B) Provide a description of the way the Local government will prioritize investments that increase the supply of housing for households with incomes at or below 60 percent of Area Median Income (AMI).

Yuba City plans to prioritize investments that increase the supply of housing for households with incomes at or below 60% of Area Median Income (AMI). When using funds to assist with multifamily rental housing, the City will target households at 60% AMI or lower, and when the City assists homeless households, they will target those which earn 30% of AMI or lower.

§302(c)(4)(C) Provide a description of how the Plan is consistent with the programs set forth in the Local Government's Housing Element.

The City's Housing Element supports both eligible activities included in the PLHA Section 302(c)(4) Plan.The Housing Element facilitates provision of housing opportunities that are affordable to all economic segments of the community, including multifamily rental and homeless assistance. Several of the City Housing Element Goals and Policies are consistent with the proposed PLHA Plan: 1) Policy H-B: Provide incentives and programs to ensure the provision of extremely low-, very low-, low- and moderate-income housing units to meet community needs; 2) Policy H-C: Continue to work with Sutter County on actions to fulfill Yuba City's fair share of regional housing needs; and 3) Policy H-D-8: The City will work to ensure that the needs of homeless individuals and families and persons at risk for homelessness will be met through supportive services programs.

Activities Detail (Activities Detail (Must Make a Selection on Formula Allocation Application worksheet under Eligible Activities, §301))

§301(a)(1) The predevelopment, development, acquisition, rehabilitation, and preservation of multifamily, residential live-work, rental housing that is affordable to extremely low-,very low-, low-, or moderate-income households, including necessary Operating subsidies.

§302(c)(4)(E)(i) Provide a description of how allocated funds will be used for each proposed Affordable Rental Housing Activity.

The PLHA funds will be used for the predevelopment, development, acquisition, rehabilitation, and preservation of affordable, multifamily rental housing projects identified by the City in collaboration with the Regional Housing Authority and other qualified affordable housing developers.

Complete the table below for each proposed Affordable Rental Housing Activity to be funded with 2019-2023 PLHA allocations. If a single Activity will be assisting households at more than one level of Area Median Income, please list the Activity as many times as needed to capture all of the AMI levels that will be assisted, but only show the percentage of annual funding allocated to the Activity one time (to avoid double counting).

Funding Allocation Year	2019	2020	2021	2022	2023										
§302(c)(4)(E)(i) Percentage of Funds Allocated for the Proposed Affordable Rental Housing Activity	50.00%	50.00%	50.00%	50.00%	50.00%										
§302(c)(4)(E)(ii) Area Median Income Level Served	60%	60%	60%	60%	60%										**TOTAL**
§302(c)(4)(E)(ii) Unmet share of the RHNA at the AMI Level	XXX **Note to City: Please provide unmet share of the RHNA at the AMI level here.**														0
§302(c)(4)(E)(ii) Projected Number of Households Served	0	15	15	15	15										60

§302(c)(4)(E)(iv) Period of Affordability for the Proposed Affordable Rental Housing Activity **(55 years required for rental housing projects)**	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	

§302(c)(4)(E)(iii) A description of major steps/actions and a proposed schedule for the implementation and completion of the Activity.

The PLHA funds will be used to provide the local match financing for multifamily rental housing identified by the City and in collaboration with the Regional Housing Authority and other qualified affordable housing developers. Currently, the City is analyzing potential affordable, rental, multifamily development opportunities.

§301(a)(2) The predevelopment, development, acquisition, rehabilitation, and preservation of Affordable rental and ownership housing, including Accessory Dwelling Units (ADUs), that meets the needs of a growing workforce earning up to 120 percent of AMI, or 150 percent of AMI in high-cost areas. ADUs shall be available for occupancy for a term of no less than 30 days.

§301(a)(3) Matching portions of funds placed into Local or Regional Housing Trust Funds.

§301(a)(4) Matching portions of funds available through the Low- and Moderate-Income Housing Asset Fund pursuant to subdivision (d) of HSC Section 34176.

§301(a)(5) Capitalized Reserves for Services connected to the preservation and creation of new permanent supportive housing.

§301(a)(6) Assisting persons who are experiencing or At risk of homelessness, including, but not limited to, providing rapid rehousing, rental assistance, supportive/case management services that allow people to obtain and retain housing, operating and capital costs for navigation centers and emergency shelters, and the new construction, rehabilitation, and preservation of permanent and transitional housing.

§302(c)(4)(E)(i) Provide a description of how allocated funds will be used for the proposed Activity.

The PLHA funds will be used to help fund supportive services and programs for the local homeless population in collaboration with the Sutter-Yuba Homeless Consortium, Sutter County and other qualified homeless services providers.

