AGENDA

FEBRUARY 18, 2025

REGULAR MEETING OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY AND CITY COUNCIL
CITY COUNCIL
CITY OF YUBA CITY

5:30 P.M. CLOSED SESSION
SUTTER ROOM/VIRTUAL

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

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

1201 Civic Center Blvd
Yuba City CA 95993

Wheelchair Accessible

*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.*

AGENDA
REGULAR MEETING OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY AND CITY COUNCIL
CITY COUNCIL - CITY OF YUBA CITY
FEBRUARY 18, 2025
5:30 P.M. CLOSED SESSION
SUTTER ROOM/VIRTUAL

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

Materials related to an item on this Agenda submitted to the Successor Agency to the Redevelopment Agency and City 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://yubacity-net.zoom.us/webinar/register/WN_X44Qo6fHTWe5jLrtkytmlw. Emailed comments sent to cityclerk@yubacity.net at least 24 hours before the meeting will be distributed to the Successor Agency to the Redevelopment Agency and City Council prior to the meeting. Please identify the agenda item(s) addressed by the comments.

Public Comment:

Any member of the public wishing to address the Successor Agency to the Redevelopment Agency and City Council on any item listed on the closed session agenda will have an opportunity to present testimony to the City Council in the Council Chamber prior to the City Council convening into closed session. Comments from the public will be limited to three minutes. No member of the public will be allowed to be present once the City Council convenes into closed session.

Closed Session

A. Public Employee - Appointment/Employment (Pursuant to Government Code, § 54957)
Title: City Manager

B. Public Employee - Appointment/Employment (Pursuant to Government Code, § 54957)
Title: Interim City Manager

C. Conference with Labor Negotiators pursuant to Government Code §54957.6
Agency Designated Representatives: David Shaw and Marc Boomgaarden
Employee: Interim City Manager

Regular Meeting

Call to Order

Roll Call

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

Invocation/Inspiration

Pledge of Allegiance to the Flag

City Attorney's Report on Closed Session Items, City Attorney Shannon Chaffin

Agenda Modifications

Ceremonial Presentations

1. Sutter Animal Services Authority - Presentation

2. Sacramento Area Council of Governments - Blueprint Presentation

3. Receive 35th Anniversary Gift from Toride, Japan - Yuba City's Sister City

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. Minutes of the January 21, 2025 Regular Meeting of the Successor Agency to the Redevelopment Agency and City Council, Minutes of the January 29, 2025 City Council Goals and Priorities Workshop, Minutes of the January 29, 2025 City Council Special Meeting Closed Session, Minutes of the February 4, 2025 Special Meeting of the City Council, Minutes of the February 4, 2025 Regular Meeting of the City Council, and Minutes of the February 12, 2025 City Council Special Meeting Closed Session

Recommendation: Approve the Minutes of the January 21, 2025 Regular Meeting of the Successor Agency to the Redevelopment Agency and City Council, Minutes of the January 29, 2025 City Council Goals and Priorities Workshop, Minutes of the January 29, 2025 City Council Special Meeting Closed Session, Minutes of the February 4, 2025 Special Meeting of the City Council, Minutes of the February 4, 2025 Regular Meeting of the City Council, and

Minutes of the February 12, 2025 City Council Special Meeting Closed Session

6. Microsoft Enterprise License Agreement Software Renewal

Recommendation: Adopt a Resolution authorizing the City Manager to enter into a 3-year agreement with SHI International Corp. of Somerset, New Jersey for the purchase of Microsoft software and cloud services utilizing the County of Riverside Microsoft Enterprise License Agreement in the amount of $139,504.93 per year with the finding it is in the best interest of the City

7. Design Immunity Ordinance Update

Recommendation: Adopt by title only an Ordinance of the City Council of the City of Yuba City adding Chapter 12 of Title 6, including Section 6-12.01, to the Yuba City Municipal Code establishing powers and authority to approve plans or designs for public works projects and waive the second reading

8. Planning Commission Membership

Recommendation: A. Adopt by title only an Ordinance of the City Council of the City of Yuba City repealing and replacing Sections 8-1.01 and 8-1.02 of Title 8, Chapter 1 of the Municipal Code regarding the Planning Commission membership and organization, and waive the second reading; and

B. Adopt a Resolution of the City Council of the City of Yuba City to remove and reappoint City Planning Commissioners on an interim basis until new District Planning Commissioners are established by the City Council

9. Water System Consolidation - Wildewood East Mutual Water Company

Recommendation: Adopt a Resolution authorizing the Public Works Director to sign and file a grant application for a financing agreement with the State Water Resources Control Board for the construction of the Wildwood East Mutual Water Company Water Consolidation Project

10. Permanent Local Housing Allocation (PLHA) – Subrecipient Agreements

Recommendation: Adopt a Resolution approving two (2) subrecipient agreements for the City's 2020 Permanent Local Housing Allocation (PLHA) funding from the California Department of Housing and Community Development (HCD), and;

A. Authorize the City Manager to execute the approved agreements, and;

B. Authorize the Finance Director to make a supplemental appropriation of $718,893.67 to account 208-43495 to receive grant funds, a supplemental appropriation of $694,713.32 to account 6048-65305 for program expenditures, and a supplemental appropriation of $39,737.35 to transfer funds for administrative costs to accounts 6048-Z69990 and 100-69980

11. Landscape Maintenance Agreement - 728 Colusa Avenue (Southeast corner of State Route 20 and Clark Avenue)

Recommendation: Adopt a Resolution which makes the following actions:

A. Adopts a finding of Class 1 Categorical Exemtion for the project per CEQA Guidelines Section 15301 (Existing Facilities)

B. Authorizes the execution of a Landscape Maintenance Agreement with the State of California for the maintenance of developed property within State Route 20 right-of-way associated with 728 Colusa Avenue

C. Authorizes the execution of a Landscape Maintenance Agreement with the property owner of 728 Colusa Avenue, Clark and 20 Development, LP, for the maintenance of developed property within State Route 20 right-of-way associated with 728 Colusa Avenue

12. 2025 Water Rate Update

Recommendation: Adopt a Resolution approving the rates for water services at the 2016 Proposition 218 approved limits, until superseded by additional Council action

13. Classification and Compensation Study - Contract Amendment

Recommendation: Adopt a Resolution approving Amendment No. 1 to the Professional Services Agreement with Koff & Associate, now a division of Gallagher Benefit Services, to conclude the classification and compensation study, and authorize the City Manager to execute the amendment following approval as to form by the City Attorney, with the finding that it is in the best interest of the City

Business Items

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

Recommendation: A. Authorize the sale and transfer of up to 3,000 acre feet of carryover water to San Gorgonio Pass Water Agency

B. Adopt a Resolution authorizing the Public Works Director or designee to apply, accept, and execute all documents associated with the sale and transfer of up to 3,000 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), Section 15301 (Existing Facilities), and Section 15061(b)(3) (Common Sense Exemption), subject to approval as to legal form by the City Attorney or water counsel

C. Adopt a Resolution 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 3,000 acre feet of Yuba City carryover water supply to San Gorgonio Pass Water Agency on behalf of the City, subject to approval as to legal form by the City Attorney or water counsel

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 Revenue Account No. 507-49010 (Water Operating – Other Revenue)

15. FY 2024/25 Proposed Budget Reduction Measures

Recommendation: Adopt a Resolution approving the FY 2024/25 proposed budget reduction measures and corresponding service modifications

Future Agenda Items

16. Future Agenda Items

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

17. City Manager's Report

18. City Council Reports

Adjournment

SASA

Sutter Animal Services Authority

Sutter Animal Services Authority

Presentation by:

Megan Anderson

Animal Services Manager

Sacramento Area Council of Governments

Blueprint Presentation

Receive 35th Anniversary Gift from Toride City, Japan Yuba City's Sister City

CITY OF YUBA CITY

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: February 18, 2025

To: Honorable Mayor & Members of the City Council;

From: Administration Department

Presentation By: Ciara Wakefield, City Clerk

Summary

Subject: Minutes of the January 21, 2025 Regular Meeting of the Successor Agency to the Redevelopment Agency and City Council, Minutes of the January 29, 2025 City Council Goals and Priorities Workshop, Minutes of the January 29, 2025 City Council Special Meeting Closed Session, Minutes of the February 4, 2025 Special Meeting of the City Council, Minutes of the February 4, 2025 Regular Meeting of the City Council, and Minutes of the February 12, 2025 City Council Special Meeting Closed Session

Recommendation: Approve the Minutes of the January 21, 2025 Regular Meeting of the Successor Agency to the Redevelopment Agency and City Council, Minutes of the January 29, 2025 City Council Goals and Priorities Workshop, Minutes of the January 29, 2025 City Council Special Meeting Closed Session, Minutes of the February 4, 2025 Special Meeting of the City Council, Minutes of the February 4, 2025 Regular Meeting of the City Council, and Minutes of the February 12, 2025 City Council Special Meeting Closed Session

Fiscal Impact:

Attachments:
1. 01-21-2025 Regular Meeting Minutes
2. 01-29-2025 Special Meeting Minutes 1 (Goal Setting Workshop)
3. 01-29-2025 Special Meeting Minutes 2 (Closed Session)
4. 02-04-2025 Special Meeting Minutes (Lincoln Elementary School)
5. 02-04-2025 Regular Meeting Minutes
6. 02-12-2025 Special Meeting Minutes (Closed Session)

Prepared By:
Ciara Wakefield
City Clerk

Submitted By:
Diana Langley
City Manager

ATTACHMENT 1

MINUTES (DRAFT)
REGULAR MEETING OF THE SUCCESSOR AGENCY
TO THE REDEVELOPMENT AGENCY AND
CITY COUNCIL - CITY OF YUBA CITY

JANUARY 21, 2025

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 Shaw at 5:00 PM

Roll Call

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

Absent: None

Closed Session

A. Conference with real property negotiator (Govt. Code § 54956.8)
Property: APN: 59-010-119, approximately 2 acres generally located at the northwest corner of Poole Boulevard and Civic Center Field, Yuba City, CA 95993
Negotiator: Diana Langley, City Manager
Negotiating parties: Unknown
Under negotiation: Price and terms of payment

B. Confer with Real Property Negotiator (Government Code § 54956.8)
Property: APN 52-380-025, located at 433 Plumas Blvd, Yuba City, California; APN 53- 220-030 and APN 53-194-013, located at the intersection of Main Street, Plumas Street and Percy Avenue, Yuba City California;
Negotiator: Diana Langley, City Manager/Executive Director Negotiating parties: TBD
Under negotiation: Whether to sell the properties, and if so, the price and terms of payment

C. Public Employee - Appointment/Employment (Pursuant to Government Code, § 54957) Title: City Manager

No public comment received

Regular Meeting

The Regular Meeting of the City Council was called to order by Mayor Shaw at 6:08 PM

Roll Call

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

Absent: None

Invocation/Inspiration
Pastor Bob Fischetti

Pledge of Allegiance to the Flag
Ciara Wakefield, City Clerk

City Attorney's Report on Closed Session Items
No reportable action

Agenda Modifications
No changes were made

Ceremonial Presentations

1. Beale Air Force Base Air Show

U.S. Air Force Lieutenant Colonel Gorman gave a presentation on the Beale Air Force Base Air Show

2. Officer Scott Hansen Retirement Proclamation

Mayor Shaw presented a proclamation to Officer Scott Hansen

Tasha Weaver from Senator Megan Dahle's office presented a proclamation on behalf of Congressman LaMalfa, Senator Megan Dahle, and Assemblyman Gallagher

3. Police Chief Brian Baker Retirement Proclamation

Mayor Shaw presented a proclamation to Chief Brian Baker

Tasha Weaver from Senator Megan Dahle's office presented a proclamation on behalf of Congressman LaMalfa, Senator Megan Dahle, and Assemblyman Gallagher

Sandee Drown from the Yuba City Downtown Business Association presented a plaque

4. Quarterly Development & Public Works Update Presentation by Ashley Potočnik, Development Liaison

Ashley Potočnik, Development Manager gave a presentation

Public Communication

5. Appearance of Interested Citizens

No public comment

Consent Calendar

Councilmember Pasquale moved and Councilmember Cole seconded the motion to approve Consent Calendar items 6-16

6. **Minutes of the December 17, 2024 Regular Meeting of the Successor Agency to the Redevelopment Agency and City Council**

Approve the minutes of the December 17, 2024, Regular Meeting of the Successor Agency to the Redevelopment Agency and City Council

7. **Update City Council Benefits**

Adopt a Resolution updating City Councilmember Benefits

8. **Local Agency Investment Fund (LAIF) Investment Authority Update**

Adopt **Resolution 25-002** to update staff authority to invest monies in the Local Agency Investment Fund

9. **Downtown Yuba City Business Improvement District Ordinance**

Adopt **Ordinance 001-25** of the City Council of the City of Yuba City to amend Municipal Code Section 3-9.050 for the collection of delinquent assessments, by title only, and waive the second reading

10. **Adopt an Ordinance to approve Rezone 24-04 for the Gary Smith project located at 2192 Live Oak Blvd**

Adopt **Ordinance 002-25** of the City Council of the City of Yuba City to adopt Rezone (RZ) 24-04 rezoning 0.43 acres Light Industrial District (M-1) Zone District to Community Commercial (C-2) Zone District, for the Smith project, located at 2192 Live Oak Blvd (APN 51-490-028), by title only and waive the second reading

11. **Adopt an Ordinance to approve Planned Development 19: Brownstone Estates, located on North Colusa Frontage Road between Hooper Road and El Margarita Road**

Adopt **Ordinance 003-25** of the City Council of the City of Yuba City approving Planned Development 19, on 7.84 acres located on the north side of North Colusa Frontage Road between Hooper Road and El Margarita Road (Assessor's Parcel Numbers 62- 082-019, -020, -021) by title only and waive the second reading

12. **Appointment to Regional Housing Authority**

Approve the Mayor's Recommendation for Citizen Appointment to the Regional Housing Authority effective January 31, 2025

13. **Alternate Appointment to the City of Yuba City Senior Commission**

Approve the appointment recommendation of Leonard Brunelle as an Alternate to the Senior Commission effective 2/28/25

14. **Harter Marketplace Parcel Map (Acceptance of Public Improvements)**

Adopt **Resolution 25-003** accepting certain street and related improvements pursuant to the Harter Marketplace Improvement Agreement with Harter Packing Group, LLC, a California Limited Liability Company and Dharni Lada Yuba City, LLC, a California Limited Liability Company and authorizing the Developer to file a Notice of Completion. [Development is located on the west side of Harter Parkway and north of State Route 20]

15. Bains/Dhadli Subdivision (Annexation #7 of property in CFD 2021-1)

Adopt **Resolution 25-004** annexing a certain area, Bains/Dhadli Subdivision, within the City Limits into an existing Community Facilities District (CFD No. 2021-1) to fund municipal services, and filing said Resolution, along with the Seventh Amendment to the Notice of Special Tax Lien, in the office of County Recorder of the County of Sutter

16. Bains / Dhadli Subdivision (Acceptance of Public Improvements)

Adopt Resolution **25-005** accepting certain street and related improvements pursuant to the Bains / Dhadli Subdivision with BDS Property Holdings, LLC, A California Limited Liability Company, and authorizing the Subdivider to file a Notice of Completion. [Subdivision is located north of Bridge Street, and approximately 300 feet west of North Walton Avenue]

The motion was passed unanimously

<u>Business Items</u>

17. Pioneer Community Energy Expansion to Include the City of Yuba City

Received an overview presentation of the findings of the Impact Assessment Study for the City of Yuba City to join Pioneer Community Energy

Mayor Shaw opened a Public Hearing

Philip Treanor spoke
Tanna Thomas spoke
Gina Stassi-Vanacore, Pioneer Energy Representative, spoke

Mayor Shaw closed the Public Hearing

Councilmember Kirchner moved and Councilmember Pasquale seconded the motion to:

Introduce an Ordinance of the City Council of the City of Yuba City amending Title 5 of the Yuba City Municipal Code by adding Chapter 27 (Community Choice Aggregation Program) to establish a Community Choice Aggregation Program in the City of Yuba City, by title only, and waive the first reading

The motion was passed unanimously

18. Downtown Yuba City Business Improvement District - Levy of 2025 Annual Assessment

Mayor Shaw opened a Public Hearing

No public comment

Mayor Shaw closed the Public Hearing

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

Adopt **Resolution 25-006** confirming the Annual Report for the Yuba City Downtown Business Association and levying the assessment for the Downtown Business Improvement District for calendar year 2025

The motion was passed unanimously

19. 2040 General Plan Update

Mayor Shaw opened a Public Hearing

No public comment

Mayor Shaw closed the Public Hearing

Councilmember Kirchner moved and Councilmember Pasquale seconded the motion to:

Adopt **Resolution 25-007** of the City Council of the City of Yuba City adopting an addendum to the certified environmental impact report for the 2004 Yuba City General Plan and approving the 2040 General Plan update

The motion was passed unanimously

20. City Wide Traffic Demand Model Update

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

Adopt **Resolution 25-008** Accepting the Travel Demand Model Development Report, dated October 2020 prepared by Fehr & Peers, updating the City's Travel Demand Model for General Plan Buildout conditions

The motion was passed unanimously

21. Amendments to the Community Sponsorship Policy

Councilmember Kirchner moved and Councilmember Pasquale seconded the motion to:

Adopt **Resolution 25-009** amending the Administrative Policy for Community Sponsorships

The motion was passed unanimously

22. Measure D - Voting Results

Received a summary presentation on voting results for the City's proposed Transactions and Use Sales Tax Measure, identified as Measure D

Information only – No action taken

23. Appointments to City Council Regional Boards and Committees

Councilmember Pasquale moved and Councilmember Cole seconded the motion to:

Approve the City Council Assignments to Regional Boards and Committees for Calendar Year 2025

The motion was passed unanimously

Future Agenda Items

24. Future Agenda Items

No suggestions were made

Reports and Communications

25. City Manager's Report

26. City Council Reports

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

Adjournment

Mayor Shaw adjourned the Regular Meeting of the City Council in memory of Cathy Jordan at 8:33 PM

____

Dave Shaw, Mayor

ATTEST:

____

Ciara Wakefield, City Clerk

ATTACHMENT 2

MINUTES (DRAFT)
SPECIAL MEETING WORKSHOP
CITY COUNCIL - CITY OF YUBA CITY

JANUARY 29, 2025

8:00 A.M. SPECIAL MEETING
1425 VETERAN'S MEMORIAL
CIRCLE YUBA CITY, CA 95993

Special Workshop

The Special City Council Workshop was called to order by Mayor Shaw at 8:00 AM

Roll Call

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

Absent: None

Pledge of Allegiance to the Flag

Wade Kirchner, Councilmember

Public Communication

1. Appearance of Interested Citizens

Tony Kurlan spoke
Manny Cardoza spoke

General Items

2. Develop Updated Council Goals and Priorities

Adjournment

Mayor Shaw adjourned the Special City Council Workshop at 3:48 PM

____
Dave Shaw, Mayor

ATTEST:

____
Ciara Wakefield, City Clerk

ATTACHMENT 3

MINUTES (DRAFT)
SPECIAL CLOSED SESSION
CITY COUNCIL - CITY OF YUBA CITY

JANUARY 29, 2025

3:30 P.M. CLOSED SESSION
SUTTER ROOM

Special Meeting – Closed Session

The Special Closed Session Meeting of the City Council was called to order by Mayor Shaw at 4:15 PM

Roll Call

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

Absent: None

Public Communication

No public comment received

Closed Session

A. Public Employee – Appointment/Employment (Pursuant to Government Code, §54957)
Title: City Manager

Adjournment

Mayor Shaw adjourned the Special Closed Session of the City Council at 5:15 PM

____
Dave Shaw, Mayor

ATTEST:

____
Ciara Wakefield, City Clerk

ATTACHMENT 4

MINUTES (DRAFT)
SPECIAL MEETING
CITY COUNCIL - CITY OF YUBA CITY
FEBRUARY 4, 2025
5:00 P.M. SPECIAL MEETING
COUNCIL CHAMBERS

Special Meeting

The Special Meeting of the City Council was called to order by Mayor Shaw at 5:00 PM

Roll Call

Present: Mayor Shaw and Councilmembers Boomgaarden, Cole, and Pasquale

Absent: Councilmember Kirchner

Pledge of Allegiance to the Flag

Maya Sangha, Youth Commission Chair

Public Communication

1. Appearance of Interested Citizens

No public comment

Ceremonial Presentations

2. Lincoln Elementary School 4th and 5th Grade Class – Teacher Rachel Ostrander

City Council met with Lincoln School 4th and 5th Grade Class

3. Presentation by: City of Yuba City – Youth Commission

Members of the Youth Commissioners gave a presentation

Adjournment

Mayor Shaw adjourned the Special Meeting of the City Council at 5:38 PM

____
Dave Shaw, Mayor

ATTEST:

____
Ciara Wakefield, City Clerk

ATTACHMENT 5

MINUTES (DRAFT)
REGULAR MEETING
CITY COUNCIL - CITY OF YUBA CITY
FEBRUARY 4, 2025
6:00 P.M. REGULAR MEETING
COUNCIL CHAMBERS/VIRTUAL

Regular Meeting

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

Roll Call

Present: Mayor Shaw and Councilmembers Boomgaarden, Cole, Shaw, and Pasquale

Absent: Councilmember Kirchner

Invocation/Inspiration

Pastor Greg Mansur, Adventure Church

Pledge of Allegiance to the Flag

Lincoln School 4th and 5th Grade Students

City Attorney's Report on Closed Session Items

No reportable action from the 1/29/25 Closed Session

Agenda Modifications

No changes were made

Ceremonial Presentations

1. Certificate Presentation to Rachel Ostrander's 4th and 5th Grade Class - Lincoln Elementary School

Mayor Shaw presented a Certificate of Appreciation to Ms. Ostrander and Lincoln School 4th and 5th Grade students

Tasha Weaver from Senator Megan Dahle's office presented a Certificate of Appreciation on behalf of Senator Megan Dahle, and Assemblyman Gallagher

David Morgan presented a Certificate of Appreciation on behalf of Congressman LaMalfa

2. Sister City Association - 35 Year Anniversary Proclamation

Mayor Shaw presented a proclamation to representatives from the Sister City Association

3. Toride City, Sister City - 35 Year Anniversary Proclamation

Mayor Shaw will be presenting a proclamation to Toride City dignitaries in Japan next week

4. CASA - Child Advocates Presentation by Nicole Rubio

Nicole Rubio, Volunteer Engagement Coordinator, and Katja Pollmann, Family Services Director, gave a presentation on Court Appointed Child Advocates (CASA)

Public Communication

5. Appearance of Interested Citizens

Sammy Mendoza spoke

Consent Calendar

Councilmember Pasquale moved and Councilmember Cole seconded the motion to approve Consent Calendar items 6-8 (Item 9 was moved to Business Items for separate discussion)

6. Bains / Dhadli Subdivision (Final Map Approval)

Adopt **Resolution 25-010** approving the Bains / Dhadli Subdivision Final Map, accepting dedication of rights-of-way, and easements shown thereon and authorizing the filing of the map. [Subdivision is located north of Bridge Street, and approximately 300 feet west of North Walton Avenue]

7. Approve the 2025 Feather River Air Quality Management District (FRAQMD) Board of Directors

Approve the Member Jurisdiction Appointments to the FRAQMD Board of Directors for 2025

8. Quit Claim Deed – Stafford Way at State Route 20

Adopt **Resolution 25-011** authorizing the Public Works Director to execute a quit claim deed relinquishing street right-of-way to the State of California, Department of Transportation at Stafford Way and State Route 20

[Item 9 moved to Business Items]

~~**9. Pioneer Community Energy Expansion to Include the City of Yuba City**~~

~~A. Adopt a Resolution requesting membership in Pioneer Community Energy and approving the Amended and Restated Joint Exercise of Powers Agreement as amended through Amendment No. 5; and~~

~~B. Adopt an Ordinance of the City Council of the City of Yuba City amending Title 5 of the Yuba City Municipal Code by adding Chapter 27 (Community Choice Aggregation Program) to establish a Community Choice Aggregation Program in the City of Yuba City, by title only, and waive the second reading~~

The motion was passed with 4 votes [Kirchner absent]

Business Items

[Item 9 pulled from Consent Calendar for separate discussion]

9. Pioneer Community Energy Expansion to Include the City of Yuba City

Philip Treanor spoke

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

A. Adopt **Resolution 25-012** requesting membership in Pioneer Community Energy and approving the Amended and Restated Joint Exercise of Powers Agreement as amended through Amendment No. 5; and

B. Adopt **Ordinance 004-25** of the City Council of the City of Yuba City amending Title 5 of the Yuba City Municipal Code by adding Chapter 27 (Community Choice Aggregation Program) to establish a Community Choice Aggregation Program in the City of Yuba City, by title only, and waive the second reading

The motion was passed with 4 votes [Kirchner absent]

10. Planning Commission Membership

Mayor Shaw opened a Public Hearing

No public comment

Mayor Shaw closed the Public Hearing

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

Introduce by title only an Ordinance of the City Council of the City of Yuba City determining the adoption of an ordinance regarding the Planning Commission membership and organization is not subject to environmental review pursuant to CEQA Guidelines Section 15378, and to repeal and replace Sections 8-1.01 and 8-1.02 of Chapter 1, of Title 8 of the Municipal Code regarding the Planning Commission membership and organization

The motion was passed with 4 votes [Kirchner absent]

11. Aquifer Storage and Recovery Well (Municipal Well No. 3) (22-09) - Award Construction Contract for Below Ground Facilities

Councilmember Cole moved and Vice-Mayor seconded the motion to:

Adopt **Resolution 25-013** which takes the following actions:

A. Award a construction contract to Nor-Cal Pump & Well Drilling Inc. of Yuba City, CA in the amount of their total bid of $983,306 and authorize the City Manager to execute the contract on behalf of the City, subject to review and approval as to legal form by the City Attorney

B. Adopt the Initial Study/Mitigated Negative Declaration for the Aquifer Storage and Recovery Well Project

The motion was passed with 4 votes [Kirchner absent]

12. Summary Report from Council Special Workshop held on January 29, 2025

Received report and gave direction to staff

Information only. No formal action taken

Future Agenda Items

13. Future Agenda Items

Councilmember Pasquale requested an update from Sutter Animal Services Authority

Reports and Communications

14. City Manager's Report

15. City Council Reports

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

Closed Session

A. Public Employee - Appointment/Employment (Pursuant to Government Code, § 54957) Title: City Manager

B. Threats to Public Services or Facilities (Pursuant to Government Code section 54957(a).) Consultation with: City Manager and City Attorney

No public comment received

At 7:53 PM City Council moved into Closed Session (Sutter Room)

After Closed Session, City Council returned to the Council Chambers

City Attorney's Report on Closed Session Items

Shannon Chaffin, City Attorney – No reportable action

Adjournment

Mayor Shaw adjourned the Regular Meeting of the City Council at 9:02 PM

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Dave Shaw, Mayor

ATTEST:

____

Ciara Wakefield, City Clerk

ATTACHMENT 6

MINUTES (DRAFT)
SPECIAL CLOSED SESSION MEETING OF
CITY COUNCIL - CITY OF YUBA CITY

FEBRUARY 12, 2025

3:45 P.M. CLOSED SESSION
COUNCIL CHAMBERS

Special Meeting – Closed Session

The Special Closed Session Meeting of the City Council was called to order by Vice-Mayor Boomgaarden at 3:47 PM

Roll Call

Present: Vice-Mayor Boomgaarden, Councilmembers Cole, Kirchner, and Pasquale

Absent: Mayor Shaw*

*Note: Mayor Shaw joined Closed Session remotely via Zoom from Japan. While not physically present, his travel on official business representing the City of Yuba City in our Sister City, Toride, Japan constitutes "just cause" under AB 2449 and allowed him to participate remotely.

Public Communication

No public comment received

Closed Session

A. Public Employee - Appointment/Employment (Pursuant to Government Code, § 54957)
Title: Interim City Manager
B. Conference with Labor Negotiators pursuant to Government Code §54957.6
Agency Designated Representatives: David Shaw and Marc Boomgaarden
Employee: Interim City Manager

Adjournment

Vice-Mayor Boomgaarden adjourned the Special Closed Session of the City Council at 7:30PM

____
Marc Boomgaarden, Vice-Mayor

ATTEST:

____
Ciara Wakefield, City Clerk

Agenda Item **6**

CITY OF YUBA CITY
STAFF REPORT

Date: February 18, 2025

To: Honorable Mayor & Members of the City Council;

From: Finance/IT Department

Presentation By: Brian Hansen, IT Manager

Summary

Subject: Microsoft Enterprise License Agreement Software Renewal

Recommendation: Adopt a Resolution authorizing the City Manager to enter into a 3-year agreement with SHI International Corp. of Somerset, New Jersey for the purchase of Microsoft software and cloud services utilizing the County of Riverside Microsoft Enterprise License Agreement in the amount of $139,504.93 per year with the finding it is in the best interest of the City

Fiscal Impact: Funds are currently available in the budget as part of the Information Technology ISF, 6630-63320 for Microsoft Enterprise License Agreement

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Purpose:

To enter into a 3-year agreement with SHI International Corp. for the purchase of Microsoft licenses and cloud services.

Council's Strategic Goal:

This item supports the Council's strategic goal of fiscal responsibility. By entering into a 3-year agreement utilizing the County of Riverside Microsoft Enterprise License Agreement pricing, the City is securing the best pricing for these licenses and cloud services while stabilizing the expenditure for these licenses and services over the next 3 years.

Background:

The City established its Enterprise Agreement (EA) relationship with Microsoft in October of 2001 and last renewed it in 2022. Since that time, the City has benefited from entitlements to regular software upgrades of Office versions, Windows desktop operating systems, and server products including Exchange, SharePoint, and MS SQL Server.

In February 2022, the City converted its conventional desktop software licenses to Microsoft Office 365, a subscription based suite of remotely-hosted software and services. At the end of each year of the agreement, the City will adjust its annual payment in consideration of any licenses added or removed during the year. Office 365 enables employees to work with data and applications from virtually anywhere and on virtually any device. It affords the city the unique benefit of seamless data recovery and will assist in continuity of government in the event of a regional disaster. Through

Microsoft Teams, the city also enjoys the ability to interact with external partners and the public using familiar, commonly available instant messaging and video conferencing. Microsoft sells these services at several cost and feature tiers and staff recommend renewal at the lowest tier, G3. In the current market, there are no viable competitors to Microsoft 365.

Analysis:

The City of Yuba City Municipal Code provides that the City may use any purchasing procedures approved by the City Council if the City Council makes a finding concurrent with the award of the contract that the procedures are in the best interest of the City. Microsoft licensing throughout the State of California is based on pre-negotiated prices from the County of Riverside's Microsoft Enterprise License Agreement (MELA)# PSA-0001522 and leverages the cooperative buying power of state and local government agencies and assures participating agencies the lowest-cost for Microsoft products. SHI International Corp. (SHI) is a provider of information technology services to business, government, education and healthcare customers and is a participant, and authorized reseller of Microsoft licenses pursuant to the MELA. Entering into an agreement with SHI on the same terms and conditions of the MELA is in the best interest of the City because it ensures the best pricing for Microsoft products and services, avoiding costs normally associated with the development of highly technical bid specifications, while assuring that competitive prices were received.

Fiscal Impact:

Funds are currently available in the budget as part of the Information Technology ISF, 6630-63320 for Microsoft Enterprise License Agreement

Alternatives:

1. Direct staff to utilize a different purchasing contract
2. Direct staff to issue a RFP for alternative software and cloud services

Recommendation:

Adopt a Resolution authorizing the City Manager to enter into a 3-year agreement with SHI International Corp. of Somerset, New Jersey for the purchase of Microsoft software and cloud services utilizing the County of Riverside Microsoft Enterprise License Agreement in the amount of $139,504.93 per year with the finding it is in the best interest of the City.

Attachments:

1. Microsoft Enterprise License Agreement - Resolution
2. Exhibit A - SHI Quote
3. Exhibit B - Microsoft Agreement

Prepared By:	Submitted By:
Brian Hansen	Diana Langley
Information Technology Manager	City Manager

ATTACHMENT 1

RESOLUTION NO. _________

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY AUTHORIZING THE CITY MANAGER TO ENTER INTO A 3-YEAR AGREEMENT WITH SHI INTERNATIONAL CORP OF SOMERSET, NJ FOR THE PURCHASE OF MICROSOFT SOFTWARE AND CLOUD SERVICES UTILIZING THE COUNTY OF RIVERSIDE MICROSOFT ENTERPRISE LICENSE AGREEMENT IN THE AMOUNT OF $139,504.93 PER YEAR

WHEREAS, the City of Yuba City desires to purchase Microsoft software and cloud services; and

WHEREAS, the existing agreement is set to expire on January 31, 2025; and

WHEREAS, SHI International Corp has provided a proposal for the purchase of Microsoft software and cloud services utilizing the County of Riverside Microsoft Enterprise License Agreement (MELA) # PSA-0001522; and

WHEREAS, the City desires to enter into an agreement with SHI International Corp for Microsoft software and cloud services in the amount of $139,504.93 per year for a three-year term utilizing the County of Riverside Microsoft Enterprise License Agreement (MELA) # PSA-0001522 with the finding that it is in the best interest of the City.

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

1. The City Council hereby authorizes the City Manager to enter into an agreement with SHI International Corp of Somerset, NJ for the purchase of Microsoft software and cloud services utilizing the County of Riverside Microsoft Enterprise License Agreement (MELA) # PSA-0001522 for an amount of $139,504.93 per year, and finds that the agreement is in the best interest of the City.
2. This Resolution shall become effective 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 18th day of February, 2025.

AYES:

NOES:

ABSENT:

____

Dave Shaw, Mayor

ATTEST:

____
Ciara Wakefield, City Clerk

APPROVED AS TO FORM
COUNSEL FOR YUBA CITY:

____
Shannon Chaffin, City Attorney
Aleshire & Wynder, LLP

Exhibit(s):

A. SHI Quote
B. Microsoft Agreement

EXHIBIT A

Pricing Proposal
Quotation #: 25685130
Reference #: EA 61632071 Budgetary Renewal
Created On: 1/3/2025
Valid Until: 1/31/2025

CA-City of Yuba City

Inside Account Manager

Brian Hansen
1201 Civic Center Blvd
Yuba City, CA 95993
United States
Phone: 530-822-4785
Fax:
Email: bhansen@yubacity.net

Alex Chrysanthopoulos
SHI
290 Davidson Ave
Somerset, NJ 08873
Phone: 7326672779
Fax:
Email: alex_chrysanthopoulos@shi.com

All Prices are in US Dollar (USD)

	Product	Qty	Your Price	Total
1	M365 G3 Unified FUSL GCC Sub Per User Microsoft - Part#: AAD-34704 Contract Name: County of Riverside - Microsoft Contract #: ITARC-00929 **Note:** Year 1 of 3	100	$384.39	$38,439.00
2	M365 F3 Unified GCC Sub Per User Microsoft - Part#: AAD-63092 Contract Name: County of Riverside - Microsoft Contract #: ITARC-00929 **Note:** Year 1 of 3	40	$82.87	$3,314.80
3	Planner & Project P3 FSA GCC Renewal Sub Per User Microsoft - Part#: 7E7-00001 Contract Name: County of Riverside - Microsoft Contract #: ITARC-00929 **Note:** Year 1 of 3	2	$231.51	$463.02
4	M365 G3 Unified FSA Renewal GCC Sub Per User Microsoft - Part#: AAD-34700 Contract Name: County of Riverside - Microsoft Contract #: ITARC-00929 **Note:** Year 1 of 3	280	$326.75	$91,490.00
5	Visio P2 FSA GCC Renewal Sub Per User Microsoft - Part#: 9K4-00003 Contract Name: County of Riverside - Microsoft Contract #: ITARC-00929 **Note:** Year 1 of 3	9	$115.75	$1,041.75
6	SQL Server Standard ALng LSA Microsoft - Part#: 228-04437 Contract Name: County of Riverside - Microsoft Contract #: ITARC-00929 **Note:** Year 1 of 3	2	$376.30	$752.60
7	SQL CAL ALng SA Device CAL	100	$37.49	$3,749.00

	Microsoft - Part#: 359-00792 Contract Name: County of Riverside - Microsoft Contract #: ITARC-00929 **Note:** Year 1 of 3			
8	Win Server Standard Core ALng SA 2L Microsoft - Part#: 9EM-00270 Contract Name: County of Riverside - Microsoft Contract #: ITARC-00929 **Note:** Year 1 of 3	12	$21.23	$254.76
			Total	$139,504.93

Additional Comments

This quote has been marked as budgetary, as certain pricing may require approval from Microsoft. Please note, SHI is unable to process Purchase Orders against budgetary quotes. Kindly reach out to your SHI sales team for a Final Quote once you have determined your required counts and licenses.

Hardware items on this quote may be updated to reflect changes due to industry wide constraints and fluctuations.

Thank you for choosing SHI International Corp! The pricing offered on this quote proposal is valid through the expiration date listed above. To ensure the best level of service, please provide End User Name, Phone Number, Email Address and applicable Contract Number when submitting a Purchase Order. For any additional information including Hardware, Software and Services Contracts, please contact an SHI Inside Sales Representative at (888) 744-4084. SHI International Corp. is 100% Minority Owned, Woman Owned Business. TAX ID# 22-3009648; DUNS# 61-1429481; CCR# 61-243957G; CAGE 1HTF0

The products offered under this proposal are resold in accordance with the terms and conditions of the Contract referenced under that applicable line item.

EXHIBIT B

Program Signature Form

MBA/MBSA number	
Agreement number	8084445

5-0000012501577

Note: Enter the applicable active numbers associated with the documents below. Microsoft requires the associated active number be indicated here, or listed below as new.

For the purposes of this form, "Customer" can mean the signing entity, Enrolled Affiliate, Government Partner, Institution, or other party entering into a volume licensing program agreement.

This signature form and all contract documents identified in the table below are entered into between the Customer and the Microsoft Affiliate signing, as of the effective date identified below.

Contract Document	Number or Code
Enterprise Enrollment (Indirect)	X20-10636
Product Selection Form	2819146.003_PSF
Enterprise Amendment	M97 (NEW)

By signing below, Customer and the Microsoft Affiliate agree that both parties (1) have received, read and understand the above contract documents, including any websites or documents incorporated by reference and any amendments and (2) agree to be bound by the terms of all such documents.

Customer
Name of Entity (must be legal entity name)* City of Yuba City
Signature*
Printed First and Last Name*
Printed Title
Signature Date*
Tax ID

** indicates required field*

Microsoft Affiliate
Microsoft Corporation
Signature **Printed First and Last Name** **Printed Title** **Signature Date** (date Microsoft Affiliate countersigns)
Agreement Effective Date (may be different than Microsoft's signature date)

Optional 2nd Customer signature or Outsourcer signature (if applicable)

Customer
Name of Entity (must be legal entity name)* **Signature*** **Printed First and Last Name*** **Printed Title** **Signature Date***

** indicates required field*

Outsourcer
Name of Entity (must be legal entity name)* **Signature*** ______________________ **Printed First and Last Name*** **Printed Title** **Signature Date***

** indicates required field*

If Customer requires additional contacts or is reporting multiple previous Enrollments, include the appropriate form(s) with this signature form.

After this signature form is signed by the Customer, send it and the Contract Documents to Customer's channel partner or Microsoft account manager, who must submit them to the following address. When the signature form is fully executed by Microsoft, Customer will receive a confirmation copy.

Microsoft Corporation
Dept. 551, Volume Licensing
6880 Sierra Center Parkway
Reno, Nevada 89511
USA

Enterprise Enrollment

State and Local

Enterprise Enrollment number *(Microsoft to complete)*	80519180	Framework ID *(if applicable)*	
Previous Enrollment number *(Reseller to complete)*	61632071		

This Enrollment must be attached to a signature form to be valid.

This Microsoft Enterprise Enrollment is entered into between the entities as identified in the signature form as of the effective date. Enrolled Affiliate represents and warrants it is the same Customer, or an Affiliate of the Customer, that entered into the Enterprise Agreement identified on the program signature form.

This Enrollment consists of: (1) these terms and conditions, (2) the terms of the Enterprise Agreement identified on the signature form, (3) the Product Selection Form, (4) the Product Terms, (5) any Supplemental Contact Information Form, Previous Agreement/Enrollment form, and other forms that may be required, and (6) any order submitted under this Enrollment. This Enrollment may only be entered into under a 2011 or later Enterprise Agreement. By entering into this Enrollment, Enrolled Affiliate agrees to be bound by the terms and conditions of the Enterprise Agreement.

All terms used but not defined are located at http://www.microsoft.com/licensing/contracts. In the event of any conflict the terms of this Agreement control.

Effective date. If Enrolled Affiliate is renewing Software Assurance or Subscription Licenses from one or more previous Enrollments or agreements, then the effective date will be the day after the first prior Enrollment or agreement expires or terminates. If this Enrollment is renewed, the effective date of the renewal term will be the day after the Expiration Date of the initial term. Otherwise, the effective date will be the date this Enrollment is accepted by Microsoft. Any reference to "anniversary date" refers to the anniversary of the effective date of the applicable initial or renewal term for each year this Enrollment is in effect.

Term. The initial term of this Enrollment will expire on the last day of the month, 36 full calendar months from the effective date of the initial term. The renewal term will expire 36 full calendar months after the effective date of the renewal term.

Terms and Conditions

1. Definitions.

Terms used but not defined in this Enrollment will have the definition in the Enterprise Agreement. The following definitions are used in this Enrollment:

"Additional Product" means any Product identified as such in the Product Terms and chosen by Enrolled Affiliate under this Enrollment.

"Community" means the community consisting of one or more of the following: (1) a Government, (2) an Enrolled Affiliate using eligible Government Community Cloud Services to provide solutions to a Government or a qualified member of the Community, or (3) a Customer with Customer Data that is subject to Government regulations for which Customer determines and Microsoft agrees that the use of Government Community Cloud Services is appropriate to meet Customer's regulatory requirements.

Membership in the Community is ultimately at Microsoft's discretion, which may vary by Government Community Cloud Service.

"Enterprise Online Service" means any Online Service designated as an Enterprise Online Service in the Product Terms and chosen by Enrolled Affiliate under this Enrollment. Enterprise Online Services are treated as Online Services, except as noted.

"Enterprise Product" means any Desktop Platform Product that Microsoft designates as an Enterprise Product in the Product Terms and chosen by Enrolled Affiliate under this Enrollment. Enterprise Products must be licensed for all Qualified Devices and Qualified Users on an Enterprise-wide basis under this program.

"Expiration Date" means the date upon which the Enrollment expires.

"Federal Agency" means a bureau, office, agency, department or other entity of the United States Government.

"Government" means a Federal Agency, State/Local Entity, or Tribal Entity acting in its governmental capacity.

"Government Community Cloud Services" means Microsoft Online Services that are provisioned in Microsoft's multi-tenant data centers for exclusive use by or for the Community and offered in accordance with the National Institute of Standards and Technology (NIST) Special Publication 800-145. Microsoft Online Services that are Government Community Cloud Services are designated as such in the Use Rights and Product Terms.

"Industry Device" (also known as line of business device) means any device that: (1) is not useable in its deployed configuration as a general purpose personal computing device (such as a personal computer), a multi-function server, or a commercially viable substitute for one of these systems; and (2) only employs an industry or task-specific software program (e.g. a computer-aided design program used by an architect or a point of sale program) ("Industry Program"). The device may include features and functions derived from Microsoft software or third-party software. If the device performs desktop functions (such as email, word processing, spreadsheets, database, network or Internet browsing, or scheduling, or personal finance), then the desktop functions: (1) may only be used for the purpose of supporting the Industry Program functionality; and (2) must be technically integrated with the Industry Program or employ technically enforced policies or architecture to operate only when used with the Industry Program functionality.

"Managed Device" means any device on which any Affiliate in the Enterprise directly or indirectly controls one or more operating system environments. Examples of Managed Devices can be found in the Product Terms.

"Qualified Device" means any device that is used by or for the benefit of Enrolled Affiliate's Enterprise and is: (1) a personal desktop computer, portable computer, workstation, or similar device capable of running Windows Pro locally (in a physical or virtual operating system environment), or (2) a device used to access a virtual desktop infrastructure ("VDI"). Qualified Devices do not include any device that is: (1) designated as a server and not used as a personal computer, (2) an Industry Device, or (3) not a Managed Device. At its option, the Enrolled Affiliate may designate any device excluded above (e.g., Industry Device) that is used by or for the benefit of the Enrolled Affiliate's Enterprise as a Qualified Device for all or a subset of Enterprise Products or Online Services the Enrolled Affiliate has selected.

"Qualified User" means a person (e.g., employee, consultant, contingent staff) who: (1) is a user of a Qualified Device, or (2) accesses any server software requiring an Enterprise Product Client Access License or any Enterprise Online Service. It does not include a person who accesses server software or an Online Service solely under a License identified in the Qualified User exemptions in the Product Terms.

"Reseller" means an entity authorized by Microsoft to resell Licenses under this program and engaged by an Enrolled Affiliate to provide pre- and post-transaction assistance related to this agreement;

"Reserved License" means for an Online Service identified as eligible for true-ups in the Product Terms, the License reserved by Enrolled Affiliate prior to use and for which Microsoft will make the Online Service available for activation.

"State/Local Entity" means (1) any agency of a state or local government in the United States, or (2) any United States county, borough, commonwealth, city, municipality, town, township, special purpose district, or other similar type of governmental instrumentality established by the laws of Customer's state and located within Customer's state's jurisdiction and geographic boundaries.

"Tribal Entity" means a federally recognized tribal entity performing tribal governmental functions and eligible for funding and services from the U.S. Department of Interior by virtue of its status as an Indian tribe.