Complete the table below for each proposed Activity to be funded with 2019-2023 PLHA allocations. If a single Activity will be assisting households at more than one level of Area Median Income, please list the Activity as many times as needed to capture all of the AMI levels that will be assisted, but only show the percentage of annual funding allocated to the Activity one time (to avoid double counting).

Funding Allocation Year	2019	2020	2021	2022	2023										
Type of Activity for Persons Experiencing or At Risk of Homelessness	Navigation Centers	Navigation Centers	Navigation Centers	Navigation Centers	Navigation Centers										
§302(c)(4)(E)(i) Percentage of Funds Allocated for the Proposed Activity	50.00%	50.00%	50.00%	50.00%	50.00%										
§302(c)(4)(E)(ii) Area Median Income Level Served	30%	30%	30%	30%	30%										**TOTAL**
§302(c)(4)(E)(ii) Unmet share of the RHNA at AMI Level	N/AP														0
§302(c)(4)(E)(ii) Projected Number of Households Served	25	25	25	25	25										125

§302(c)(4)(E)(iv) Period of Affordability for the Proposed Activity **(55 years required for rental housing projects)**															

§302(c)(4)(E)(iii) A description of major steps/actions and a proposed schedule for the implementation and completion of the Activity.

The City of Yuba City is working within the framework of the Sutter-Yuba Homeless Consortium to address homeless needs within the community. The Sutter-Yuba Homeless Consortium comprises more than 50 representatives including service providers, government agencies, nonprofits, and faith-based organizations within Yuba and Sutter Counties, whose goal is to address homeless needs and provide comprehensive services on a regional basis. The Consortium strives to meet the multiple needs of the homeless and provide integrated coordinated services. Assistance available to homeless individuals and families within the Yuba-Sutter area of operation include motel vouchers, assistance with rent and security deposits, emergency shelters, transitional housing, and case management.

§301(a)(7) Accessibility modifications in Lower-income Owner-occupied housing.

§301(a)(8) Efforts to acquire and rehabilitate foreclosed or vacant homes and apartments.

§301(a)(9) Homeownership opportunities, including, but not limited to, down payment assistance.

§301(a)(10) Fiscal incentives made by a county to a city within the county to incentivize approval of one or more affordable housing Projects, or matching funds invested by a county in an affordable housing development Project in a city within the county, provided that the city has made an equal or greater investment in the Project. The county fiscal incentives shall be in the form of a grant or low-interest loan to an affordable housing Project. Matching funds investments by both the county and the city also shall be a grant or low-interest deferred loan to the affordable housing Project.

File Name:	**Plan Adoption**	***§302(c)(4)(D)*** *Evidence that the Plan was authorized and adopted by resolution by the Local jurisdiction and that the public had an adequate opportunity to review and comment on its content.*	Attached and on USB?	Yes

Legislative and Congressional Information

Rev. 5/20/20

Provide the Legislative and Congressional information for the applicant and each activity location, (if different than applicant location), included in this application.

To locate or verify the Legislative and Congressional information, click on the respective links below and enter the applicant office location zip code, the activity location site zip code(s) (i.e. zip code(s) where activities are performed), and any additional activity location site(s), as applicable.

California State Assembly	California State Senate	U.S. House of Representatives

Applicant Office Location			
	District #	**First Name**	**Last Name**
State Assembly Member	3	James	Gallagher
State Senate Member	4	John	Nielsen
U.S. House of Representatives	3	John	Garamendi

Activity Location 1 (if different from applicant location)			
	District #	**First Name**	**Last Name**
State Assembly Member			
State Senate Member			
U.S. House of Representatives			

Activity Location 2 (if different from applicant location)			
	District #	**First Name**	**Last Name**
State Assembly Member			
State Senate Member			
U.S. House of Representatives			

Activity Location 3 (if different from applicant location)			
	District #	**First Name**	**Last Name**
State Assembly Member			
State Senate Member			
U.S. House of Representatives			

Activity Location 4 (if different from applicant location)			
	District #	**First Name**	**Last Name**
State Assembly Member			
State Senate Member			
U.S. House of Representatives			

Activity Location 5 (if different from applicant location)			
	District #	**First Name**	**Last Name**
State Assembly Member			
State Senate Member			
U.S. House of Representatives			

Activity Location 6 (if different from applicant location)			
	District #	**First Name**	**Last Name**
State Assembly Member			
State Senate Member			
U.S. House of Representatives			

Activity Location 7 (if different from applicant location)			
	District #	**First Name**	**Last Name**
State Assembly Member			
State Senate Member			
U.S. House of Representatives			

Activity Location 8 (if different from applicant location)			
	District #	**First Name**	**Last Name**
State Assembly Member			
State Senate Member			
U.S. House of Representatives			

Activity Location 9 (if different from applicant location)			
	District #	**First Name**	**Last Name**
State Assembly Member			
State Senate Member			
U.S. House of Representatives			