"Use Rights" means, with respect to any licensing program, the use rights or terms of service for each Product and version published for that licensing program at the Volume Licensing Site and updated from time to time. The Use Rights include the Product-Specific License Terms, the License Model terms, the Universal License Terms, the Data Protection Terms, and the Other Legal Terms. The Use Rights supersede the terms of any end user license agreement (on-screen or otherwise) that accompanies a Product.

"Volume Licensing Site" means http://www.microsoft.com/licensing/contracts or a successor site.

2. *Order requirements.*

a. **Minimum order requirements.** Enrolled Affiliate's Enterprise must have a minimum of 250 Qualified Users or Qualified Devices. The initial order must include at least 250 Licenses for Enterprise Products or Enterprise Online Services.

(i) **Enterprise commitment.** Enrolled Affiliate must order enough Licenses to cover all Qualified Users or Qualified Devices, depending on the License Type, with one or more Enterprise Products or a mix of Enterprise Products and the corresponding Enterprise Online Services (as long as all Qualified Devices not covered by a License are only used by users covered with a user License).

(ii) **Enterprise Online Services only.** If no Enterprise Product is ordered, then Enrolled Affiliate need only maintain at least 250 Subscription Licenses for Enterprise Online Services.

b. **Additional Products.** Upon satisfying the minimum order requirements above, Enrolled Affiliate may order Additional Products.

c. **Use Rights for Enterprise Products.** For Enterprise Products, if a new Product version has more restrictive use rights than the version that is current at the start of the applicable initial or renewal term of the Enrollment, those more restrictive use rights will not apply to Enrolled Affiliate's use of that Product during that term.

d. **Country of usage.** Enrolled Affiliate must specify the countries where Licenses will be used on its initial order and on any additional orders.

e. **Resellers.** Enrolled Affiliate must choose and maintain a Reseller authorized in the United States. Enrolled Affiliate will acquire its Licenses through its chosen Reseller. Orders must be submitted to the Reseller who will transmit the order to Microsoft. The Reseller and Enrolled Affiliate determine pricing and payment terms as between them, and Microsoft will invoice the Reseller based on those terms. Throughout this Agreement the term "price" refers to reference price. Resellers and other third parties do not have authority to bind or impose any obligation or liability on Microsoft.

f. **Adding Products.**

(i) **Adding new Products not previously ordered**. New Enterprise Products or Enterprise Online Services may be added at any time by contacting a Microsoft Account Manager or Reseller. New Additional Products, other than Online Services, may be used if an order is placed in the month the Product is first used. For Additional Products that are Online Services, an initial order for the Online Service is required prior to use.

(ii) **Adding Licenses for previously ordered Products.** Additional Licenses for previously ordered Products other than Online Services may be added at any time but must be included in the next true-up order. Additional Licenses for Online Services must be ordered prior to use, unless the Online Services are (1) identified as eligible for true-up in the Product Terms or (2) included as part of other Licenses.

g. **True-up requirements.** Enrolled Affiliate must submit an annual true-up order that accounts for any changes since the initial order or last order. If there are no changes, then an update statement must be submitted instead of a true-up order.

(i) **Enterprise Products.** For Enterprise Products, Enrolled Affiliate must determine the number of Qualified Devices and Qualified Users (if ordering user-based Licenses) at the time the true-up order is placed and must order additional Licenses for all Qualified Devices and Qualified Users that are not already covered by existing Licenses, including any Enterprise Online Services.

(ii) **Additional Products.** For Additional Products that have been previously ordered under this Enrollment, Enrolled Affiliate must determine the maximum number of Additional Products used since the latter of the initial order, the last true-up order, or the prior anniversary date and submit a true-up order that accounts for any increase.

(iii) **Online Services.** For Online Services identified as eligible for true-up in the Product Terms, Enrolled Affiliate may place a reservation order for the additional Licenses prior to use and payment may be deferred until the next true-up order. Microsoft will provide a report of Reserved Licenses ordered but not yet invoiced to Enrolled Affiliate and its Reseller. Reserved Licenses will be invoiced retrospectively to the month in which they were ordered.

(iv) **Subscription License reductions.** Enrolled Affiliate may reduce the quantity of Subscription Licenses at the Enrollment anniversary date on a prospective basis if permitted in the Product Terms, as follows:

1) For Subscription Licenses that are part of an Enterprise-wide purchase, Licenses may be reduced if the total quantity of Licenses and Software Assurance for an applicable group meets or exceeds the quantity of Qualified Devices and Qualified Users (if ordering user-based Licenses) identified on the Product Selection Form, and includes any additional Qualified Devices and Qualified Users added in any prior true-up orders. Step-up Licenses do not count towards this total count.

2) For Enterprise Online Services in a given Product pool that are not a part of an Enterprise-wide purchase, Licenses can be reduced as long as (a) the initial order minimum requirements are maintained and (b) all then-active users of each Online Service are included the total quantity of Licenses remaining after the reduction. An Enrolled Affiliate may reduce Licenses for Online Services on or before the Enrollment anniversary date and place a reservation order for such licenses within 90 days after the anniversary date; however, any licenses ordered as described in this section will be invoiced to the Enrolled Affiliate for the time period the licenses were made available.

3) For Additional Products available as Subscription Licenses, Enrolled Affiliate may reduce the Licenses. If the License count is reduced to zero, then Enrolled Affiliate's use of the applicable Subscription License will be cancelled.

Invoices will be adjusted to reflect any reductions in Subscription Licenses at the true-up order Enrollment anniversary date and effective as of such date.

(v) **Update statement.** An update statement must be submitted instead of a true-up order if, since the initial order or last true-up order, Enrolled Affiliate's Enterprise: (1) has not changed the number of Qualified Devices and Qualified Users licensed with Enterprise Products or Enterprise Online Services; and (2) has not increased its usage of Additional

Products. This update statement must be signed by Enrolled Affiliate's authorized representative.

(vi) True-up order period. The true-up order or update statement must be received by Microsoft between 60 and 30 days prior to each Enrollment anniversary date. The third-year true-up order or update statement is due within 30 days prior to the Expiration Date, and any license reservations within this 30 day period will not be accepted. Enrolled Affiliate may submit true-up orders more often to account for increases in Product usage, but an annual true-up order or update statement must still be submitted during the annual order period.

(vii) Late true-up order. If the true-up order or update statement is not received when due, Microsoft may invoice Reseller for all Reserved Licenses not previously invoiced and Subscription License reductions cannot be reported until the following Enrollment anniversary date (or at Enrollment renewal, as applicable).

h. Step-up Licenses. For Licenses eligible for a step-up under this Enrollment, Enrolled Affiliate may step-up to a higher edition or suite as follows:

(i) For step-up Licenses included on an initial order, Enrolled Affiliate may order according to the true-up process.

(ii) If step-up Licenses are not included on an initial order, Enrolled Affiliate may step-up initially by following the process described in the Section titled "Adding new Products not previously ordered," then for additional step-up Licenses, by following the true-up order process.

i. Clerical errors. Microsoft may correct clerical errors in this Enrollment, and any documents submitted with or under this Enrollment, by providing notice by email and a reasonable opportunity for Enrolled Affiliate to object to the correction. Clerical errors include minor mistakes, unintentional additions and omissions. This provision does not apply to material terms, such as the identity, quantity or price of a Product ordered.

j. Verifying compliance. Microsoft may, in its discretion and at its expense, verify compliance with this Enrollment as set forth in the Enterprise Agreement.

3. Pricing.

a. Price Levels. For both the initial and any renewal term Enrolled Affiliate's Price Level for all Products ordered under this Enrollment will be Level "D" throughout the term of the Enrollment.

b. Setting Prices. Unless otherwise expressly agreed to by the parties and except for Online Services designated in the Product Terms as being exempt from fixed pricing, Enrolled Affiliate's prices for each Product or Service will be established by its Reseller. As long as Enrolled Affiliate continues to qualify for the same price level, Microsoft's prices for Resellers for each Product or Service ordered will be fixed throughout the applicable initial or renewal Enrollment term. Microsoft's prices to Resellers are reestablished at the beginning of the renewal term.

4. Payment terms.

For the initial or renewal order, Microsoft will invoice Enrolled Affiliate's Reseller in three equal annual installments. The first installment will be invoiced upon Microsoft's acceptance of this Enrollment and remaining installments will be invoiced on each subsequent Enrollment anniversary date. Subsequent orders are invoiced upon acceptance of the order and Enrolled Affiliate may elect to pay annually or upfront for Online Services and upfront for all other Licenses.

5. *End of Enrollment term and termination.*

a. **General.** At the Expiration Date, Enrolled Affiliate must immediately order and pay for Licenses for Products it has used but has not previously submitted an order, except as otherwise provided in this Enrollment.

b. **Renewal option.** At the Expiration Date of the initial term, Enrolled Affiliate can renew Products by renewing this Enrollment for one additional 36-month term or by signing a new Enrollment. Microsoft must receive a Renewal Form, Product Selection Form, and renewal order prior to or at the Expiration Date. Microsoft will not unreasonably reject any renewal. Microsoft may make changes to this program that will make it necessary for Customer and its Enrolled Affiliates to enter into new agreements and Enrollments at renewal.

c. **If Enrolled Affiliate elects not to renew.**

(i) **Software Assurance.** If Enrolled Affiliate elects not to renew Software Assurance for any Product under its Enrollment, then Enrolled Affiliate will not be permitted to order Software Assurance later without first acquiring a new License with Software Assurance.

(ii) **Online Services eligible for an Extended Term.** For Online Services identified as eligible for an Extended Term in the Product Terms, the following options are available at the end of the Enrollment initial or renewal term.

1) **Extended Term.** Licenses for Online Services will automatically expire in accordance with the terms of the Enrollment. An extended term option that allows Online Services to continue month-to-month ("Extended Term") is available. During the Extended Term, Online Services will be invoiced monthly at the then-current published price as of the Expiration Date plus a 3% administrative fee for up to one year. If Enrolled Affiliate wants an Extended Term, Enrolled Affiliate must submit a request to Microsoft at least 30 days prior to the Expiration Date.

2) **Cancellation during Extended Term.** At any time during the first twelve months of the Extended Term, Enrolled Affiliate may terminate the Extended Term by submitting a notice of cancellation to Microsoft for each Online Service. Thereafter, Microsoft may condition the continued use of each Online Service on the acceptance of new terms by the Enrolled Affiliate. Enrolled Affiliate will be notified in writing of any new terms at least 60 days before any such changes take effect. Enrolled Affiliate acknowledges and agrees that after the notice described in this section, its continued use of each Online Service after the effective date provided in the notice will constitute its acceptance of the new terms. If Enrolled Affiliate does not agree to the new terms, it must stop using the Online Services and terminate the Extended Term as provided in this section. Enrolled Affiliate's termination under this section will be effective at the end of the month following 30 days after Microsoft has received the notice.

(iii) **Subscription Licenses and Online Services not eligible for an Extended Term.** If Enrolled Affiliate elects not to renew, the Licenses will be cancelled and will terminate as of the Expiration Date. Any associated media must be uninstalled and destroyed and Enrolled Affiliate's Enterprise must discontinue use. Microsoft may request written certification to verify compliance.

d. **Termination for cause.** Any termination for cause of this Enrollment will be subject to the "Termination for cause" section of the Agreement. In addition, it shall be a breach of this Enrollment if Enrolled Affiliate or any Affiliate in the Enterprise that uses Government Community Cloud Services fails to meet and maintain the conditions of membership in the definition of Community.

e. **Early termination.** Any early termination of this Enrollment will be subject to the "Early Termination" Section of the Enterprise Agreement.

For Subscription Licenses, in the event of a breach by Microsoft, or if Microsoft terminates an Online Service for regulatory reasons, Microsoft will issue Reseller a credit for any amount paid in advance for the period after termination.

6. *Government Community Cloud.*

a. **Community requirements.** If Enrolled Affiliate purchases Government Community Cloud Services, Enrolled Affiliate certifies that it is a member of the Community and agrees to use Government Community Cloud Services solely in its capacity as a member of the Community and, for eligible Government Community Cloud Services, for the benefit of end users that are members of the Community. Use of Government Community Cloud Services by an entity that is not a member of the Community or to provide services to non-Community members is strictly prohibited and could result in termination of Enrolled Affiliate's license(s) for Government Community Cloud Services without notice. Enrolled Affiliate acknowledges that only Community members may use Government Community Cloud Services.

b. All terms and conditions applicable to non-Government Community Cloud Services also apply to their corresponding Government Community Cloud Services, except as otherwise noted in the Use Rights, Product Terms, and this Enrollment.

c. Enrolled Affiliate may not deploy or use Government Community Cloud Services and corresponding non-Government Community Cloud Services in the same domain.

d. **Use Rights for Government Community Cloud Services.** For Government Community Cloud Services, notwithstanding anything to the contrary in the Use Rights:

   (i) Government Community Cloud Services will be offered only within the United States.

   (ii) Additional European Terms, as set forth in the Use Rights, will not apply.

   (iii) References to geographic areas in the Use Rights with respect to the location of Customer Data at rest, as set forth in the Use Rights, refer only to the United States.

Enrollment Details

1. Enrolled Affiliate's Enterprise.

Identify which Agency Affiliates are included in the Enterprise. (Required) Enrolled Affiliate's Enterprise must consist of entire offices, bureaus, agencies, departments or other entities of Enrolled Affiliate, not partial offices, bureaus, agencies, or departments, or other partial entities. Check only one box in this section. If no boxes are checked, Microsoft will deem the Enterprise to include the Enrolled Affiliate only. If more than one box is checked, Microsoft will deem the Enterprise to include the largest number of Affiliates:

☒ Enrolled Affiliate only

☐ Enrolled Affiliate and the following Affiliate(s):

Unless specifically identified above, all Affiliates of Customer, either existing at the execution of this Enrollment or created or acquired after the execution of this Enrollment, will be excluded from the Enterprise. To request that an additional Affiliate be included in Customer's Enterprise, Customer must identify an Affiliate to Microsoft in writing and provide any required documentation. Microsoft will reasonably review requests under this paragraph and may approve the inclusion of an Affiliate in Customer's Enterprise in its sole discretion.

2. Contact information.

Each party will notify the other in writing if any of the information in the following contact information page(s) changes. The asterisks (*) indicate required fields. By providing contact information, Enrolled Affiliate consents to its use for purposes of administering this Enrollment by Microsoft, its Affiliates, and other parties that help administer this Enrollment. The personal information provided in connection with this Enrollment will be used and protected in accordance with the privacy statement available at https://www.microsoft.com/licensing/servicecenter.

a. **Primary contact.** This contact is the primary contact for the Enrollment from within Enrolled Affiliate's Enterprise. This contact is also an Online Administrator for the Volume Licensing Service Center and may grant online access to others. The primary contact will be the default contact for all purposes unless separate contacts are identified for specific purposes

Name of entity (must be legal entity name)* City of Yuba City
Contact name: First* Brian **Middle** **Last*** Hansen
Contact email address* bhansen@yubacity.net
Street address* 1201 Civic Center Blvd.
City* Yuba City
State* CA
Postal code* 95993-3005 -
(Please provide the zip + 4, e.g. xxxxx-xxxx)
Country* United States
Phone* 530-822-4785
Tax ID
** indicates required fields*

b. **Notices contact and Online Administrator.** This contact (1) receives the contractual notices, (2) is the Online Administrator for the Volume Licensing Service Center and may grant online access to others, and (3) is authorized to order Reserved Licenses for eligible Online Servies, including adding or reassigning Licenses and stepping-up prior to a true-up order.

☐ Same as primary contact (default if no information is provided below, even if the box is not checked).

Contact name: First* Brian **Middle** **Last*** Hansen
Contact email address* bhansen@yubacity.net
Street address* 1201 Civic Center Blvd.
City* Yuba City
State* CA
Postal code* 95993-3005 -
(Please provide the zip + 4, e.g. xxxxx-xxxx)
Country* United States
Phone* 530-822-4785
Language preference. Choose the language for notices. English
☐ This contact is a third party (not the Enrolled Affiliate). Warning: This contact receives personally identifiable information of the Customer and its Affiliates.
** indicates required fields*

c. Online Services Manager. This contact is authorized to manage the Online Services ordered under the Enrollment and (for applicable Online Services) to add or reassign Licenses and step-up prior to a true-up order.

☐ Same as notices contact and Online Administrator (default if no information is provided below, even if box is not checked)

Contact name: First* Brian **Middle** **Last*** Hansen
Contact email address* bhansen@yubacity.net
Phone* 530-822-4785
☐ This contact is from a third party organization (not the entity). Warning: This contact receives personally identifiable information of the entity.
** indicates required fields*

d. Reseller information. Reseller contact for this Enrollment is:

Reseller company name* SHI International Corp.
Street address (PO boxes will not be accepted)* 290 Davidson Ave
City* Somerset
State* NJ
Postal code* 08873-4145
Country* United States
Contact name* Joshua Cho
Phone* 888-764-8888
Contact email address* Msteam@shi.com
** indicates required fields*

By signing below, the Reseller identified above confirms that all information provided in this Enrollment is correct.

Signature* Joshua Cho
Printed name* Joshua Cho
Printed title*
Date*

** indicates required fields*

Changing a Reseller. If Microsoft or the Reseller chooses to discontinue doing business with each other, Enrolled Affiliate must choose a replacement Reseller. If Enrolled Affiliate or the Reseller intends to terminate their relationship, the initiating party must notify Microsoft and the other party using a form provided by Microsoft at least 90 days prior to the date on which the change is to take effect.

e. If Enrolled Affiliate requires a separate contact for any of the following, attach the Supplemental Contact Information form. *Otherwise, the notices contact and Online Administrator remains the default.*

(i) Additional notices contact
(ii) Software Assurance manager
(iii) Subscriptions manager
(iv) Customer Support Manager (CSM) contact

3. Financing elections.

Is a purchase under this Enrollment being financed through MS Financing? ☐ Yes, ☒ No.

If a purchase under this Enrollment is financed through MS Financing, and Enrolled Affiliate chooses not to finance any associated taxes, it must pay these taxes directly to Microsoft.

Previous Enrollment(s)/Agreement(s) Form

Entity Name: City of Yuba City
Contract that this form is attached to: State Local Government

For the purposes of this form, "entity" can mean the signing entity, Customer, Enrolled Affiliate, Government Partner, Institution, or other party entering into a volume licensing program agreement.

Please provide a description of the previous Enrollment(s), Agreement(s), Purchasing Account(s), and/or Affiliate Registration(s) being renewed or consolidated into the new contract identified above.

a. Entity may select below any previous contract(s) from which to transfer MSDN subscribers to this new contract. Entity shall ensure that each MSDN subscriber transferred is either properly licensed under the new contract or is removed.

b. Entity may select below only one previous contract from which to transfer the Software Assurance (SA) Benefit contact details, i.e., benefits contact (*not* the SA manager) and the program codes, to this new contract.

c. An Open License cannot be used to transfer either the SA Benefit details or MSDN subscribers.

d. The date of the earliest expiring Enrollment/Agreement that contains SA or Online Services will be the effective date of the new contract (or SA coverage period for Select Plus).

e. Please insert the number of the earliest expiring Enrollment/Agreement with SA or Online Services in the appropriate fields of the new contract.

Enrollment/Agreement/ Purchasing Account/Affiliate Registration Description	Enrollment/Agreement/ Purchasing Account/Affiliate Registration Public Customer Number	Transfer SA Benefit Contact	Transfer MSDN Subscribers
Standard Enrollment	61632071	X	X

Proposal ID	Enrollment Number
2819146.003	

Language: English (United States)

Enrolled Affiliate's Enterprise Products and Enterprise Online Services summary for the initial order:				
Profile	Qualified Devices	Qualified Users	Device / User Ratio	CAL Licensing Model
Enterprise	380	380	1.0	User Licenses

Products	Enterprise Quantity
Microsoft 365 Enterprise	
M365 G3 GCC USL Unified	100
M365 G3 GCC FromSA Unified Renewal	280

Enrolled Affiliate's Product Quantities:				
Price Group	1	2	3	4
Enterprise Products	Office Professional Plus + M365 Apps for Enterprise + Office 365 (Plans E3 and E5) + Microsoft 365 Enterprise	Client Access License + Office 365 (Plans E1, E3 and E5) + Microsoft 365 Enterprise	Client Access License + Windows Intune + EMS USL + Microsoft 365 Enterprise	Win E3 + Win E5 + Win VDA + Microsoft 365 Enterprise
Quantity	380	380	380	380

Enrolled Affiliate's Price Level:	
Product Offering / Pool	**Price Level**
Enterprise Products and Enterprise Online Services USLs: Unless otherwise indicated in associated contract documents, Price level set using the highest quantity from Groups 1 through 4.	D
Additional Product Application Pool: Unless otherwise indicated in associated contract documents, Price level set using quantity from Group 1.	D
Additional Product Server Pool: Unless otherwise indicated in associated contract documents, Price level set using the highest quantity from Group 2 or 3.	D
Additional Product Systems Pool: Unless otherwise indicated in associated contract documents, Price level set using quantity from Group 4.	D

Notes
Unless otherwise indicated in the associated contract documents, the price level for each Product offering / pool is set as described above, based upon the quantity to price level mapping below:

Quantity of Licenses and Software Assurance	Price Level
2,399 and below	A
2,400 to 5,999	B
6,000 to 14,999	C
15,000 and above	D

Note 1: Enterprise Online Services may not be available in all locations. Please see the Product List for a list of locations where these may be purchased.

Note 2: If Enrolled Affiliate does not order an Enterprise Product or Enterprise Online Service associated with an applicable Product pool, the price level for Additional Products in the same pool will be price level "A" throughout the term of the Enrollment. Refer to the Qualifying Government Entity Addendum pricing provision for more details on price leveling.

Microsoft Volume Licensing

Amendment to Contract Documents

Enrollment Number

5-0000012505219

This amendment ("Amendment") is entered into between the parties identified on the attached program signature form. It amends the Enrollment or Agreement identified above. All terms used but not defined in this Amendment will have the same meanings provided in that Enrollment or Agreement.

Enterprise Enrollment
Invoice for Quoted Price
Amendment ID M97

The price quoted to Enrolled Affiliate is a fixed price based on an estimated order submission date. Microsoft will invoice Enrolled Affiliate based on this fixed price quote. If this order is submitted later than the estimated order submission date, Enrolled Affiliate will be charged for net new Monthly Subscriptions (including Online Services) for the period during which these services were not provided. For Indirect models, Pricing to Enrolled Affiliate is agreed between Enrolled Affiliate and Enrolled Affiliate's Reseller.

SKU Number	SKU Description	Existing Quantity	Incremental quantities
AAD-34700	M365 G3 Unified FSA Renewal GCC Sub Per User	280	0
AAD-34704	M365 G3 Unified FUSL GCC Sub Per User	30	70
9K4-00003	Visio P2 FSA GCC Renewal Sub Per User	9	0
AAD-63092	M365 F3 Unified GCC Sub Per User	40	0
7E7-00001	Planner & Project P3 FSA GCC Renewal Sub Per User	2	0
NYH-00001	Teams AC with Dial Out US/CA GCC Sub Add-on	0	420

Except for changes made by this Amendment, the Enrollment or Agreement identified above remains unchanged and in full force and effect. If there is any conflict between any provision in this Amendment and any provision in the Enrollment or Agreement identified above, this Amendment shall control.

This Amendment must be attached to a signature form to be valid.

Microsoft Internal Use Only:

(M97)EnrAmend(Ind)(InvoiceforQuotedPrice)(WW)(ENG)(Dec2024)(IU).docx		M97	B

CITY OF YUBA CITY
STAFF REPORT

Date:	February 18, 2025
To:	Honorable Mayor & Members of the City Council;
From:	Public Works
Presentation By:	Ben Moody, Public Works & Development Services Director

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Summary

Subject:	Design Immunity Ordinance Update
Recommendation:	Adopt by title only an Ordinance of the City Council of the City of Yuba City adding Chapter 12 of Title 6, including Section 6-12.01, to the Yuba City Municipal Code establishing powers and authority to approve plans or designs for public works projects and waive the second reading
Fiscal Impact:	No direct fiscal impact will result from the proposed Municipal Code addition

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Purpose:

To preserve design immunity in lawsuits involving public works projects by formally documenting authority for approval of plans or designs for such projects.

Council's Strategic Goal:

This item addresses two City Council Strategic Goals by providing for maintenance of, improvement to, and investment in City infrastructure while doing so in a fiscally responsible and sustainable manner.

Background:

Design immunity under Government Code Section 830.6 is one of the most powerful affirmative defenses for public entities. This section states, in part, that neither a public entity nor a public employee is liable for an injury caused by the plan or design of a construction of, or an improvement to, public property where such plan or design has been approved in advance by the legislative body of the public entity or by some other body or employee exercising discretionary authority to give such approval.

The City is self-insured through the Northern California Cities Self-Insured Fund (NCCSIF) risk pool. NCCSIF has requested its member agencies adopt an ordinance to formally document and preserve design immunity afforded by Government Code Section 830.6 in response to the large number of lawsuits filed against public entities alleging dangerous conditions of public property and the multi-million dollar demands such lawsuits seek.

Council previously conducted a Public Hearing and properly introduced the proposed Ordinance. Further, staff published the Notice of Intent to Adopt the proposed Ordinance as required.

Analysis:

California law provides various causes of actions for aggrieved parties to sue for monetary and non-monetary damages, as well as immunities and defenses where the State Legislature has deemed to be important public policy to shield certain individuals and entities from liability. An example is legislative immunity where the City Council cannot be held liable for enacting laws. Another example is judicial immunity where judges cannot be held liable for making rulings contrary to popular sentiment.

Pertinent to public agencies being sued for an alleged dangerous condition of public property, the defense of design immunity will almost always be raised in a motion for summary judgment where the judge will be asked to decide whether there is any substantial evidence that the public property was reasonably designed. A civil engineer's opinion that the design was reasonably approved constitutes substantial evidence sufficient to support design immunity regardless of any conflicting witness testimony to the contrary.

The final design of City public works projects is approved by the Engineer in Responsible Charge of the work, as defined in the State Business and Profession Code. The Engineer's signature on the plan documents constitute substantial evidence that the public works project was reasonably designed, therefore entitling the City to assert the design immunity defense in lawsuits alleging dangerous condition of public property. The City usually takes the additional step of obtaining City Council approval of the plans and specifications, further entitling the City to assert the design immunity defense.

The proposed Ordinance formally establishing the Engineer in Responsible Charge of the work, the Public Works Director, and the City Engineer as being authorized to approve plans or designs for purposes of design immunity pursuant to Government Code Section 830.6 preserving the City's ability to assert the design immunity defense for projects that may not have been formally approved by City Council. Such projects could include those less than $60,000 that are directly negotiated with a Contractor or those that have been informally bid pursuant to the State Public Contract Code.

The proposed Ordinance is prepared at the request of the City's risk pool NCCSIF to formally document and preserve the City's ability to raise design immunity as a defense. As part of this process, a new chapter was created in order to accommodate future amendments to the Municipal Code of a similar type.

Fiscal Impact:

No direct fiscal impact will result from amending the Municipal Code to establish authority for approval of plans or designs of public works projects. Existing budgeted funds will be used for staff's time to implement this item.

Alternatives:

Council may decide not to amend the Municipal Code and instead require all public works projects, regardless of size or scope of work, to be brought before City Council for approval of plans or designs. Council may also limit the authority for approval of plans or designs to just the Public Works Director or City Engineer.

Recommendation:

Adopt by title only an Ordinance of the City Council of the City of Yuba City adding Chapter 12 of Title 6, including Section 6-12.01, to the Municipal Code establishing powers and authority to approve plans or designs for public works projects and waive the second reading

Attachments:

1. Ordinance

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

ATTACHMENT 1

ORDINANCE NO. __________

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF YUBA CITY ADDING CHAPTER 12 OF TITLE 6, INCLUDING SECTION 6-12.01, TO THE MUNICIPAL CODE ESTABLISHING POWERS AND AUTHORITY TO APPROVE PLANS OR DESIGNS FOR PUBLIC WORKS PROJECTS

WHEREAS, the City of Yuba City (City) is self-insured through the Northern California Cities Self-Insured Fund (NCCSIF) risk pool; and

WHEREAS, NCCSIF has requested its member agencies adopt an ordinance to formally document and preserve design immunity afforded by Government Code Section 830.6 in response to the large number of lawsuits filed against public entities alleging dangerous conditions of public property and the multi-million dollar demands such lawsuits seek; and

WHEREAS, the final design of City public works projects is approved by the Engineer in Responsible Charge of the work, as defined in the State Business and Profession Code; and

WHEREAS, said Engineer's signature on the plan documents constitute substantial evidence that the public works project was reasonably designed, therefore entitling the City to assert the design immunity defense in lawsuits alleging dangerous condition of public property; and

WHEREAS, the City usually takes the additional step of obtaining City Council approval of the plans and specifications, further entitling the City to assert the design immunity defense; and

WHEREAS, the City Council desires to amend the Yuba City Municipal Code to authorize the Engineer in Responsible Charge of the work, the Public Works Director, or the City Engineer to approve plans or designs for purposes of design immunity pursuant to Government Code Section 830.6 for projects that may not have been formally approved by City Council.

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

1. That all of the facts set forth in the recitals above are true and correct and incorporated herein.

2. A new Chapter 12, of Title 6, is added to the Yuba City Municipal Code to read in its entirety as follows:

   CHAPTER 12. POWERS AND AUTHORITY – ADDITIONAL

   Sec. 6-12.01. – Plans and Designs.

   The Engineer in responsible charge of the work, the Public Works Director, and/or the City Engineer are authorized to approve plans or designs for purposes of design immunity pursuant to Government Code Section 830.6 for all public works projects approved by the City. Nothing in this section is intended to, nor will it, preclude the City Council from separately or additionally approving plans or designs for purposes of design immunity pursuant to Government Code Section 830.6.

3. If any section, subsection, sentence, clause, or phrase in this Ordinance or any part thereof is for any reason held to be invalid or unconstitutional by any court of competent jurisdiction, such

invalidity or unconstitutionality shall not affect any other provision or application, and to this end the provisions of this Ordinance are declared to be severable. The City Council hereby declares that they would have adopted this Ordinance and each section, subsection, sentence, clause, phrase, part or portion thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases, parts or portions thereof be declared invalid or unconstitutional.

4. This Ordinance shall become effective on the thirty-first day after its adoption.

This Ordinance was introduced on June 18, 2024, and duly adopted by the City Council of the City of Yuba City at its duly noticed regular meeting on ___________________, by the following vote:

AYES: Council Member(s):

NOES: Council Member(s):

ABSENT: Council Member(s):

____
Dave Shaw, Mayor
City of Yuba City

Attest:

____
Ciara Wakefield, City Clerk
City of Yuba City

APPROVED AS TO FORM
COUNSEL FOR YUBA CITY:

____
Shannon Chaffin, City Attorney
Aleshire & Wynder, LLP

CITY OF YUBA CITY
STAFF REPORT

Date: February 18, 2025

To: Honorable Mayor & Members of the City Council;

From: Development Services Department

Presentation By: Ben Moody, Public Works & Development Services Director

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Summary

Subject: Planning Commission Membership

Recommendation: A. Adopt by title only an Ordinance of the City Council of the City of Yuba City repealing and replacing Sections 8-1.01 and 8-1.02 of Title 8, Chapter 1 of the Municipal Code regarding the Planning Commission membership and organization, and waive the second reading; and

B. Adopt a Resolution of the City Council of the City of Yuba City to remove and reappoint City Planning Commissioners on an interim basis until new District Planning Commissioners are established by the City Council

Fiscal Impact: No direct fiscal impact will result from amending the Municipal Code to revise the standards discussed

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Purpose:

To adopt an ordinance to reorganize the Planning Commission from at-large to council district representation and provide for continued County participation. Additionally, all Planning Commissioners are being reappointed on an interim basis until new District Planning Commissioners are established.

Council's Strategic Goal:

Updating the Planning Commission's representation from at-large positions to appointments made by individual City Council members that will include recently annexed areas into the City addresses the City Council's overarching goal of quality of life.

Background:

The Planning Commission was established by Ordinance No. 192, and this commences at Municipal Code Section 8-1.01.

Traditionally, the Planning Commission has been comprised of six at-large members of the community serving 4-year terms. A seventh member has traditionally been appointed by Sutter County and similarly, the City has traditionally appointed a member to the County Planning Commission.

In 2024, the City Council transitioned from at-large representation to five individual Council districts. Consistent with this action, it is appropriate for the City Council to consider updating the Planning

Commission's organization and membership where there are five members, representing each City Council District.

On February 4, 2025, the City Council introduced an ordinance regarding the Planning Commission's membership and organization to transition the Commission from at-large to individual Council District representation.

Analysis:

The proposed ordinance will transition the Planning Commission to a five voting member Commission where each City Council member nominates a commissioner that must be confirmed by the City Council.

The proposed ordinance provides that Sutter County may nominate a non-voting member, who must be confirmed by the City Council, who shall sit with the Commission and provide input only.

The proposed ordinance provides that once a planning commissioner is confirmed by the City Council, they shall serve a term of the same duration as the City Council member who nominated them. Upon re-election, a City Council member may either renominate an existing Commissioner to an additional term or may nominate a different person from their district.

The proposed ordinance provides that a confirmed planning commissioner may be removed at any time, with or without cause, by action of the City Council (3-votes).

A review of the Planning Commission Bylaws determined that no revisions are necessary in order to accommodate the ordinance amendments.

To maintain a quorum of Planning Commissioners during this transition, a resolution is proposed to remove and reappoint all Planning Commissioners on an interim basis until new District Planning Commissioners are established pursuant to the new ordinance. This will ensure that development applications will continue to be heard timely during this process.

Environmental Review

A review of the California Environmental Quality Act (CEQA) Guidelines determined that adoption of an ordinance regarding Planning Commission membership and organization is exempt from CEQA review pursuant to CEQA Guidelines Section 15061 (b)(3) (General Rule Exemption) where the activity is covered by the common sense exemption that CEQA applies only to projects, which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

Fiscal Impact:

No direct fiscal impact will result from amending the Municipal Code to potentially revise the composition of the Planning Commission.

Alternatives:

The City Council may revise the proposed ordinance as it determines necessary or the Council may determine not to amend the Ordinance to revise the Planning Commission organization and membership. Finally, the City Council may provide alternative guidance to staff concerning this issue.

Recommendations:

A. Adopt by title only an Ordinance of the City Council of the City of Yuba City repealing and replacing Sections 8-1.01 and 8-1.02 of Title 8, Chapter 1 of the Municipal Code regarding the Planning Commission membership and organization, and waive the second reading; and

B. Adopt a Resolution of the City Council of the City of Yuba City to remove and reappoint City Planning Commissioners on an interim basis until new District Planning Commissioners are established by the City Council.

Attachments:
1. Proposed Ordinance
2. Proposed Resolution
3. Map of City Council Districts

Prepared By:	Submitted By:
Doug Libby, AICP	Diana Langley
Deputy Development Services Director	City Manager

Attachment 1

ORDINANCE NO. ___

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF YUBA CITY REPEALING AND REPLACING SECTIONS 8-1.01 AND 8-1.02 OF CHAPTER 1 OF TITLE 8, OF THE MUNICIPAL CODE REGARDING THE PLANNING COMMISSION MEMBERSHIP AND ORGANIZATION

WHEREAS, in 2022 the City Council of the City of Yuba City transitioned from at-large to individual district representation on the City Council, which transition was completed in December of 2024; and

WHEREAS, the City Council similarly desires to reorganize the Planning Commission and transition from at-large to individual district representation and this will reduce the size of the Planning Commission from seven to five members to coincide with one Planning Commissioner representative from each City Council member district; and

WHEREAS, traditionally, the City and County have each appointed a Planning Commissioner to each agency's Planning Commission; however, with this reorganization, having an additional Planning Commissioner can result in tied decisions; however, the City Council believes there are benefits to having County Planning Commissioner participation on the City Planning Commission and therefore, is including a non-voting liaison who may provide input during Commission meetings.

WHEREAS, the City Council considered this ordinance pursuant to a noticed public hearing at its meeting on February 4, 2025, and now desires to adopt the same.

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

SECTION 1. Recitals. The above recitals are incorporated by reference.

SECTION 2. CEQA. The City Council finds and determines that the adoption of an ordinance regarding Planning Commission membership and terms of office is not a "project" for the purposes of the California Environmental Quality Act (CEQA) as the membership of the Planning Commission is an organizational or administrative activity of the City that will not result in direct or indirect physical changes to the environment as contemplated by CEQA Guidelines section 15378. As such, this activity is not subject to CEQA.

SECTION 3. Sections 8-1.01 and 8-1.02 of Title 8, Chapter 1 of the Yuba City Municipal Code are repealed in their entirety and replaced with the following Section 8-1.01:

Section 8-1.01. – Created, Membership

The Planning Commission is established and created by Ordinance No. 192 entitled "An Ordinance Establishing and Creating a City Planning Commission," as amendment, is hereby re-established and recreated without loss of continuity under and by authority of the State

Planning Law. The Planning Commission shall have all the powers, functions and duties provided for by State Planning Law, the laws of the City and as delegated in accordance with applicable laws. The Planning Commission have the authority to appoint a chair and vice-chair, and to adopt bylaws consistent with policies established by the Council. The organization, membership, terms and methods of appointment and removal of members, and compensation of the Planning Commission shall be as follows:

(a) There shall be five voting members of the Planning Commission.

(b) Each member of the City Council shall nominate a person from among the residents of their district to serve as a Planning Commissioner. The City Council may establish by resolution recruitment and service requirements, criteria and attendance standards governing service on the Planning Commission. A person nominated shall be confirmed by a majority vote of the City Council.

(c) A confirmed Planning Commissioner shall serve a term of the same duration as the Council member who appointed them and shall serve at the pleasure of said Council member. Upon election or re-election, a City Council member shall either renominate an existing Planning Commissioner to another term or may nominate a different resident of their district. A City Council member may also seek removal and nominate another resident of their district to the Planning Commission at any time. All nominations shall be confirmed by a majority vote of the City Council. When a new City Council member is elected to a district, the existing Planning Commissioner for that district will continue to serve until they are either renominated and reconfirmed or a successor is confirmed by the City Council.

(d) A Planning Commissioner or liaison may be removed at any time, with or without cause, by action of the City Council.

(e) Annually, the County of Sutter may nominate a non-voting liaison to the Yuba City Planning Commission who may provide input. A liaison may be confirmed by a majority vote of the City Council.

(f) Annually, the Planning Commission may nominate a member to serve on the Sutter County Planning Commission as either a voting member or liaison, consistent with County ordinance. The City Council may accept the person nominated as the City's designee and the City Clerk shall forward said designation to the Sutter County Board of Supervisors for confirmation.

(g) The Development Services Director shall be an ex-officio member and shall serve as the secretary to the Commission. All members of the Commission shall have the right to vote; ex-officio members and liaison shall not have the right to vote.

(h) Compensation for the Planning Commission may be established by adopted resolution of the City Council.

(i) To effectuate initial implementation of this ordinance, the City Council may adopt a resolution removing all members of the Planning Commission and then immediately re-appoint five members thereof for an interim period, with each member being assigned to a Council district regardless of current residency within the City. The interim appointment period shall be until another Planning Commissioner is appointed to that district, or through February 27th following the election or re-election of a City Council member for that district.

SECTION 4. Severability. If any provision(s) of this Ordinance or the application thereof to any person or circumstances is held invalid or unconstitutional by any court of competent jurisdiction, such invalidity or unconstitutionality shall not affect any other provision or application, and to this end the provisions of this ordinance are declared to be severable. The City Council hereby declares that they would have adopted this ordinance and each section, subsection, sentence, clause, phrase, part or portion thereof, irrespective of the fact that any one or more sections, subsections, clauses, phrases, parts or portions thereof be declared invalid or unconstitutional.

SECTION 5. Effective Date. This Ordinance shall be effective on the thirty-first day after its adoption.

This Ordinance was introduced on February 4, 2025, and duly adopted by the City Council of the City of Yuba City at its duly noticed regular meeting _________, 2025, by the following electronic vote:

AYES: Council Member(s):
NOES: Council Member(s):
ABSENT: Council Member(s):

____
Dave Shaw, Mayor
City of Yuba City

Attest:

____
Ciara Wakefield, City Clerk
City of Yuba City

ATTACHMENT 2

RESOLUTION NO.

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY TO REMOVE AND REAPPOINT ALL PLANNING COMMISSIONERS ON AN INTERIM BASIS AS PART OF THE REORGANIZATION FROM AT-LARGE TO DISTRICT BASED PLANNING COMMISSION REPRESENTATION

WHEREAS, in 2024 the City Council of the City of Yuba City completed the transition from at-large representation to district-based representation on the City Council; and

WHEREAS, the City Council similarly desires to reorganize the Planning Commission from at-large representation to one that is based on representation from each City Council district, and this will ultimately reduce the size of the Planning Commission from seven to five members which coincides with one Planning Commissioner representative from each City Council member district; and

WHEREAS, on February 4, 2025, the City Council conducted a duly noticed public hearing and introduced an ordinance of the City Council of the City of Yuba City to repeal and replace Sections 8-1.01 and 8-1.02 of Title 8, Chapter 1 of the Municipal Code regarding the Planning Commission membership and organization ("Ordinance"); and

WHEREAS, as part of this reorganization, it is necessary to ensure continuity of Planning Commission membership so that development applications can be heard and acted upon in a timely manner; and

WHEREAS, as part of this reorganization, the City Council finds it necessary to remove and reappoint the existing Planning Commissioners to terms lasting until they are either nominated by a City Council member and confirmed by the City Council under the updated ordinance requirements or replaced by a different Planning Commissioner confirmed by the City Council.

WHEREAS, Municipal Code Section 8-1.02 provides that members of the Planning Commission serve at the pleasure of the City Council and may be removed without cause at any time and provides for the appointment of members.

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

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

2. Removal: As of the effective date of the Ordinance, each Yuba City Planning Commissioner is hereby removed from office.

3. Appointment: As of the effective date of the Ordinance, the following Yuba City Planning Commissioners are reappointed to the following interim terms:

	Yuba City Planning Commission Terms and Expiration		
District	Commissioner	Date of Appointment	Term Expiration

01248.0005/1047830.1

1	Bhavin Singh Dale	2/18/25	City Council confirmation of a District 1 Planning Commissioner or through February 27, 2029, whichever comes first.
2	Jackie Sillman	2/18/25	City Council confirmation of a District 2 Planning Commissioner or through February 27, 2029, whichever comes first.
3	Stacy Brookman	2/18/25	City Council confirmation of a District 3 Planning Commissioner or through February 27, 2029, whichever comes first.
4	Rupinder Johl Sandhu	2/18/25	City Council confirmation of a District 4 Planning Commissioner or through February 27, 2027, whichever comes first.
5	James Nore	2/18/25	City Council confirmation of a District 5 Planning Commissioner or through February 27, 2027, whichever comes first.

3. Sutter County Liaison: Karri Campbell is confirmed as the liaison from Sutter County to the Yuba City Planning Commission.

4. Effective Date of Resolution: This Resolution shall become effective only upon the effective date of the Ordinance.

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 18th day of February 2025.

Ayes:

Noes:

Absent:

Recused:

____

Dave Shaw, Mayor

ATTEST:

01248.0005/1047830.1

Ciara Wakefield, City Clerk

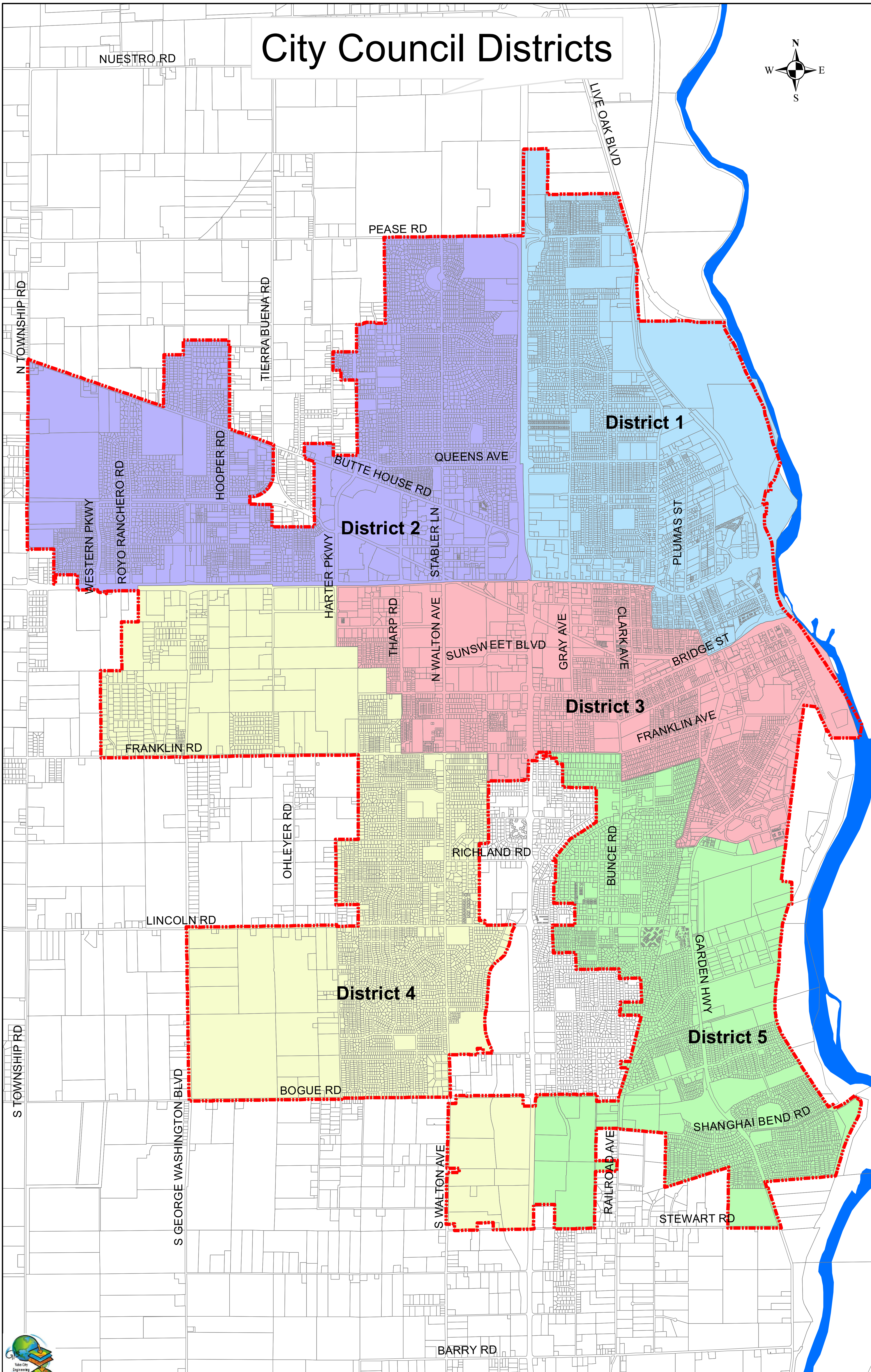
APPROVED AS TO FORM
COUNSEL FOR YUBA CITY

Shannon Chaffin, City Attorney
Aleshire & Wynder, LLP

01248.0005/1047830.1

Attachment 3

City Council Districts



Agenda Item **9**

CITY OF YUBA CITY
STAFF REPORT

Date:	February 18, 2025
To:	Honorable Mayor & Members of the City Council;
From:	Public Works
Presentation By:	Ben Moody, Public Works & Development Services Director

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Summary

Subject:	Water System Consolidation - Wildewood East Mutual Water Company
Recommendation:	Adopt a Resolution authorizing the Public Works Director to sign and file a grant application for a financing agreement with the State Water Resources Control Board for the construction of the Wildwood East Mutual Water Company Water Consolidation Project
Fiscal Impact:	Approximately $5,000 of staff time associated with preparing the State Revolving Fund Grant application. Costs will be reimbursed by the State Water Resources Control Board with the successful award of the grant

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Purpose:

To facilitate consolidation of the Wildewood East Mutual Water Company (WEMWC) with the City's water system.