Activity Location 10 (if different from applicant location)			
	District #	**First Name**	**Last Name**
State Assembly Member			
State Senate Member			
U.S. House of Representatives			

Activity Location 11 (if different from applicant location)			
	District #	**First Name**	**Last Name**
State Assembly Member			
State Senate Member			
U.S. House of Representatives			

ATTACHMENT 1

Yuba City PLHA Application

Adopted City Council Resolution

RESOLUTION NO. 20-XX

RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF YUBA CITY, CALIFORNIA, AUTHORIZING THE DEVELOPMENT SERVICES DIRECTOR TO SUBMIT AN APPLICATION FOR PROJECTS UTILIZING PERMANENT LOCAL HOUSING ALLOCATION FUNDS FROM THE STATE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

All of the City Council members of the City of Yuba City ("Applicant") hereby consents to, adopts, and ratifies the following resolution:

A. WHEREAS, the Department is authorized to provide up to $195 million under the SB 2 Permanent Local Housing Allocation Program Formula Component from the Building Homes and Jobs Trust Fund for assistance to Cities and Counties (as described in Health and Safety Code section 50470 et seq. (Chapter 364, Statutes of 2017 (SB 2)).

B. WHEREAS the State of California (the "State"), Department of Housing and Community Development ("Department") issued a Notice of Funding Availability ("NOFA") dated 02/26/2020 under the Permanent Local Housing Allocation (PLHA) Program;

C. WHEREAS Applicant is an eligible Local government applying for the program to administer one or more eligible activities, or a Local or Regional Housing Trust Fund to whom an eligible Local government delegated its PLHA formula allocation.

D. WHEREAS the Department may approve funding allocations for PLHA Program, subject to the terms and conditions of the Guidelines, NOFA, Program requirements, the Standard Agreement and other contracts between the Department and PLHA grant recipients;

NOW THEREFORE BE IT RESOLVED THAT:

1. If Applicant receives a grant of PLHA funds from the Department pursuant to the above referenced PLHA NOFA, it represents and certifies that it will use all such funds in a manner consistent and in compliance with all applicable state and federal statutes, rules, regulations, and laws, including without limitation all rules and laws regarding the PLHA Program, as well as any and all contracts Applicant may have with the Department.

2. Applicant is hereby authorized and directed to receive a PLHA grant, in an amount not to exceed the five-year estimate of the PLHA formula allocations, as stated in Appendix C of the current NOFA ($1,866,840), in accordance with all applicable rules and laws.

3. Applicant hereby agrees to use the PLHA funds for eligible activities as approved by the Department and in accordance with all Program requirements, Guidelines, other rules and laws, as well as in a manner consistent and in compliance with the Standard Agreement and other contracts between the Applicant and the Department.

4. Applicant certifies that, if funds are used for the acquisition, construction or rehabilitation of for-sale housing projects or units within for-sale housing projects, the grantee shall record a deed restriction against the property that will ensure compliance with one of the requirements stated in Guidelines Section 302(c)(6)(A), (B) and (C).

5. Applicant certifies that, if funds are used for the development of an Affordable Rental Housing Development, the Local government shall make PLHA assistance in the form of a low-interest, deferred loan to the Sponsor of the Project, and such loan shall be evidenced through a Promissory Note secured by a Deed of Trust and a Regulatory Agreement shall restrict occupancy and rents in accordance with a Local government-approved underwriting of the Project for a term of at least 55 years.

6. Applicant shall be subject to the terms and conditions as specified in the Standard Agreement, the PLHA Program Guidelines and any other applicable SB 2 Guidelines published by the Department.

7. The Development Services Director is authorized to execute the PLHA Program Application, the PLHA Standard Agreement and any subsequent amendments or modifications thereto, as well as any other documents which are related to the Program or the PLHA grant awarded to Applicant, as the Department may deem appropriate.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Yuba City this ___day of July, 2020 by the following vote:

AYES:_____ ABSTENTIONS:_____ NOES:___ ABSENT: ___

APPROVE: _____
Signature of Approving Officer
Shon Harris, Mayor

CERTIFICATE OF THE ATTESTING OFFICER

The undersigned, Patricia Buckland, does hereby attest and certify that the foregoing Resolution is a true, full and correct copy of a resolution duly adopted at a meeting of the City Council of the City of Yuba City which was duly convened and held on the date stated thereon, and that said document has not been amended, modified, repealed or rescinded since its date of adoption and is in full force and effect as of the date hereof.