Council's Strategic Goal:
This project improves the quality of life for residents served by the WEMWC by providing clean, safe drinking water while addressing the City Council's Strategic Goal to maintain, improve, and invest in the City's infrastructure in a fiscally responsible manner.

Background:

The Wildewood East Subdivision is located on the north side of Franklin Road, west of George Washington Boulevard (Attachment 2). The community includes 48 residential lots, approximately one (1) acre in size.

The WEMWC serves water to the subdivision through a private groundwater system with 47 residential water connections serving a population of approximately 235 people. The WEMWC is subject to regulation by the State Water Resources Control Board, Division of Drinking Water (State Water Board). In 2014, the State Water Board implemented a lower maximum contaminant level for hexavalent chromium (CR6), which caused WEMWC's groundwater to be out of compliance. City staff have had preliminary discussions with operators of the WEMWC over the years regarding a potential consolidation of the WEMWC water system with the City's water system to address water quality concerns.

On June 30, 2022, WEMWC submitted a Request for Technical Assistance to the State Water Board seeking assistance in consolidation with the City's water system. On March 4, 2024, staff received a formal request from the State Water Board to provide a letter of intent to work towards the WEMWC consolidation. On March 19, 2024, Council approved consolidation with WEMWC and the letter of intent was submitted.

Sanbell Engineering (Sanbell), on behalf of WEMWC, has been working on a design to construct a new water distribution system for supplying City water to the subdivision. Presently, the project is 90% designed and the next steps include applying for an SRF Grant to fund construction of the project. The State has requested the City, as the consolidating agency, submit the SRF grant application.

Analysis:

The State has requested that Council give authority for designated staff to sign and file a Financial Assistance Application for a financing agreement with the State Water Resources Control Board for the construction of the proposed water distribution system. The financing agreement will commit the State to provide full funding amounts, and for the City to construct the waterline project, at no cost to the City, in accordance with the terms of the agreement.

With approval to move forward with submission of the financial application, staff anticipates State approval of the financing agreement later this year. Staff will then return to Council for authorization to proceed and execute the necessary agreements.

Fiscal Impact:

There will be associated staff time, at an approximate cost of $5,000, to prepare the SRF Grant application. The anticipated financing agreement will reimburse the City for all staff time and fees associated with the application upon award.

The estimated total construction cost of the water distribution system is $3,135,000.00 and is anticipated to be 100% funded through the Drinking Water State Revolving Fund Drinking Water Construction Grant program. Upon award of the grant, staff will present Council a detailed fiscal impact and a recommendation on how to proceed forward with the consolidation effort.

Alternatives:

Do not authorize staff to submit a grant application, which would leave WEMWC looking for other means to fund the consolidation or perhaps abandon the consolidation altogether and find other means to provide safe drinking water to its customers.

Recommendation:

Adopt a Resolution authorizing the Public Works Director to sign and file a grant application for a financing agreement with the State Water Resources Control Board for the construction of the Wildwood East Mutual Water Company Water Consolidation Project.

Attachments:

1. Attachment 1 - WEMWC Resolution
2. Attachment 2 - Location Map

Prepared By:	Submitted By:
Nick Menezes Senior Civil Engineer	Diana Langley City Manager

ATTACHMENT 1

RESOLUTION NO. _______________

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY DESIGNATING AND AUTHORIZING THE PUBLIC WORKS DIRECTOR TO SIGN AND FILE A FINANCIAL ASSISTANCE APPLICATION FOR A FINANCING AGREEMENT WITH THE STATE WATER RESOURCES CONTROL BOARD FOR THE CONSTRUCTION OF THE WILDEWOOD EAST MUTUAL WATER COMPANY CONSOLIDATION PROJECT

WHEREAS, the Wildwood East Mutual Water Company (WEMWC) private water system located on the north side of Franklin Road, west of George Washington Boulevard, no longer meets State drinking water quality standards; and

WHEREAS, on March 19, 2024, the City Council approve the consolidation of the WEMWC water system with the City's water system and the City submitted a letter of intent to work towards said consolidation to the State Water Resources Control Board (SWRCB); and

WHEREAS, the SWRCB requires the City, as the consolidating agency, to be the lead for submitting a State Revolving Fund (SRF) grant application; and

WHEREAS, prior to submitting an SRF grant application, the State requires the City to adopt a Resolution authorizing an officer to sign and file, for and on behalf of the City, a Financial Assistance Application for a financing agreement with the SWRCB; designating a person or persons to approve claims for reimbursement; designating a person or persons to sign the Budget and Expenditure Summary; designating a person or persons to sign Certification of Project Completion; designating a person to review and approve claim forms; and designating a person to sign the Final Release form.

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

1. The Public Works Director (the "Authorized Representative") is hereby authorized to sign and file a Financial Assistance Application for a financing agreement with the SWRCB for the construction of the WEMWC Consolidation Project.

2. The Authorized Representative, or his/her designee, is designated to provide the assurance, certifications, and commitments required for the financial assistance application, including executing a financial assistance agreement from the SWRCB and any amendments or changes thereto, subject to approval as to legal form by the City Attorney.

3. The Authorized Representative is designated to represent the City in carrying out the City's responsibilities under the agreement, including certifying disbursement requests on behalf of the City and compliance with applicable state and federal laws.

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 18^{TH} day of February, 2025.

AYES:

NOES:

ABSENT:

____

Dave Shaw, Mayor

____

Ciara Wakefield, City Clerk

APPROVED AS TO FORM
COUNSEL FOR YUBA CITY:

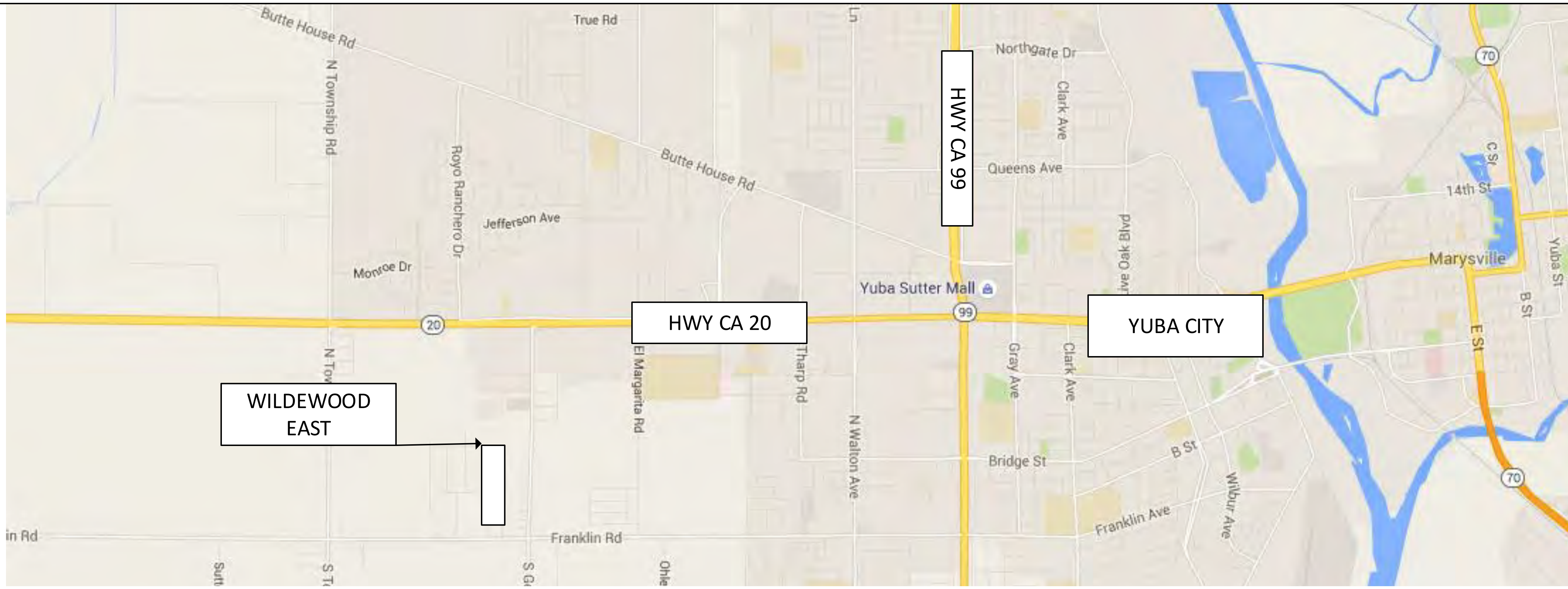
____

Shannon Chaffin, City Attorney
Aleshire & Wynder, LLP

ATTACHMENT 2

WILDEWOOD EAST COMPLIANCE PLAN

FIGURE 1
PROJECT LOCATION



Agenda Item **10**

CITY OF YUBA CITY
STAFF REPORT

Date:	February 18, 2025
To:	Honorable Mayor & Members of the City Council;
From:	Development Services Department
Presentation By:	Shannon Sardo, Administrative Analyst

Summary

Subject: Permanent Local Housing Allocation (PLHA) – Subrecipient Agreements

Recommendation: Adopt a Resolution approving two (2) subrecipient agreements for the City's 2020 Permanent Local Housing Allocation (PLHA) funding from the California Department of Housing and Community Development (HCD), and;
A. Authorize the City Manager to execute the approved agreements, and;
B. Authorize the Finance Director to make a supplemental appropriation of $718,893.67 to account 208-43495 to receive grant funds, a supplemental appropriation of $694,713.32 to account 6048-65305 for program expenditures, and a supplemental appropriation of $39,737.35 to transfer funds for administrative costs to accounts 6048-Z69990 and 100-69980

Fiscal Impact: The City will receive $483,607 from the 2020 allocation and $235,286.67 from the 2021 allocation, to be distributed as follows:
- $229,713.33 for the Sutter Yuba Homeless Consortium (SYHC)
- $465,000 broken down $229,713.33 (2020 allocation) and $235,286.67 (2021 allocation) for Habitat for Humanity Yuba - Sutter (Habitat) – Merriment Village Project
- $24,180.35 for City Administration of the grant

Purpose:

To Approve two (2) subrecipient agreements for the City's 2020 Permanent Local Housing Allocation (PLHA) funding from the California Department of Housing and community Development (HCD)

Council's Strategic Goal:

This project addresses Council's goals of fiscal responsibility, public safety, and infrastructure.

Background:

The City was approved for a five-year allocation of PLHA funding on October 21, 2021. This included funding from the 2019 PLHA allocation. On August 29, 2024, the City was awarded additional PLHA funding from the 2020-2022 allocation, totaling $1,433,096. The City's approved PLHA plan included 5% of each years' allocation for City Administration, then 50% of the remainder for Activity 1, and 50% of the remainder for Activity 6.

Activity 1 eligibility is for *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.*

Activity 6 is for *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.*

Analysis:

The City's 2020 PLHA allocation, in the amount of $483,607, will expire in April 2025, and staff must submit a Request for Funds to HCD by March 1, 2025. This request requires that the city have a contract or agreement established for the funding plan. The Draft Subrecipient Agreements received approval from HCD, signaling that they will be sufficient to receive the funding. Staff recommends approval of these two agreements to move forward with drawing the 2020 funding from HCD.

The Draft Subrecipient Agreement with Habitat for Humanity – Merriment Village Project fulfills the City's previous commitment to provide $465,000 in funding for the construction of the affordable housing project. The subrecipient agreement would draw $229,173.33 from the 2020 allocation (the total committed to Activity 1 from the 2020 allocation), and $235,286.67 from the 2021 PLHA allocation. This will complete the full $465,000 commitment and requires that Habitat meet the same disbursement requirements from the City's Homekey 3.0 Covenant and Loan Agreement, dated July 11, 2024.

The second Draft Subrecipient Agreement is with the Sutter Yuba Homeless Consortium and qualifies for funding under Activity 6 of the PLHA eligibility. This agreement will be for a four-year term and provides $229,173.33 on a reimbursement basis. It requires that SYHC provide quarterly reports and invoicing for reimbursement. This commitment of PLHA funding allows the City and SYHC to free up annual Community Development Block Grant (CDBG) funding from the Public Services cap of 15% of each annual allocation, while still funding vital homeless services within the community.

Fiscal Impact:

The City will receive $483,607 from the 2020 allocation and $235,286.67 from the 2021 allocation, to be distributed as follows:

- $229,713.33 for the Sutter Yuba Homeless Consortium (SYHC)
- $465,000 broken down $229,713.33 (2020 allocation) and $235,286.67 (2021 allocation) for Habitat for Humanity Yuba - Sutter (Habitat) – Merriment Village Project
- $24,180.35 for City Administration of the grant from the 2020 allocation. The City previously received $15,557 from the 2019 allocation for administrative costs

This $465,000 allocation to Habitat for Merriment Village will fulfill the contribution amount approved by City Council on May 2, 2023.

Alternatives:

Provide direction to staff on modifying the Subrecipient Agreements to meet the March 1st Request for Funds deadline with HCD.

Recommendation:
Adopt a Resolution approving two (2) subrecipient agreements for the City's 2020 Permanent Local Housing Allocation (PLHA) funding from the California Department of Housing and Community

Development (HCD), and;
A. Authorize the City Manager to execute the approved agreements, and;
B. Authorize the Finance Director to make a supplemental appropriation of $718,893.67 to account 208-43495 to receive grant funds, a supplemental appropriation of $694,713.32 to account 6048-65305 for program expenditures, and a supplemental appropriation of $39,737.35 to transfer funds for administrative costs to accounts 6048-Z69990 and 100-69980.

Attachments:
1. Attachment 1- Resolution - PLHA Subrecipient Agreements
2. Attachment 2 - PLHA Draft Subrecipient Agreement - Merriment Village
3. Attachment 3 - PLHA Draft Subrecipient Agreement - SYHC

Prepared By:
Shannon Sardo
Administrative Analyst

Submitted By:
Diana Langley
City Manager

ATTACHMENT 1

RESOLUTION NO. ________

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY APPROVING SUBRECIPIENT AGREEMENTS WITH HABITAT FOR HUMANITY YUBA-SUTTER AND SUTTER YUBA HOMELESS CONSORTIUM FOR THE PERMANENT LOCAL HOUSING ALLOCATION (PLHA) FUNDING

WHEREAS, the California Department of Housing and Community Development (HCD) has awarded the City $1,433,096 in PLHA funding from the 2019-2022 allocations, to increase the City's affordable housing stock and provide homeless services; and

WHEREAS, the City's approved PLHA plan includes funding for Activities 1 and 6 of the eligibilities identified by HCD for PLHA funding; and

WHEREAS, City Council has committed $465,000 in PLHA funding to Habitat for Humanity Yuba-Sutter for the construction of Merriment Village Phase I, an affordable housing complex; and

WHEREAS, Merriment Village is eligible for PLHA funding under Activity 1; and

WHEREAS, the Sutter Yuba Homeless Consortium provides comprehensive homeless services within Yuba City; and

WHEREAS, the services provided by Sutter Yuba Homeless Consortium qualify for PLHA funding under Activity 6; and

WHEREAS, The City desires to award PLHA funding to Habitat for Humanity Yuba-Sutter and the Sutter Yuba Homeless Consortium.

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

(1) The City Council hereby approves the two subrecipient agreements for the City's 2020 and 2021 Permanent Local Housing Allocation funding, subject to approval as to legal form by the City Attorney; and

(2) The City Council hereby authorizes the City Manager, or designee to enter into the two subrecipient agreements with Habitat for Humanity Yuba-Sutter and the Sutter Yuba Homeless Consortium for the Permanent Local Housing Allocation funding, subject to approval as to legal form by the City Attorney; and

(3) The City Council further hereby authorizes the Finance Director to provide budget appropriation to receive grant funds, a supplemental appropriation for program expenditures, and a supplemental appropriation to transfer funds for administrative costs as related to the Permanent Local Housing Allocation funding.

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 18th day of February 2025.

AYES:

NOES:

ABSENT:

ATTEST:

____

Dave Shaw, Mayor

____

Ciara Wakefield, Deputy City Clerk

APPROVED AS TO FORM
COUNSEL FOR YUBA CITY

____

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

01248.0005/747906.1

ATTACHMENT 2

AGREEMENT NO. ____________

CITY OF YUBA CITY

PERMANENT LOCAL HOUSING ALLOCATION (PLHA)

SUBRECIPIENT AGREEMENT

THIS AGREEMENT, entered this ___day of _____________________ 2025 by and between the City of Yuba City, California, a municipal corporation, (GRANTEE) and Habitat for Humanity Yuba-Sutter (SUBRECIPIENT).

WHEREAS, the California Department of Housing and Community Development, hereinafter "HCD", is authorized Pursuant to Part 2 Chapter 2.5 of Division 31 of the Health and Safety Code (commencing with Section 50470) Statutes of 2017 (SB 2, Atkins), which created the Building Homes and Jobs Trust Fund and the Permanent Local Housing Allocation ("PLHA") Program ("Program"), to provide funding Pursuant to Health and Safety Code, Section 50470 (b), the California Department of Housing and Community Development (referred to herein as "HCD" or "Department") under a Notice of Funding Availability (the "NOFA"), dated February 26, 2020, to govern administration of the fund and carry out the Program.

WHEREAS, GRANTEE is a recipient of PLHA funding for use in funding eligible activities to benefit its low and moderate income residents as defined in the Act; and

WHEREAS, GRANTEE in accordance with City Resolution No. 20-080, desires to provide PLHA funds to SUBRECIPIENT, for activities and services, as more fully described in Exhibit A, Scope of Services, upon the terms and conditions in this Agreement; and

WHEREAS, pursuant to City Resolution No. 25-, the City Manager is authorized to execute PLHA Agreement, on behalf of GRANTEE, that are within available allocated PLHA funding and in a standard form approved by the City Attorney.

NOW, THEREFORE, it is agreed between the parties hereto that:

1. TERM

The term of this Agreement shall commence on ____________,2025, unless terminated earlier pursuant to the terms of this Agreement, shall continue until October 13, 2026. The term of this Agreement and the provisions herein shall be extended to cover any additional time period during which SUBRECIPIENT remains in control of PLHA funds or other PLHA assets, including Program Income.

2. SCOPE OF WORK

SUBRECIPIENT will be responsible for administering services in a manner satisfactory to GRANTEE and consistent with any standards required as a condition of providing these funds. GRANTEE will also perform the services set forth in Exhibit "A" entitled "Scope of Work" attached hereto and incorporated by reference herein and made a part hereof.

SUBRECIPIENT shall administer the Program for the whole of the term of the Agreement. SUBRECIPIENT shall administer the Program in compliance with the PLHA requirements and in a manner that meets the statewide goals.

GRANTEE will monitor the performance of SUBRECIPIENT against goals and performance standards as stated above. Substandard performance as determined by GRANTEE will constitute noncompliance with this Agreement. If action to correct such substandard performance is not taken by SUBRECIPIENT within a reasonable amount of time after being notified by GRANTEE, contract suspension or termination procedures will be initiated.

3. RECORDS AND REPORTS

On an annual basis, SUBRECIPIENT shall submit to GRANTEE, in a form acceptable to GRANTEE, a performance report summarizing the number of unduplicated persons served, including race, ethnicity, and income data. The performance report shall be submitted within thirty days of the close of each quarter.

SUBRECIPIENT shall maintain all records required by the State 2019 PLHA Final Guidelines specified in Section 500 and 501 that are pertinent to the activities funded under this Agreement. Such records shall include but not be limited to:

a) A full description of each activity undertaken;
b) Records demonstrating each activity undertaken meets one of the PLHA program eligible activities;
c) Records required to determine the eligibility of activities;
d) Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with PLHA assistance;
e) Records documenting compliance with the Housing First practices in 25 CCR, Section 8409, subdivision (b)(1)-(6) and in compliance with WIC Section 8255(b)(8);
f) Financial records as required by HSC Section 50470, subdivision (d). Reference cited: HSC Section 50470, subdivision (b)(2)(B)(ii)(III) and subdivision (b)(2)(B)(IV) and subdivision (b)(3), and
g) Other records necessary to document compliance in accordance with HSC Section 50470, subdivision (d). Reference cited: HSC Section 50470, subdivision (b)(2)(B)(ii)(IV) and subdivision (b)(3)

SUBRECIPIENT shall retain all project files, financial records, and any other documents related to the Program for a period of five years from the date of the close out of this Agreement, except in the following cases:

- If any litigation, claim, or audit is started before the expiration of the three-year period, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken.
- When the SUBRECIPIENT is notified in writing by the GRANTEE to extend the retention period.
- Records for real property and equipment acquired with Federal funds must be retained for three years after final disposition.

GRANTEE shall monitor and evaluate SUBRECIPIENT's performance under this Agreement to determine compliance with this Agreement and PLHA requirements. SUBRECIPIENT shall cooperate with GRANTEE and any federal or state auditors authorized by GRANTEE and shall make available all information, documents, and records reasonably requested and shall provide GRANTEE the reasonable right of access to both records and personnel during normal business hours for the purpose of assuring compliance with this Agreement and evaluating performance hereunder. The rights of access in this section are not limited to the required retention period but last as long as the records are retained.

4. METHOD OF PAYMENT

Grant funds shall be disbursed to SUBRECIPIENT in accordance with the conditions of disbursement set forth by the City through the Covenant and Loan Agreement Merriment Village (Phase I), dated July 11, 2024. SUBRECIPIENT's sole source of compensation hereunder will be in the form of a grant of PLHA funds as described herein. It is expressly agreed and understood that the total amount to be paid by GRANTEE under this Agreement shall not exceed **four-hundred and sixty-five thousand and 00/100 dollars ($465,000).** This funding includes $229,713.33 from City's 2020 PLHA Allocation, and $235,286.67 from the 2021 PLHA Allocation.

SUBRECIPIENT understands and agrees the availability of PLHA funds is subject to the control HCD, or other state agencies and should the PLHA funds be encumbered, withdrawn or otherwise made unavailable to GRANTEE, whether earned by or promised to SUBRECIPIENT, and/or should GRANTEE in any fiscal year hereunder fail to allocate PLHA funds, GRANTEE shall not provide said funds unless and until they are made available for payment to GRANTEE by HCD and GRANTEE receives and allocates said funds. No other funds owned or controlled by GRANTEE shall be obligated under this Agreement to the Project(s).

5. UNIFORM ADMINISTRATIVE REQUIREMENTS

SUBRECIPIENT shall adhere to and follow the Uniform Administrative Requirements found in the U.S. federal regulations at 2 CFR Part 200.

SUBRECIPIENT shall establish and maintain effective internal control over PLHA funds made available through this Agreement to provide reasonable assurance that the Program is administered in compliance with applicable state guidelines and the terms and conditions of this Agreement. This includes evaluation and internal monitoring of the Program and prompt, appropriate action when instances of noncompliance are identified.

SUBRECIPIENT shall follow a written procurement policy that allows for full and open competition that meets the minimum standards of the U.S. federal regulations at 2 CFR 200.317 through 200.326.

SUBRECIPIENT shall take reasonable measures to safeguard protected personally identifiable information and other information GRANTEE designates as sensitive consistent with applicable Federal, state and local laws regarding privacy and obligations of confidentiality.

SUBRECIPIENT will use its best efforts to afford small businesses, minority business enterprises, and women 's business enterprises the maximum practicable opportunity to participate in the performance of this Agreement. As used in this Agreement, the terms "small business" means a business that meets the criteria set forth in section 3(a) of the Small Business Act, as amended (15 U.S.C. 632), and "minority and women's business enterprise" means a business at least 51% owned and controlled by minority group members or women.

SUBRECIPIENT may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

SUBRECIPIENT is prohibited from using PLHA funds or personnel employed in the administration of the program for: political activities; inherently religious activities; lobbying; political patronage; and nepotism activities.

SUBRECIPIENT shall comply with the requirements of the state and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Agreement.

SUBRECIPIENT agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities.

SUBRECIPIENT shall maintain a financial management system that identifies all state awards received and expended and the state programs under which they were received, including:

- The Program title and number,
- State award identification number and year,
- Name of the State agency, and
- Name of the pass-through entity, if any.

SUBRECIPIENT shall follow written financial management policies and procedures that, at a minimum, provide for:

- Determination of allowable costs in accordance with the terms and conditions of this Agreement and the federal cost principles published in the U.S. federal regulations at 2 CFR 200 Subpart E;
- Effective control over, and accountability for, all funds, property, and other assets to ensure all assets are safeguarded and they are used solely for authorized purposes; and

- Accurate financial reporting on federal awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation.

6. ACCESS TO RECORDS

Subrecipient shall furnish and cause each of its own subrecipients or subcontractors to furnish all information and reports required hereunder and will permit access to its books, records, and accounts by the Grantee, HCD or its agent, or other authorized State officials for purposes of investigation to ascertain compliance with the rules, regulations, and provisions stated herein.

7. USE AND REVERSION OF ASSETS

SUBRECIPIENT shall transfer to GRANTEE any PLHA funds on hand and any accounts receivable attributable to the use of funds under this Agreement at the time of expiration, cancellation, or termination.

8. CONFLICT OF INTEREST

SUBRECIPIENT shall maintain written standards of conduct covering conflicts of interest and governing the performance of its employees engaged in the selection, award and administration of contracts. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of SUBRECIPIENT. If SUBRECIPIENT has a parent, affiliate, or subsidiary organization, the standards of conduct must cover organizational conflicts of interest to ensure SUBRECIPIENT is able to be impartial in conducting a procurement action involving a related organization.

At a minimum, the standards of conduct shall include any person who is an employee, agent, consultant, officer, or elected official or appointed official of SUBRECIPIENT. No covered persons who exercise or have exercised any functions or responsibilities with respect to PLHA activities assisted under this part, or who are in a position to participate in a decision making process or gain inside information with regard to such activities, may obtain a financial interest or benefit from a PLHA-assisted activity, or have a financial interest in any contract, subcontract, or agreement with respect to a PLHA-assisted activity, or with respect to the proceeds of the PLHA-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for one year thereafter.

9. OTHER PROGRAM REQUIREMENTS

SUBRECIPIENT agrees to administer the services in compliance with all applicable City/County, State, and Federal guidelines including, but not limited to the following federal program requirements as now in effect and as may be amended from time to time:

Section 109 of the Housing and Community Development Act of 1974 requires that no person in the United States shall on the grounds of race, color, national origin, religion, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance made available pursuant to the Act. Section 109 also directs that the prohibitions against discrimination on the basis of age under the Age Discrimination Act and the prohibitions against discrimination on the basis of disability under Section 504 shall apply to programs or activities receiving Federal financial assistance under Title I programs.

Equal Opportunity requirements as described in Executive Order 11246, as amended by Executive Orders 11375, 11478, 12086, and 12107.

Equal Protection of the Laws for Faith-Based and Community Organizations as described in Executive Order 13279 and the implementing regulations at 41 CFR chapter 60.

Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and implementing regulations at 24 CFR part 135.

The Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations at part 35, subparts A, B, J, K, and R of this part apply.

Exclusion of Debarred and Suspended Contractor requirements as described in 2 CFR Part 180.

Certain newly legalized aliens, as described in 24 CFR part 49, are not eligible to apply for CDBG benefits, including financial assistance, public services, jobs and access to new or rehabilitated housing and other facilities made available with CDBG. Benefits do not include relocation services and payments to which persons displaced are entitled by law (24 CFR §570.613).

A building or facility designed, constructed, or altered with CDBG funds governed by this Agreement that meets the definition of "residential structure" as defined in 24 CFR 40.2 or the definition of "building" as defined in 41 CFR 101-19.602(a) is subject to the requirements of the Architectural Barriers Act of 1968 (42 U.S.C. 4151-4157) and shall comply with the Uniform Federal Accessibility Standards (appendix A to 24 CFR part 40 for residential structures, and appendix A to 41 CFR part 101-19, subpart 101-19.6, for general type buildings).

The Americans with Disabilities Act (42 U.S.C. 12131; 47 U.S.C. 155, 201, 218 and 225) (ADA) provides comprehensive civil rights to individuals with disabilities in the areas of employment, public accommodations, State and local government services, and telecommunications.

10. CLOSEOUT AND REVERSION OF ASSETS

GRANTEE will close out this Agreement when it determines that all applicable administrative actions and all required work of the Agreement have been completed by SUBRECIPIENT .

Unless provided an extension through written notification by GRANTEE, SUBRECIPIENT shall complete the following actions no later than thirty calendar days after the end date of the term of this Agreement:

- Submit, all financial, performance, and other reports as required by the terms of this Agreement;

- Liquidate all obligations incurred under the Agreement; and
- Transfer to GRANTEE any accounts receivable attributable to the use of PLHA funds, including PLHA program income.

Notwithstanding the expiration or earlier termination of this Agreement, SUBRECIPIENT's obligations to GRANTEE shall not terminate until all closeout requirements are completed. The following obligations of SUBRECIPIENT shall survive the termination of this Agreement:

- SUBRECIPIENT'S indemnity obligations;
- the obligation to cause audits to be performed relating to SUBRECIPIENT'S activities and costs under this Agreement;
- the obligation to repay to GRANTEE any PLHA proceeds improperly disbursed to SUBRECIPIENT or disbursed for ineligible expenditures;
- any other obligations which cannot by their nature be performed until after the expiration of the Agreement such as the submittal of final payment request and performance reports.

Any real or personal property purchased in whole or in part with PLHA funds provided under this Agreement are subject to the following requirements that shall survive the termination of this Agreement:

- Insurance and reporting requirements regarding real and personal property acquired with federal funds in accordance with the uniform administrative requirements contained in the U.S. federal regulations published at 2 CFR Part 200; and
- For real property under SUBRECIPIENT's control that was acquired or improved in whole or in part with PLHA funds in excess of $25,000, said property shall be used to meet one of the national objectives in 24 CFR 570.208 for five years after close out of this Agreement. If the property is disposed of within five years of the close out of this Agreement, SUBRECIPIENT shall reimburse GRANTEE a percentage of the current fair market value of the property equal to the percentage of PLHA funds expended to the overall acquisition and improvement cost of the property.

11. SUSPENSION AND TERMINATION

Termination for Convenience. This Agreement may be terminated by either party if SUBRECIPIENT and GRANTEE mutually agree in writing to its termination and upon the termination conditions, including the effective date and in the case of partial termination, the portion to be terminated.

Furthermore, GRANTEE may suspend or terminate this Agreement if SUBRECIPIENT materially fails to comply with any terms of this Agreement.

If, through any cause, the SUBRECIPIENT fails to fulfill in timely and proper manner its obligations under this Agreement, ineffectively or improperly use funds provided under this Agreement, or if SUBRECIPIENT shall violate any of the covenants, agreements, or stipulations of this Agreement, GRANTEE shall thereupon have the right to terminate this Agreement by giving written notice to

SUBRECIPIENT of such termination and specifying the effective date thereof, at least five days before the effective date of such termination. In such event, all finished or unfinished documents and reports prepared by SUBRECIPIENT under this Agreement shall, at the option of GRANTEE, become its property and SUBRECIPIENT shall be entitled to receive just and equitable payment for any satisfactory work completed subject to the limitations of this Agreement.

12. MANDATORY DISCLOSURES

SUBRECIPIENT shall provide written notice to the GRANTEE within five days of all potential conflicts of interest and violations of criminal law involving fraud, bribery, or gratuity violations potentially affecting this Agreement. Failure to make required disclosures can result in termination of the Agreement and suspension or debarment from future federal awards.

13. FINDINGS CONFIDENTIAL

Any reports, information or data given to or prepared by SUBRECIPIENT concerning GRANTEE under this Agreement shall not be made available to any individual or organization by SUBRECIPIENT without first submitting them to GRANTEE.

14. GENERAL CONDITIONS

SUBRECIPIENT shall implement this Agreement in accordance with applicable Federal, State, County, and City laws, ordinances and codes. Should a Project receive additional funding after the commencement of this Agreement , SUBRECIPIENT shall notify GRANTEE in writing within thirty days of receiving notification from the funding source and submit a cost allocation plan for approval by GRANTEE within forty-five days of said official notification.

SUBRECIPIENT agrees to comply with the requirements of Part 2 Chapter 2.5 of Division 31 of the Health and Safety Code (commencing with Section 50470)

SUBRECIPIENT further agrees to utilize funds available under this Agreement to supplement rather than supplant funds otherwise available.

SUBRECIPIENT shall provide Workers' Compensation Insurance coverage for all of its employees involved in the performance of this Agreement.

SUBRECIPIENT shall comply with the bonding and insurance requirements set forth in 2 CFR Part 200. The SUBRECIPIENT shall additionally carry sufficient insurance and bond coverage as set forth by GRANTEE in Section 9 of the Covenant and Loan Agreement Merriment Village (Phase I), dated July 11, 2024.

SUBRECIPIENT shall subcontract all work or services through written contract or agreement subject to each provision of this Agreement and applicable City, County, State and Federal guidelines and regulations. Prior to execution of any subcontract hereunder, such subcontracts must be submitted by SUBRECIPIENT to GRANTEE for its review and approval, which will specifically include a determination of compliance. None of the work or services covered by this Agreement, including but not limited to consultant work or services, shall be subcontracted by SUBRECIPIENT or reimbursed by GRANTEE without prior written approval.

15. INDEPENDENT CONTRACTOR

In furnishing the services provided for herein, SUBRECIPIENT is acting solely as an independent contractor. Neither SUBRECIPIENT, nor any of its officers, agents or employees shall be deemed an officer, agent, employee, joint venturer, partner or associate of GRANTEE for any purpose. GRANTEE shall have no right to control or supervise or direct the manner or method by which SUBRECIPIENT shall perform its work and functions. However, GRANTEE shall retain the right to administer this Agreement so as to verify that SUBRECIPIENT is performing its obligations in accordance with the terms and conditions thereof.

This Agreement does not evidence a partnership or joint venture between SUBRECIPIENT and GRANTEE. SUBRECIPIENT shall have no authority to bind GRANTEE absent GRANTEE's express written consent. Except to the extent otherwise provided in this Agreement, SUBRECIPIENT shall bear its own costs and expenses in pursuit thereof.

Because of its status as an independent contractor, SUBRECIPIENT and its officers, agents and employees shall have absolutely no right to employment rights and benefits available to GRANTEE's employees. SUBRECIPIENT shall be solely liable and responsible for all payroll and tax withholding and for providing to, or on behalf of, its employees all employee benefits including, without limitation, health, welfare and retirement benefits. In addition, together with its other obligations under this Agreement, SUBRECIPIENT shall be solely responsible, indemnify, defend and save GRANTEE harmless from all matters relating to employment and tax withholding for and payment of SUBRECIPIENT's employees, including, without limitation, (i) compliance with Social Security and unemployment insurance withholding, payment of workers compensation benefits, and all other laws and regulations governing matters of employee withholding, taxes and payment; and (ii) any claim of right or interest in GRANTEE employment benefits, entitlements, programs and/or funds offered employees of GRANTEE whether arising by reason of any common law, de facto, leased, or co-employee rights or other theory. It is acknowledged that during the term of this Agreement, SUBRECIPIENT may be providing services to others unrelated to GRANTEE or to this Agreement.

16. INDEMNIFICATION

To the furthest extent allowed by law including California Civil Code section 2782, SUBRECIPIENT shall indemnify, hold harmless and defend GRANTEE and each of its officers, officials, employees, agents and volunteers from any and all loss, liability, fines, penalties, forfeitures, costs and damages (whether in Contract, tort or strict liability, including, but not limited to personal injury, death at any time and property damage) incurred by GRANTEE, SUBRECIPIENT or any other person, and from any and all claims, demands and actions in law or equity (including attorney's fees and litigation expenses), arising or alleged to have arisen directly or indirectly out of performance of this Agreement. SUBRECIPIENT's obligations under the preceding sentence shall apply regardless of whether GRANTEE or any of its officers, officials, employees, agents or volunteers are passively negligent, but shall not apply to any loss, liability, fines, penalties, forfeitures, costs or damages caused by the active or sole negligence, or willful misconduct, of GRANTEE or any of its officers, officials, employees, agents or volunteers.

If SUBRECIPIENT should contract or subcontract all or any portion of the work to be performed under this Agreement, SUBRECIPIENT shall require each SUBRECIPIENT and/or subcontractor to indemnify, hold harmless and defend GRANTEE and each of its officers, officials, employees, agents, and volunteers in accordance with the terms of the preceding paragraph.

This section shall survive termination or expiration of this Agreement.

17. NOTICES

Notices required by this Agreement shall be in writing and delivered via mail (postage prepaid), commercial courier, or personal delivery or sent by facsimile or other electronic means. Any notice delivered or sent as aforesaid shall be effective on the date of delivery or sending. All notices and other written communications under this Agreement shall be addressed to the individuals in the capacities indicated below, unless otherwise modified by subsequent written notice.

Communication and details concerning this Agreement shall be directed to the following contract representatives:

GRANTEE
City of Yuba City
Benjamin Moody
Public Works &
Development Services
Director
1201 Civic Center Blvd
Yuba City, CA 95993
530-822-4783
bmoody@yubacity.net

SUBRECIPIENT
Habitat for Humanity Yuba-Sutter
Joseph Hale
CEO
202 D Street
Marysville, CA 95901
530-742-2727
jhale@yubasutterhabitat.org

18. AMENDMENTS

GRANTEE or SUBRECIPIENT may amend this Agreement at any time provided that such amendments make specific reference to this Agreement, and are executed in writing, signed by a duly authorized representative of each organization, and approved by the GRANTEE's governing body. Such amendments shall not invalidate this Agreement, nor relieve or release the GRANTEE or SUBRECIPIENT from its obligations under this Agreement.

GRANTEE may, in its discretion, amend this Agreement to conform with State or local governmental guidelines, policies and available funding amounts, or for other reasons. If such amendments result in a change in the funding, the scope of services, or schedule of the activities to be undertaken as part of this Agreement, such modifications will be incorporated only by written amendment signed by both GRANTEE and SUBRECIPIENT.

19. ASSIGNMENT

SUBRECIPIENT shall not assign or transfer any interest in this Agreement without the prior written consent of the GRANTEE.

20. SEVERABILITY

If any term, provision, covenant, or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of this Agreement shall not be affected thereby to the extent such remaining provisions are not rendered impractical to perform taking into consideration the purposes of this Agreement.

21. ATTORNEY FEES

If either party is required to commence any proceeding or legal action to enforce or interpret any term, covenant or condition of this Agreement, the prevailing party will be entitled to recover from the other party its reasonable attorney's fees and legal expenses.

22. BINDING ON ALL SUCCESSORS AND ASSIGNS

Unless otherwise expressly provided in this Agreement, all the terms and provisions of this Agreement shall be binding on and inure to the benefit of the parties hereto, and their respective nominees, heirs, successors, assigns, and legal representatives.

23. COUNTERPARTS

This Agreement may be executed in counterparts, each of which when executed and delivered will be deemed an original, and all of which together will constitute one instrument. The execution of this Agreement by any party hereto will not become effective until counterparts hereof have been executed by all parties hereto.

24. CUMULATIVE REMEDIES

No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity. All powers and remedies given by this Agreement shall be cumulative and in addition to those otherwise provided by law.

25. EFFECTIVE DATE

This Agreement shall be effective upon the Parties' complete execution following City Council approval.

26. ENTIRE AGREEMENT

This Agreement represents the entire and integrated agreement of the parties with respect to the subject matter hereof. This Agreement supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be modified or amended only by written instrument duly authorized and executed by both GRANTEE and SUBRECIPIENT.

27. EXHIBITS

Each exhibit and attachment referenced in this Agreement is, by the reference, incorporated into and made a part of this Agreement.

28. EXPENSES INCURRED UPON EVENT OF DEFAULT

SUBRECIPIENT shall reimburse GRANTEE for all reasonable expenses and costs of collection and enforcement, including reasonable attorney's fees, incurred by GRANTEE as a result of one or more Events of Default by SUBRECIPIENT under this Agreement.

29. GOVERNING LAW AND VENUE

Except to the extent preempted by applicable federal law, the laws of the State of California shall govern all aspects of this Agreement, including execution, interpretation, performance, and enforcement. Venue for filing any action to enforce or interpret this Agreement will be Sutter County, California.

30. HEADINGS

The section headings and subheadings contained in this Agreement are included for convenience only and shall not limit or otherwise affect the terms of this Agreement.

31. INTERPRETATION

This Agreement in its final form is the result of the combined efforts of the parties. Any ambiguity will not be construed in favor or against any party, but rather by construing the terms in accordance with their generally accepted meaning.

32. NO THIRD PARTY BENEFICIARY

The rights, interests, duties and obligations defined within this Agreement are intended for the specific parties hereto as identified in the preamble of this Agreement. Notwithstanding anything stated to the contrary in this Agreement, it is not intended that any rights or interests in this Agreement benefit or flow to the interest of any third parties other than expressly identified herein. No subcontractor , mechanic, materialman, laborer, vendor, or other person hired or retained by SUBRECIPIENT shall have any rights hereunder and shall look to SUBRECIPIENT as their sole source of recovery if not paid. No third party may enter any claim or bring any such action against GRANTEE under any circumstances. Except as provided by law, or as otherwise agreed to in writing between GRANTEE and such person, each such person shall be deemed to have waived in writing all right to seek redress from GRANTEE under any circumstances whatsoever. SUBRECIPIENT shall include this paragraph in all contracts/subcontracts.

33. NO WAIVER

Neither failure nor delay on the part of the GRANTEE in exercising any right under this Agreement shall operate as a waiver of such right, nor shall any single or partial exercise of any such right preclude any further exercise thereof or the exercise of any other right. No waiver of any provision of this Agreement or consent to any departure by the SUBRECIPIENT therefrom shall be effective unless the same shall be in writing, signed on behalf of the GRANTEE by a duly authorized officer thereof, and the same shall be effective only in the specific instance for which it is given. No notice to or demand on the SUBRECIPIENT in any case shall entitle the SUBRECIPIENT to any other or further notices or demands in similar or other circumstances, or constitute a waiver of any of the GRANTEE's right to take other or further action in any circumstances without notice or demand.

34. NON-RELIANCE

SUBRECIPIENT hereby acknowledges having obtained such independent legal or other advice as it has deemed necessary and declares that in no manner has it relied on GRANTEE, it agents, employees or attorneys in entering into this Agreement.

35. PRECEDENCE OF DOCUMENTS

In the event of any conflict between the body of this Agreement and any exhibit or attachment hereto, the terms and conditions of the body of this Agreement will control.

36. SEVERABILITY

If any provision of this Agreement is held invalid, the remainder of the Agreement shall not be affected thereby, and all other parts of this Agreement shall nevertheless be in full force and effect.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed this Agreement at Sutter, California, the day and year first above written.

GRANTEE CITY OF YUBA CITY	**SUBRECIPIENT** HABITAT FOR HUMANITY YUBA-SUTTER
________________________ Diana Langley, City Manager	________________________ Joseph Hale, CEO

CITY:
City of Yuba City
1201 Civic Center Blvd.
Yuba City, CA 95993
Phone: 530-822-4602

SUBRECIPIENT:
Habitat for Humanity
Yuba-Sutter
202 D Street
Marysville, CA 95901
Phone: 530-742-2727

Attachments:
Exhibit A: Scope of Work

Exhibit A:
Merriment Village Phase I: Scope of Work

1. Construction and Rehabilitation Detail:

Overall, the scope of work for phase one of the Merriment Village Project involves site preparation, infrastructure development, and construction of the 79 housing units.

a) Prepare and clear the land for construction, conduct soil testing and prepare the site foundation, install temporary utilities to support construction activities
b) Develop ground for community center and playground area, Construct roadways and sidewalks to connect the housing units to the community.
c) Install drainage and irrigation systems
d) Install plumbing, electrical, and HVAC systems in each unit.
e) Install smoke detectors and fire suppression systems to ensure safety.

ATTACHMENT 3

AGREEMENT NO. ____________

CITY OF CITY YUBA

PLHA SUBRECIPIENT AGREEMENT

THIS AGREEMENT, entered this ____day of ______________________ 2025 by and between the City of Yuba City, California, a municipal corporation, (GRANTEE) and Sutter Yuba Homeless Consortium (SUBRECIPIENT).