ATTEST: _____
Signature of Attesting Officer
Patricia Buckland, City Clerk

ATTACHMENT 2

Yuba City PLHA Application

Signature Block

Signature Block

_____

Benjamin Moody

Development Services Director, City of Yuba City

ATTACHMENT 3

Yuba City PLHA Application

Federal Tax Identification Form

State of California
Financial Information System for California (FI$Cal)

GOVERNMENT AGENCY TAXPAYER ID FORM

2000 Evergreen Street, Suite 215
Sacramento, CA 95815
www.fiscal.ca.gov
1-855-347-2250

The principal purpose of the information provided is to establish the unique identification of the government entity.

Instructions: You may submit one form for the principal government agency and all subsidiaries sharing the same TIN. Subsidiaries with a different TIN must submit a separate form. Fields bordered in red are required. Hover over fields to view help information. Please print the form to sign prior to submittal. You may email the form to: vendors@fiscal.ca.gov, or fax it to (916) 576-5200, or mail it to the address above.

Principal Government Agency Name: City of Yuba City

Remit-To Address (Street or PO Box): 1201 Civic Center Boulevard

City: Yuba City | State: CA | Zip Code+4: 95993-3005

Government Type:
- [x] City
- [ ] County
- [ ] Special District
- [ ] Federal
- [ ] Other (Specify)

Federal Employer Identification Number (FEIN): 94-6000460

List other subsidiary Departments, Divisions or Units under your principal agency's jurisdiction who share the same FEIN and receives payment from the State of California.

Dept/Division/Unit Name	Complete Address

Contact Person: Benjamin Moody | Title: Director of Development Services

Phone number: 530-822-3231 | E-mail address: bmoody@yubacity.net

Signature: | Date:

ATTACHMENT 4

Yuba City PLHA Application

Agreement Between Delegating and Administering Local Governments

NOT APPLICABLE

ATTACHMENT 5

Yuba City PLHA Application

Evidence the 302 (c) (4) (d) Plan was Authorized by City Council Resolution

RESOLUTION NO. 20-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY, CALIFORNIA APPROVING THE PERMANENT LOCAL HOUSING ALLOCATION FUNDS SECTION 302(c)(4) PLAN

The City Council members of the City of Yuba City ("Applicant") hereby consents to, adopts, and ratifies the following resolution:

A. WHEREAS, the Department is authorized to provide up to $195 million under the SB 2 Permanent Local Housing Allocation Program Formula Component from the Building Homes and Jobs Trust Fund for assistance to Cities and Counties (as described in Health and Safety Code section 50470 et seq. (Chapter 364, Statutes of 2017 (SB 2)).

B. WHEREAS the State of California (the "State"), Department of Housing and Community Development ("Department") issued a Notice of Funding Availability ("NOFA") dated 02/26/2020 under the Permanent Local Housing Allocation (PLHA) Program;

C. WHEREAS Applicant is an eligible Local government applying for the program to administer one or more eligible activities, or a Local or Regional Housing Trust Fund to whom an eligible Local government delegated its PLHA formula allocation.

D. WHEREAS the Department may approve funding allocations for PLHA Program, subject to the terms and conditions of the Guidelines, NOFA, Program requirements, the Standard Agreement and other contracts between the Department and PLHA grant recipients;

NOW THEREFORE BE IT RESOLVED THAT:

1. The City Council of the City of Yuba City approves the attached five-year PLHA Section 302(c)(4) Plan ("Plan") to be submitted with the Applicant's PLHA allocation funds application to the Department.

2. Applicant is hereby authorized and directed to distribute the PLHA funds according to the above-referenced Plan.

3. The Development Services Director is authorized to request funds from the Department on behalf of the Applicant for the Plan's approved, eligible activities.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Yuba City this ___day of July, 2020 by the following vote:

AYES:_____ ABSTENTIONS:_____ NOES:___ ABSENT: ___

APPROVE: _____
Signature of Approving Officer
Shon Harris, Mayor

CERTIFICATE OF THE ATTESTING OFFICER

The undersigned, Patricia Buckland, does hereby attest and certify that the foregoing Resolution is a true, full and correct copy of a resolution duly adopted at a meeting of the City Council of the City of Yuba City which was duly convened and held on the date stated thereon, and that said document has not been amended, modified, repealed or rescinded since its date of adoption and is in full force and effect as of the date hereof.

ATTEST: _____
Signature of Attesting Officer
Patricia Buckland, City Clerk

Future Agenda Items

- Councilmember Boomgaarden
- Councilmember Pasquale
- Councilmember Shaw
- Vice Mayor Harris
- Mayor Kirchner

Reports and Communications

The following reports and communication items are provided for the Council's information. No action can be taken on items under this section unless the Council agrees to include it on a subsequent agenda

City Manager's Report

Reports and Communications

The following reports and communication items are provided for the Council's information. No action can be taken on items under this section unless the Council agrees to include it on a subsequent agenda

City Council Reports

- Councilmember Boomgaarden
- Councilmember Pasquale
- Councilmember Shaw
- Vice Mayor Harris
- Mayor Kirchner

Adjournment