WHEREAS, the California Department of Housing and Community Development, hereinafter "HCD", is authorized Pursuant to Part 2 Chapter 2.5 of Division 31 of the Health and Safety Code (commencing with Section 50470) Statutes of 2017 (SB 2, Atkins), which created the Building Homes and Jobs Trust Fund and the Permanent Local Housing Allocation ("PLHA") Program ("Program"), to provide funding Pursuant to Health and Safety Code, Section 50470 (b), the California Department of Housing and Community Development (referred to herein as "HCD" or "Department") under a Notice of Funding Availability (the "NOFA"), dated February 26, 2020, to govern administration of the fund and carry out the Program.

WHEREAS, GRANTEE is a recipient of PLHA funding for use in funding eligible activities to benefit its low and moderate income residents as defined in the Act; and

WHEREAS, GRANTEE in accordance with City Resolution No. 25-___, desires to provide PLHA funds to SUBRECIPIENT, for activities and services, as more fully described in Exhibit A, Scope of Services, upon the terms and conditions in this Agreement; and

WHEREAS, pursuant to City Resolution No. 25-, the City Manager is authorized to execute PLHA Agreement, on behalf of GRANTEE, that are within available allocated PLHA funding and in a standard form approved by the City Attorney.

NOW, THEREFORE, it is agreed between the parties hereto that:

1. TERM

The term of this Agreement shall commence on February __, 2025 unless terminated earlier pursuant to the terms of this Agreement, shall continue until June 30, 2029 The term of this Agreement and the provisions herein shall be extended to cover any additional time period during which SUBRECIPIENT remains in control of PLHA funds or other PLHA assets, including Program Income.

2. SCOPE OF WORK

SUBRECIPIENT will be responsible for administering services in a manner satisfactory to GRANTEE and consistent with any standards required as a condition of providing these funds. GRANTEE will also perform the services set forth in Exhibit "A" entitled "Scope of Work" attached hereto and incorporated by reference herein and made a part hereof.

SUBRECIPIENT shall administer the Program for the whole of the term of the Agreement. SUBRECIPIENT shall administer the Program in compliance with the PLHA requirements and in a manner that meets the statewide goals.

GRANTEE will monitor the performance of SUBRECIPIENT against goals and performance standards as stated above. Substandard performance as determined by GRANTEE will constitute noncompliance with this Agreement. If action to correct such substandard performance is not taken by SUBRECIPIENT within a reasonable amount of time after being notified by GRANTEE, contract suspension or termination procedures will be initiated.

3. RECORDS AND REPORTS

On a quarterly basis, SUBRECIPIENT shall submit to GRANTEE, in a form acceptable to GRANTEE, a performance report summarizing the number of unduplicated persons served, including race, ethnicity, and income data. The performance report shall be submitted within thirty days of the close of each quarter.

SUBRECIPIENT shall ensure the PLHA grant funds provided by GRANTEE are clearly identified as subawards and include the following information:

- SUBRECIPIENT NAME:
- Subrecipient ID(DUNS):
- State Award Identification Number: (PLHA Grant#)
- State Award Date:
- Period of Performance:
- Federal/State Funds Obligated by this Agreement:
- Federal/State Award project description:
- Name of State awarding agency: Dept. of Housing and Community Development
- Award Official Contact Information: Name and Address
- Funding Name: Permanent Local Housing Allocation

SUBRECIPIENT shall maintain all records required by the State October 2019 PLHA Final Guidelines specified in Section 500 and 501 that are pertinent to the activities funded under this Agreement. Such records shall include but not be limited to:

a) A full description of each activity undertaken;
b) Records demonstrating each activity undertaken meets one of the PLHA program eligible activities;

c) Records required to determine the eligibility of activities;

d) Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with PLHA assistance;

e) Records documenting compliance with the Housing First practices in 25 CCR, Section 8409, subdivision (b)(1)-(6) and in compliance with WIC Section 8255(b)(8);

f) Financial records as required by HSC Section 50470, subdivision (d). Reference cited: HSC Section 50470, subdivision (b)(2)(B)(ii)(III) and subdivision (b)(2)(B)(IV) and subdivision (b)(3), and

g) Other records necessary to document compliance in accordance with HSC Section 50470, subdivision (d). Reference cited: HSC Section 50470, subdivision (b)(2)(B)(ii)(IV) and subdivision (b)(3)

SUBRECIPIENT shall retain all project files, financial records, and any other documents related to the Program for a period of five years from the date of the close out of this Agreement, except in the following cases:

- If any litigation, claim, or audit is started before the expiration of the three-year period, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken.
- When the SUBRECIPIENT is notified in writing by the GRANTEE to extend the retention period.
- Records for real property and equipment acquired with Federal funds must be retained for three years after final disposition.

GRANTEE shall monitor and evaluate SUBRECIPIENT's performance under this Agreement to determine compliance with this Agreement and PLHA requirements. SUBRECIPIENT shall cooperate with GRANTEE and any federal or state auditors authorized by GRANTEE and shall make available all information, documents, and records reasonably requested and shall provide GRANTEE the reasonable right of access to both records and personnel during normal business hours for the purpose of assuring compliance with this Agreement and evaluating performance hereunder. The rights of access in this section are not limited to the required retention period but last as long as the records are retained.

4. METHOD OF PAYMENT

Grant funds shall be disbursed to reimburse SUBRECIPIENT in accordance with an approved Proposed Budget by City and to be attached hereto as Exhibit "B" and incorporated herein. SUBRECIPIENT's sole source of compensation hereunder will be in the form of a grant of PLHA funds as described herein. It is expressly agreed and understood that the total amount to be paid by GRANTEE under this Agreement shall not exceed Two hundred twenty-nine thousand, seven hundred thirteen dollars and 32/100 ($229,713.32).

SUBRECIPIENT shall submit to GRANTEE a request for payment, in a form acceptable to GRANTEE, on a quarterly basis for the term of the Agreement. Said request shall be accompanied with supporting documentation, including but not limited to paid receipts, invoices and timesheets, to allow GRANTEE to determine compliance with applicable federal regulations, including cost allowability.

GRANTEE shall pay all approved requests for payment pursuant to this Agreement within the normal course of business, typically within forty-five days of receipt. If GRANTEE disallows any cost submitted by SUBRECIPIENT, within thirty business days GRANTEE will provide written notification to SUBRECIPIENT of the disallowance, including any corrective action necessary to process payment.

All funds are paid contingent upon SUBRECIPIENT's continuous compliance with all applicable, uniform administrative requirements, program regulations, and recapture and reversion requirements set out in the Act. Any unearned or recaptured PLHA funding shall be returned to GRANTEE within thirty days of the earlier of termination of this Agreement or notice by GRANTEE. Any interest earned or received by SUBRECIPIENT thereon shall be remitted to the GRANTEE.

An authorized official for SUBRECIPIENT must provide a signed certification with each request that states the following: "By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the State award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise. (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729-3730 and 3801-3812)."

SUBRECIPIENT understands and agrees the availability of PLHA funds is subject to the control HCD, or other state agencies and should the PLHA funds be encumbered, withdrawn or otherwise made unavailable to GRANTEE, whether earned by or promised to SUBRECIPIENT, and/or should GRANTEE in any fiscal year hereunder fail to allocate PLHA funds, GRANTEE shall not provide said funds unless and until they are made available for payment to GRANTEE by HCD and GRANTEE receives and allocates said funds. No other funds owned or controlled by GRANTEE shall be obligated under this Agreement to the Project(s).

5. PROGRAM INCOME

Any income generated by SUBRECIPIENT from the use of PLHA funds governed by this Agreement shall be considered PLHA program income. All PLHA program income shall be retained by SUBRECIPIENT for the term of this Agreement. The use of all PLHA program income is reserved specifically for services outlined in the Reuse Plan and is subject to the terms of this Agreement.

6. UNIFORM ADMINISTRATIVE REQUIREMENTS

SUBRECIPIENT shall adhere to and follow the Uniform Administrative Requirements found in the U.S. federal regulations at 2 CFR Part 200.

SUBRECIPIENT shall establish and maintain effective internal control over PLHA funds made available through this Agreement to provide reasonable assurance that the Program is administered in compliance with applicable state guidelines and the terms and conditions of this Agreement. This includes evaluation and internal monitoring of the Program and prompt, appropriate action when instances of noncompliance are identified.

SUBRECIPIENT shall follow a written procurement policy that allows for full and open competition that meets the minimum standards of the U.S. federal regulations at 2 CFR 200.317 through 200.326.

SUBRECIPIENT shall take reasonable measures to safeguard protected personally identifiable information and other information GRANTEE designates as sensitive consistent with applicable Federal, state and local laws regarding privacy and obligations of confidentiality.

SUBRECIPIENT will use its best efforts to afford small businesses, minority business enterprises, and women 's business enterprises the maximum practicable opportunity to participate in the performance of this Agreement. As used in this Agreement, the terms "small business" means a business that meets the criteria set forth in section 3(a) of the Small Business Act, as amended (15 U.S.C. 632), and "minority and women's business enterprise" means a business at least 51% owned and controlled by minority group members or women.

SUBRECIPIENT may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

SUBRECIPIENT is prohibited from using PLHA funds or personnel employed in the administration of the program for: political activities; inherently religious activities; lobbying; political patronage; and nepotism activities.

SUBRECIPIENT shall comply with the requirements of the state and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Agreement.

SUBRECIPIENT agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities.

SUBRECIPIENT shall maintain a financial management system that identifies all state awards received and expended and the state programs under which they were received, including:

- The Program title and number,
- State award identification number and year,
- Name of the State agency, and
- Name of the pass-through entity, if any.

SUBRECIPIENT shall follow written financial management policies and procedures that, at a minimum, provide for:

- Determination of allowable costs in accordance with the terms and conditions of this Agreement and the federal cost principles published in the U.S. federal regulations at 2 CFR 200 Subpart E;
- Effective control over, and accountability for, all funds, property, and other assets to ensure all assets are safeguarded and they are used solely for authorized purposes; and
- Accurate financial reporting on federal awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation.

7. AUDIT REQUIREMENTS

Within thirty days of the close of SUBRECIPIENT's fiscal year, SUBRECIPIENT shall provide to GRANTEE a certification stating the total amount of federal awards expended in the fiscal year. The certification shall be signed by an authorized official.

SUBRECIPIENT agrees to have a single or program-specific audit conducted in accordance with the provisions of 2 CFR 200 Subpart F if SUBRECIPIENT expends $750,000 or more in federal awards during any fiscal year that overlaps with the term of this Agreement. SUBRECIPIENT shall submit a copy of the audit to GRANTEE and the Federal Audit Clearinghouse (FAC) within thirty calendar days after receipt of the auditor's report(s). SUBRECIPIENT shall make copies of the audit available for public inspection for three years from the date of submission to the FAC.

GRANTEE shall issue a management decision for audit findings that relate to this Agreement within six months of acceptance of the audit report by the FAC.

8. USE AND REVERSION OF ASSETS

SUBRECIPIENT shall transfer to GRANTEE any PLHA funds on hand and any accounts receivable attributable to the use of funds under this Agreement at the time of expiration, cancellation, or termination.

9. CONFLICT OF INTEREST

SUBRECIPIENT shall maintain written standards of conduct covering conflicts of interest and governing the performance of its employees engaged in the selection, award and administration of contracts. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of SUBRECIPIENT. If SUBRECIPIENT has a parent, affiliate, or subsidiary organization, the standards of conduct must cover organizational conflicts of interest to ensure SUBRECIPIENT is able to be impartial in conducting a procurement action involving a related organization.

At a minimum, the standards of conduct shall include any person who is an employee, agent, consultant, officer, or elected official or appointed official of SUBRECIPIENT. No covered persons who exercise or have exercised any functions or responsibilities with respect to PLHA activities assisted under this part, or who are in a position to participate in a decision making process or gain inside information with regard to such activities, may obtain a financial interest or benefit from a PLHA-assisted activity, or have a financial interest in any contract, subcontract, or agreement with respect to a PLHA-assisted activity, or with respect to the proceeds of the PLHA-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for one year thereafter.

10. OTHER PROGRAM REQUIREMENTS

SUBRECIPIENT agrees to administer the services in compliance with all applicable City/County, State, and Federal guidelines including, but not limited to the following federal program requirements as now in effect and as may be amended from time to time:

Section 109 of the Housing and Community Development Act of 1974 requires that no person in the United States shall on the grounds of race, color, national origin, religion, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance made available pursuant to the Act. Section 109 also directs that the prohibitions against discrimination on the basis of age under the Age Discrimination Act and the prohibitions against discrimination on the basis of disability under Section 504 shall apply to programs or activities receiving Federal financial assistance under Title I programs.

Equal Opportunity requirements as described in Executive Order 11246, as amended by Executive Orders 11375, 11478, 12086, and 12107.

Equal Protection of the Laws for Faith-Based and Community Organizations as described in Executive Order 13279 and the implementing regulations at 41 CFR chapter 60.

Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and implementing regulations at 24 CFR part 135.

The Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations at part 35, subparts A, B, J, K, and R of this part apply.

Exclusion of Debarred and Suspended Contractor requirements as described in 2 CFR Part 180.

Certain newly legalized aliens, as described in 24 CFR part 49, are not eligible to apply for CDBG benefits, including financial assistance, public services, jobs and access to new or rehabilitated housing and other facilities made available with CDBG. Benefits do not include relocation services and payments to which persons displaced are entitled by law (24 CFR §570.613).

A building or facility designed, constructed, or altered with CDBG funds governed by this Agreement that meets the definition of "residential structure" as defined in 24 CFR 40.2 or the definition of "building" as defined in 41 CFR 101-19.602(a) is subject to the requirements of the Architectural Barriers Act of 1968 (42 U.S.C. 4151-4157) and shall comply with the Uniform Federal Accessibility Standards (appendix A to 24 CFR part 40 for residential structures, and appendix A to 41 CFR part 101-19, subpart 101-19.6, for general type buildings).

The Americans with Disabilities Act (42 U.S.C. 12131; 47 U.S.C. 155, 201, 218 and 225) (ADA) provides comprehensive civil rights to individuals with disabilities in the areas of employment, public accommodations, State and local government services, and telecommunications.

11. CLOSEOUT AND REVERSION OF ASSETS

GRANTEE will close out this Agreement when it determines that all applicable administrative actions and all required work of the Agreement have been completed by SUBRECIPIENT .

Unless provided an extension through written notification by GRANTEE, SUBRECIPIENT shall complete the following actions no later than thirty calendar days after the end date of the term of this Agreement:

- Submit, all financial, performance, and other reports as required by the terms of this Agreement;
- Liquidate all obligations incurred under the Agreement; and
- Transfer to GRANTEE any accounts receivable attributable to the use of PLHA funds, including PLHA program income.

Notwithstanding the expiration or earlier termination of this Agreement, SUBRECIPIENT's obligations to GRANTEE shall not terminate until all closeout requirements are completed. The following obligations of SUBRECIPIENT shall survive the termination of this Agreement:

- SUBRECIPIENT'S indemnity obligations;
- the obligation to cause audits to be performed relating to SUBRECIPIENT'S activities and costs under this Agreement;
- the obligation to repay to GRANTEE any PLHA proceeds improperly disbursed to SUBRECIPIENT or disbursed for ineligible expenditures;

- any other obligations which cannot by their nature be performed until after the expiration of the Agreement such as the submittal of final payment request and performance reports.

Any real or personal property purchased in whole or in part with PLHA funds provided under this Agreement are subject to the following requirements that shall survive the termination of this Agreement:

- Insurance and reporting requirements regarding real and personal property acquired with federal funds in accordance with the uniform administrative requirements contained in the U.S. federal regulations published at 2 CFR Part 200; and
- For real property under SUBRECIPIENT's control that was acquired or improved in whole or in part with PLHA funds in excess of $25,000, said property shall be used to meet one of the national objectives in 24 CFR 570.208 for five years after close out of this Agreement. If the property is disposed of within five years of the close out of this Agreement, SUBRECIPIENT shall reimburse GRANTEE the a percentage of the current fair market value of the property equal to the percentage of PLHA funds expended to the overall acquisition and improvement cost of the property.

12. SUSPENSION AND TERMINATION

Termination for Convenience. This Agreement may be terminated by either party if SUBRECIPIENT and GRANTEE mutually agree in writing to its termination and upon the termination conditions, including the effective date and in the case of partial termination, the portion to be terminated.

Furthermore, GRANTEE may suspend or terminate this Agreement if SUBRECIPIENT materially fails to comply with any terms of this Agreement.

If, through any cause, the SUBRECIPIENT fails to fulfill in timely and proper manner its obligations under this Agreement, ineffectively or improperly use funds provided under this Agreement, or if SUBRECIPIENT shall violate any of the covenants, agreements, or stipulations of this Agreement, GRANTEE shall thereupon have the right to terminate this Agreement by giving written notice to SUBRECIPIENT of such termination and specifying the effective date thereof, at least five days before the effective date of such termination. In such event, all finished or unfinished documents and reports prepared by SUBRECIPIENT under this Agreement shall, at the option of GRANTEE, become its property and SUBRECIPIENT shall be entitled to receive just and equitable payment for any satisfactory work completed subject to the limitations of this Agreement.

13. MANDATORY DISCLOSURES

SUBRECIPIENT shall provide written notice to the GRANTEE within five days of all potential conflicts of interest and violations of criminal law involving fraud, bribery, or gratuity violations potentially affecting this Agreement. Failure to make required disclosures can result in termination of the Agreement and suspension or debarment from future federal awards.

14. FINDINGS CONFIDENTIAL

Any reports, information or data given to or prepared by SUBRECIPIENT concerning GRANTEE under this Agreement shall not be made available to any individual or organization by SUBRECIPIENT without first submitting them to GRANTEE.

15. GENERAL CONDITIONS

SUBRECIPIENT shall implement this Agreement in accordance with applicable Federal, State, County, and City laws, ordinances and codes. Should a Project receive additional funding after the commencement of this Agreement , SUBRECIPIENT shall notify GRANTEE in writing within thirty days of receiving notification from the funding source and submit a cost allocation plan for approval by GRANTEE within forty-five days of said official notification.

SUBRECIPIENT agrees to comply with the requirements of Part 2 Chapter 2.5 of Division 31 of the Health and Safety Code (commencing with Section 50470)

SUBRECIPIENT further agrees to utilize funds available under this Agreement to supplement rather than supplant funds otherwise available.

SUBRECIPIENT shall provide Workers' Compensation Insurance coverage for all of its employees involved in the performance of this Agreement.

SUBRECIPIENT shall comply with the bonding and insurance requirements set forth in 2 CFR Part 200.324 and 2 CFR Part 200.325 Bonding and Insurance.

SUBRECIPIENT shall subcontract all work or services through written contract or agreement subject to each provision of this Agreement and applicable City, County, State and Federal guidelines and regulations. Prior to execution of any subcontract hereunder, such subcontracts must be submitted by SUBRECIPIENT to GRANTEE for its review and approval, which will specifically include a determination of compliance. None of the work or services covered by this Agreement, including but not limited to consultant work or services, shall be subcontracted by SUBRECIPIENT or reimbursed by GRANTEE without prior written approval.

16. INDEPENDENT CONTRACTOR

In furnishing the services provided for herein, SUBRECIPIENT is acting solely as an independent contractor. Neither SUBRECIPIENT, nor any of its officers, agents or employees shall be deemed an officer, agent, employee, joint venturer, partner or associate of GRANTEE for any purpose. GRANTEE shall have no right to control or supervise or direct the manner or method by which SUBRECIPIENT shall perform its work and functions. However, GRANTEE shall retain the right to administer this Agreement so as to verify that SUBRECIPIENT is performing its obligations in accordance with the terms and conditions thereof.

This Agreement does not evidence a partnership or joint venture between SUBRECIPIENT and GRANTEE. SUBRECIPIENT shall have no authority to bind GRANTEE absent GRANTEE’s express written consent. Except to the extent otherwise provided in this Agreement, SUBRECIPIENT shall bear its own costs and expenses in pursuit thereof.

Because of its status as an independent contractor, SUBRECIPIENT and its officers, agents and employees shall have absolutely no right to employment rights and benefits available to GRANTEE's employees. SUBRECIPIENT shall be solely liable and responsible for all payroll and tax withholding and for providing to, or on behalf of, its employees all employee benefits including, without limitation, health, welfare and retirement benefits. In addition, together with its other obligations under this Agreement, SUBRECIPIENT shall be solely responsible, indemnify, defend and save GRANTEE harmless from all matters relating to employment and tax withholding for and payment of SUBRECIPIENT's employees, including, without limitation, (i) compliance with Social Security and unemployment insurance withholding, payment of workers compensation benefits, and all other laws and regulations governing matters of employee withholding, taxes and payment; and (ii) any claim of right or interest in GRANTEE employment benefits, entitlements, programs and/or funds offered employees of GRANTEE whether arising by reason of any common law, de facto, leased, or co-employee rights or other theory. It is acknowledged that during the term of this Agreement, SUBRECIPIENT may be providing services to others unrelated to GRANTEE or to this Agreement.

17. INDEMNIFICATION

To the furthest extent allowed by law including California Civil Code section 2782, SUBRECIPIENT shall indemnify, hold harmless and defend GRANTEE and each of its officers, officials, employees, agents and volunteers from any and all loss, liability, fines, penalties, forfeitures, costs and damages (whether in Contract, tort or strict liability, including, but not limited to personal injury, death at any time and property damage) incurred by GRANTEE, SUBRECIPIENT or any other person, and from any and all claims, demands and actions in law or equity (including attorney's fees and litigation expenses), arising or alleged to have arisen directly or indirectly out of performance of this Agreement. SUBRECIPIENT's obligations under the preceding sentence shall apply regardless of whether GRANTEE or any of its officers, officials, employees, agents or volunteers are passively negligent, but shall not apply to any loss, liability, fines, penalties, forfeitures, costs or damages caused by the active or sole negligence, or willful misconduct, of GRANTEE or any of its officers, officials, employees, agents or volunteers.

If SUBRECIPIENT should contract or subcontract all or any portion of the work to be performed under this Agreement, SUBRECIPIENT shall require each SUBRECIPIENT and/or subcontractor to indemnify, hold harmless and defend GRANTEE and each of its officers, officials, employees, agents, and volunteers in accordance with the terms of the preceding paragraph.

This section shall survive termination or expiration of this Agreement.

18. NOTICES

Notices required by this Agreement shall be in writing and delivered via mail (postage prepaid), commercial courier, or personal delivery or sent by facsimile or other electronic means. Any notice delivered or sent as aforesaid shall be effective on the date of delivery or sending. All notices and other written communications under this Agreement shall be addressed to the individuals in the capacities indicated below, unless otherwise modified by subsequent written notice.

Communication and details concerning this Agreement shall be directed to the following contract representatives:

GRANTEE

Benjamin Moody

Public Works & Development Services Director

1201 Civic Center Blvd

Yuba City, CA 95993

bmoody@yubacity.net

530-822-4783

SUBRECIPIENT

Johnny Burke

Executive director

PO Box 3642

Yuba City, CA 95992

director@yshomelessconsortium.org

530-632-5761

19. AMENDMENTS

GRANTEE or SUBRECIPIENT may amend this Agreement at any time provided that such amendments make specific reference to this Agreement, and are executed in writing, signed by a duly authorized representative of each organization, and approved by the GRANTEE's governing body. Such amendments shall not invalidate this Agreement, nor relieve or release the GRANTEE or SUBRECIPIENT from its obligations under this Agreement.

GRANTEE may, in its discretion, amend this Agreement to conform with State or local governmental guidelines, policies and available funding amounts, or for other reasons. If such amendments result in a change in the funding, the scope of services, or schedule of the activities to be undertaken as part of this Agreement, such modifications will be incorporated only by written amendment signed by both GRANTEE and SUBRECIPIENT.

20. ASSIGNMENT

SUBRECIPIENT shall not assign or transfer any interest in this Agreement without the prior written consent of the GRANTEE.

21. SEVERABILITY

If any term, provision, covenant, or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of this Agreement shall not be affected thereby to the extent such remaining provisions are not rendered impractical to perform taking into consideration the purposes of this Agreement.

22. ATTORNEY FEES

If either party is required to commence any proceeding or legal action to enforce or interpret any term, covenant or condition of this Agreement, the prevailing party will be entitled to recover from the other party its reasonable attorney's fees and legal expenses.

23. BINDING ON ALL SUCCESSORS AND ASSIGNS

Unless otherwise expressly provided in this Agreement, all the terms and provisions of this Agreement shall be binding on and inure to the benefit of the parties hereto, and their respective nominees, heirs, successors, assigns, and legal representatives.

24. COUNTERPARTS

This Agreement may be executed in counterparts, each of which when executed and delivered will be deemed an original, and all of which together will constitute one instrument. The execution of this Agreement by any party hereto will not become effective until counterparts hereof have been executed by all parties hereto.

25. CUMULATIVE REMEDIES

No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity. All powers and remedies given by this Agreement shall be cumulative and in addition to those otherwise provided by law.

26. EFFECTIVE DATE

This Agreement shall be effective upon the Parties' complete execution following City Council approval.

27. ENTIRE AGREEMENT

This Agreement represents the entire and integrated agreement of the parties with respect to the subject matter hereof. This Agreement supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be modified or amended only by written instrument duly authorized and executed by both GRANTEE and SUBRECIPIENT.

28. EXHIBITS

Each exhibit and attachment referenced in this Agreement is, by the reference, incorporated into and made a part of this Agreement.

29. EXPENSES INCURRED UPON EVENT OF DEFAULT

SUBRECIPIENT shall reimburse GRANTEE for all reasonable expenses and costs of collection and enforcement, including reasonable attorney's fees, incurred by GRANTEE as a result of one or more Events of Default by SUBRECIPIENT under this Agreement.

30. GOVERNING LAW AND VENUE

Except to the extent preempted by applicable federal law, the laws of the State of California shall govern all aspects of this Agreement, including execution, interpretation, performance, and enforcement. Venue for filing any action to enforce or interpret this Agreement will be Sutter County, California.

31. HEADINGS

The section headings and subheadings contained in this Agreement are included for convenience only and shall not limit or otherwise affect the terms of this Agreement.

32. INTERPRETATION

This Agreement in its final form is the result of the combined efforts of the parties. Any ambiguity will not be construed in favor or against any party, but rather by construing the terms in accordance with their generally accepted meaning.

33. NO THIRD PARTY BENEFICIARY

The rights, interests, duties and obligations defined within this Agreement are intended for the specific parties hereto as identified in the preamble of this Agreement. Notwithstanding anything stated to the contrary in this Agreement, it is not intended that any rights or interests in this Agreement benefit or flow to the interest of any third parties other than expressly identified herein. No subcontractor, mechanic, materialman, laborer, vendor, or other person hired or retained by SUBRECIPIENT shall have any rights hereunder and shall look to SUBRECIPIENT as their sole source of recovery if not paid. No third party may enter any claim or bring any such action against GRANTEE under any circumstances. Except as provided by law, or as otherwise agreed to in writing between GRANTEE and such person, each such person shall be deemed to have waived in writing all right to seek redress from GRANTEE under any circumstances whatsoever. SUBRECIPIENT shall include this paragraph in all contracts/subcontracts.

34. NO WAIVER

Neither failure nor delay on the part of the GRANTEE in exercising any right under this Agreement shall operate as a waiver of such right, nor shall any single or partial exercise of any such right preclude any further exercise thereof or the exercise of any other right. No waiver of any provision of this Agreement or consent to any departure by the SUBRECIPIENT therefrom shall be effective unless the same shall be in writing, signed on behalf of the GRANTEE by a duly authorized officer thereof, and the same shall be effective only in the specific instance for which it is given. No notice to or demand on the SUBRECIPIENT in any case shall entitle the SUBRECIPIENT to any other or further notices or demands in similar or other circumstances or constitute a waiver of any of the GRANTEE's right to take other or further action in any circumstances without notice or demand.

35. NON-RELIANCE

SUBRECIPIENT hereby acknowledges having obtained such independent legal or other advice as it has deemed necessary and declares that in no manner has it relied on GRANTEE, it agents, employees or attorneys in entering into this Agreement.

36. PRECEDENCE OF DOCUMENTS

In the event of any conflict between the body of this Agreement and any exhibit or attachment hereto, the terms and conditions of the body of this Agreement will control.

37. SEVERABILITY

If any provision of this Agreement is held invalid, the remainder of the Agreement shall not be affected thereby, and all other parts of this Agreement shall nevertheless be in full force and effect.

[SIGNATURE PAGE TO FOLLOW]

Attachments:
EXHIBIT A: SCOPE OF WORK
EXHIBIT B: PROPOSED BUDGET

IN WITNESS WHEREOF, the parties have executed this Agreement at Fresno, California, the day and year first above written.

GRANTEE	**SUBRECIPIENT**
CITY OF YUBA CITY	SUTTER YUBA HOMELESS CONSORTIUM
Diana Langley, City Manager	Johnny Burke, Executive Director

EXHIBIT A
Scope of Work

The Sutter Yuba Homeless Consortium is recognized by the U.S. Department of Housing and Urban Development as the region's Continuum of Care (CoC). The purpose of the CoC is to provide a strategic approach to the planning and management of a range of resources to address the needs of families and individuals that are currently experiencing homelessness or who are at risk of becoming homeless.

The CoC is responsible for ensuring that all programs funded under state and federal funding programs meet all the requirements and that the Coordinated Entry System operates to HUD standards. The Coordinated Entry System is a HUD-mandated system developed to ensure that all people experiencing homelessness in the community have fair and equal access to homeless services. The Coordinated Entry System identifies, assesses, refers, and connects homeless individuals and/or families to housing and assistance based on each individual's strengths and needs. The goal of the Coordinated Entry System is to prioritize available assistance to the most vulnerable in the community.

Rapid Re-Housing is a popular housing model identified by HUD, a model where individuals and families who are literally homeless are provided financial assistance to be rapidly housed with no preconditions or requirements. Bridges to Housing, The Salvation Army, and other organizations provide this type of service. The RRH providers are able to provide services to persons who are experiencing homelessness or at risk of homelessness with services such as utility assistance, rental deposits, moving fee assistance, application fees, short-term and medium-term rental assistance, and other supportive services.

Emergency Shelter is a necessary temporary housing intervention. With 418 people identified as homeless in Sutter County according to the 2023 PIT Count, only 101 resided in emergency shelters or transitional housing. The Regional Emergency Shelter Team provides a seasonal, nomadic shelter to singles and families experiencing homelessness in both Sutter and Yuba Counties. Better Way provides a year round safe space to individuals and couples who are Sutter County residents experiencing homelessness. Hands of Hope, in collaboration with Habitat for Humanity, will be offering drop in emergency shelter services at the Life Advancement Center beginning in 2025.

The Sutter Yuba Homeless Consortium has identified affordable housing, homeless prevention and post-housing case management as current gaps in services. The Coordinated Entry System, Emergency Shelter and Rapid Rehousing programs help close these gaps in services. The Coordinated Entry System allows individuals and families to receive case management and supportive services from community agencies at two locations, removing barriers the clientele faces when attempting to obtain permanent housing. Hands of Hope is the organization that staffs Coordinated Entry in Sutter County, while the Sutter Yuba Homeless Consortium oversees the intake system, referrals, and classes offered. Emergency shelter provides immediate, temporary shelter and case management. Rapid Re-housing provides the financial need many homeless individuals and families have in securing safe, sustainable housing.

All programs administered and funded through the Sutter Yuba Homeless Consortium are provided in a manner consistent with the Housing First practices described in 25 CCR, Section 8409, subdivision (b)(1)-(6) and in compliance with WIC Section 8225(b)(8).

EXHIBIT B
Proposed Budget

Applicant Organization:	**Sutter Yuba Homeless Consortium**
Program/Project Name:	**Yuba City Homeless Services**

Start Date:	**7/1/2025**	End Date:	**6/30/2029**

			Total Program/ Project Budget		Requested Funds	Other Funding Committed to Program/ Project
I. Personnel						
Salaries		FTE (%)				
1	SYHC Admin Costs (Ex Director,Assistant, CE Manage		$270,816.00		$50,000.00	
2						
3						
4						
5						
6						
7						
8						
Payroll Taxes and Benefits						
Consultants						
1						
2						
3						
4						
	Total Personnel		$0.00	#	$50,000.00	$0.00
II. Client Expenses						
1	Deposits					
2	Rental Assistance					
3	Application Fees					
4	Utility Costs					
5	Other					
	Total Client Expenses		$0.00			$0.00
III. Program Expenses						
1	Hands of Hope Coordinated Entry		$180,544.00		$60,713.33	
2	REST Emergency Shelter		$400,000.00		$35,000.00	
3	Rapid Rehousing Deposit Services(B2H, TSA)		$200,000.00		$84,000.00	

4				
5				
	Total Program Expenses	$780,544.00	$179,713.33	$0.00

IV. Operational Costs

1				
2				
3				
4				
5				
	Total Operational Costs	$0.00	$0.00	$0.00

II. Other Expenses

1					
2					
3					
4					
5					
6					
7					
8					
	Total Other Expenses	$0.00	#	$0.00	$0.00
	Indirect (up to 15% of direct costs)		#		
	Total Grant Expenses	$780,544.00	#	$229,713.33	$0.00

Budget Narrative:
SYHC- Executive Director, Assistant, CE Data Manager salaries
Hands of Hope- Ex. Director, Intake staff salaries
REST- Ex Director, staff salaries
Rapid Rehousing Deposit Services- Deposits and staffing for RRH programs

Agenda Item **11**

CITY OF YUBA CITY
STAFF REPORT

Date:	February 18, 2025
To:	Honorable Mayor & Members of the City Council;
From:	Public Works
Presentation By:	Joshua Wolffe, Senior Engineer

<u>Summary</u>

Subject:	Landscape Maintenance Agreement - 728 Colusa Avenue (Southeast corner of State Route 20 and Clark Avenue)
Recommendation:	Adopt a Resolution which makes the following actions: A. Adopts a finding of Class 1 Categorical Exemtion for the project per CEQA Guidelines Section 15301 (Existing Facilities) B. Authorizes the execution of a Landscape Maintenance Agreement with the State of California for the maintenance of developed property within State Route 20 right-of-way associated with 728 Colusa Avenue C. Authorizes the execution of a Landscape Maintenance Agreement with the property owner of 728 Colusa Avenue, Clark and 20 Development, LP, for the maintenance of developed property within State Route 20 right-of-way associated with 728 Colusa Avenue
Fiscal Impact:	None – The City will pass on the responsibilities and costs of maintenance to the property owner through the execution of the Landscape Maintenance Agreement

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<u>Purpose:</u>

To provide for maintenance of sidewalks and associated improvements installed in the State of California Department of Transportation's (Caltrans') right-of-way within City limits.

<u>Council's Strategic Goal:</u>

This project addresses the City Council's Strategic Goal of being business friendly, as the City's participation in these agreements will allow the developer to meet requirements set forth by Caltrans.

<u>Background:</u>

Commercial development at 728 Colusa Avenue, located at the southeast corner of State Route 20 and Clark Avenue, included improvements along the State Route 20 (Colusa Avenue) frontage in the State right-of-way. These improvements included curb, gutter, sidewalk, driveway, and plantings (collectively the "Landscaping"), subject to State standards of maintenance. Caltrans requires the execution of a Landscape Maintenance Agreement directly with the City to ensure that the "Landscaping" constructed within State right-of-way are maintained in accordance with those standards.

Analysis:

The attached agreement (Exhibit A, Attachment 1) with Caltrans ensures that the “Landscaping” within state right-of-way will be maintained in a neat and attractive manner by the City. If the City were to fail to meet the terms of the Agreement, the State could take over the maintenance functions or require that the right-of-way be restored to its prior condition at the City’s expense.

The City will pass on the actual and fiscal responsibilities assigned to the City through the Caltrans agreement to the property owner of 728 Colusa Avenue through the execution of a Landscape Maintenance Agreement with the property owners (Exhibit B, Attachment 1). This will satisfy the City’s requirements as the responsible party according to the State’s standards. If the property owners were to fail to meet the terms of the Agreement, the City reserves the right to take over the maintenance functions at the property owners’ expense, including a 30% administration fee.

Fiscal Impact:

There is no fiscal impact to the City. The City will pass on the responsibilities and costs of facilities maintenance to the property owner through the execution of the Landscape Maintenance Agreement.

Alternatives:

Do not enter into the agreements with the State and/or property owner. This will impact the development of the property. Failure to enter into these agreements would leave the City responsible for maintaining the facility improvements.

Recommendations:

Adopt a Resolution which makes the following actions:

A. Adopts a finding of Class 1 Categorical Exemtion for the project per CEQA Guidelines Section 15301 (Existing Facilities)

B. Authorizes the execution of a Landscape Maintenance Agreement with the State of California for the maintenance of developed property within State Route 20 right-of-way associated with 728 Colusa Avenue.

C. Authorizes the execution of a Landscape Maintenance Agreement with the property owner of 728 Colusa Avenue, Clark and 20 Development, LP, for the maintenance of developed property within State Route 20 right-of-way associated with 728 Colusa Avenue.

Attachments:
1. Resolution - Landscape Maintenance Agreement - 728 Colusa Avenue
2. Exhibit A - (DRAFT) Landscape Maintenance Agreement with State of California
3. Exhibit B - (DRAFT) Landscape Maintenance Agreement with Property Owner

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

ATTACHMENT 1

RESOLUTION NO. _________

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY AUTHORIZING THE EXECUTION OF LANDSCAPE MAINTENANCE AGREEMENTS WITH THE STATE OF CALIFORNIA AND PROPERTY OWNER OF 728 COLUSA AVENUE FOR MAINTENANCE OF DEVELOPED PROPERTY WITHIN STATE ROUTE 20 RIGHT-OF-WAY ASSOCIATED WITH 728 COLUSA AVENUE

WHEREAS, through the commercial development of 728 Colusa Avenue, on the south side of State Route 20 and east side of Clark Avenue, the property owner has constructed improvements including curb, gutter, sidewalk, driveway, and plantings (collectively the "Landscaping") within State right-of-way; and

WHEREAS, the State of California, through the Department of Transportation, requires an agreement with the City of Yuba City regarding the maintenance of said improvements; and

WHEREAS, the City desires to pass the responsibilities and costs of the maintenance to the property owner and therefore requires an agreement with the property owner.

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

Section 1. The City has performed a preliminary environmental assessment and the City Council finds and determines that this project is subject to a Class 1 Categorical Exemption set forth in CEQA Guidelines Section 15301, as these contracts are for the installation of curb, gutter, sidewalk, driveway, landscaping, and irrigation systems in an existing right of way, which will result in negligible or no expansion of capacity. The sidewalks will connect to existing or planned sidewalks. The landscaping and associated irrigation associated with the project will blend with landscaping at the site and is associated with existing facility improvements. Further, none of the exceptions to Categorical Exemptions set forth in CEQA Guidelines Section 15300.2 apply to this project.

Section 2. The City Council of the City of Yuba City authorizes and directs the Mayor to execute on behalf of the City of Yuba City the Landscape Maintenance Agreement between the City and State of California, consistent with the material terms and conditions in the draft agreement attached as a part of this Resolution as Exhibit A, subject to review and approval as to legal form by the City Attorney.

Section 3. The City Council of the City of Yuba City authorizes and directs the Mayor to execute on behalf of the City of Yuba City the Landscape Maintenance Agreement between the City and property owner, consistent with the material terms and conditions in the draft agreement attached as a part of this Resolution as Exhibit B, subject to review and approval as to legal form by the City Attorney.

Section 4. 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 18th day of February, 2025.

AYES:

NOES:

ABSENT:

____
Dave Shaw, Mayor

ATTEST:

____
Ciara Wakefield, City Clerk Administrator

APPROVED AS TO FORM
COUNSEL FOR YUBA CITY:

____
Shannon Chaffin, City Attorney
Aleshire & Wynder, LLP

Attachment(s):

A. Exhibit A – (Draft) Landscape Maintenance Agreement with State of California
B. Exhibit B – (Draft) Landscape Maintenance Agreement with Property Owner

EXHIBIT A

LANDSCAPE MAINTENANCE AGREEMENT
WITH
THE CITY OF YUBA CITY

THIS AGREEMENT is made effective this _____ day of __________, 20__, by and between the State of California, acting by and through the Department of Transportation, hereinafter referred to as "STATE" and the CITY of Yuba City; hereinafter referred to as "CITY" and collectively referred to as "PARTIES".

1. The PARTIES hereto mutually desire to identify the maintenance responsibilities of CITY for newly constructed or revised improvements within STATE's right of way by Encroachment Permit Number 0320-6CD1258.

2. This Agreement addresses CITY responsibility for the curb, gutter, sidewalk, driveway, and plantings (collectively the "LANDSCAPING") placed within State Highway right of way on State Route 20, as shown on Exhibit A, attached to and made a part of this Agreement.

3. Maintenance responsibility includes, but is not limited to, inspection, providing emergency repair, replacement, and maintenance, (collectively hereinafter "MAINTAIN/MAINTENANCE") of LANDSCAPING as shown on said Exhibit "A."

4. The degree or extent of maintenance work to be performed, and the standards, therefore, shall be in accordance with the provisions of Section 27 of the Streets and Highways Code and the then current edition of the State Maintenance Manual.

5. When a planned future improvement is constructed and/or a minor revision has been effected with STATE's consent or initiation within the limits of the STATE's right of way herein described which affects PARTIES' division of maintenance responsibility as described herein, PARTIES will agree upon and execute a new dated and revised Exhibit "A" which will be made a part hereof and will thereafter supersede the attached original Exhibit "A" to thereafter become a part of this Agreement.

   5.1. The new exhibit can be executed only upon written consent of the PARTIES hereto acting by and through their authorized representatives. No formal amendment to this Agreement will be required.

6. CITY agrees, at CITY expense, to do the following:

   6.1. CITY may install, or contract, authorizing a licensed contractor with appropriate class of license in the State of California, to install and thereafter

MAINTAIN LANDSCAPING conforming to those plans and specifications (PS&E) pre-approved by STATE.

6.2. CITY will submit the final form of the PS&E, prepared, stamped and signed by a licensed landscape architect, for LANDSCAPING to STATE's District Permit Engineer for review and approval and will obtain and have in place a valid necessary encroachment permit prior to the start of any work within STATE'S right of way. All proposed LANDSCAPING must meet STATE's applicable standards.

6.2.1. CITY contractors will be required to obtain an Encroachment Permit prior to the start of any work within STATE's right of way.

6.2.2. An Encroachment Permit rider may be required for any changes to the scope of work allowed by this Agreement prior to the start of any work within STATE's right of way

6.3. CITY shall ensure that LANDSCAPED areas designated on Exhibit "A" are provided with adequate scheduled routine MAINTENANCE necessary to MAINTAIN a neat and attractive appearance including providing for water, and fertilizer necessary to sustain healthy plant growth during the entire life of this Agreement including.

6.3.1. To prune shrubs, tree plantings, and trees to control extraneous growth and ensure STATE standard lines of sight to signs and corner sight distances are always maintained for the safety of the public.

6.3.2. To replace unhealthy or dead plantings when observed or within 30 days when notified in writing by STATE that plant replacement is required.

6.3.3. To expeditiously MAINTAIN, replace, repair, or remove from service any LANDSCAPING system component that has become unsafe or unsightly.

6.4. To MAINTAIN, repair and operate the irrigation systems in a manner that prevents water from flooding or spraying onto STATE highway, spraying parked and moving automobiles, spraying pedestrians on public sidewalks/bike paths, or leaving surface water that becomes a hazard to vehicular or pedestrian/bicyclist travel.

6.5. To control weeds at a level acceptable to the STATE. Any weed control performed by chemical weed sprays (herbicides) shall comply with all laws, rules, and regulations established by the California Department of Food and Agriculture. All chemical spray operations shall be reported quarterly (Form

LA17) to the STATE to: District 3 Maintenance at 703 B Street Marysville, CA 95901.

6.6. CITY shall ensure LANDSCAPING within the Agreement limits provide an acceptable walking and riding surface, and will provide for the repair and removal of dirt, debris, graffiti, weeds, and any deleterious item or material on or about the LANDSCAPING in an expeditious manner.

6.7. To MAINTAIN all parking or use restrictions signs encompassed within the area of the LANDSCAPING.

6.8. To remove LANDSCAPING and appurtenances and restore STATE owned areas to a safe and attractive condition acceptable to STATE in the event this Agreement is terminated as set forth herein.

7. STATE may provide CITY with written notice of unsatisfactory conditions that require correction by the CITY. However, the non-receipt of notice does not excuse CITY from maintenance responsibilities assumed under this Agreement.

8. STATE shall Issue encroachment permits to CITY and CITY contractors at no cost to them.

9. LEGAL RELATIONS AND RESPONSIBILITIES:

9.1. Nothing within the provisions of this Agreement is intended to create duties or obligations to or rights in third parties not party to this Agreement, or affect the legal liability of either PARTY to this Agreement by imposing any standard of care respecting the design, construction and maintenance of these STATE highway improvements or CITY facilities different from the standard of care imposed by law.

9.2. If during the term of this Agreement, CITY should cease to MAINTAIN the LANDSCAPING_to the satisfaction of STATE as provided by this Agreement, STATE may either undertake to perform that MAINTENANCE on behalf of CITY at CITY's expense or direct CITY to remove or itself remove LANDSCAPING at CITY's sole expense and restore STATE's right of way to its prior or a safe operable condition. CITY hereby agrees to pay said STATE expenses, within thirty (30) days of receipt of billing by STATE. However, prior to STATE performing any MAINTENANCE or removing LANDSCAPING, STATE will provide written notice to CITY to cure the default and CITY will have thirty (30) days within which to affect that cure.

9.3. Neither CITY nor any officer or employee thereof is responsible for any injury, damage or liability occurring by reason of anything done or omitted to be done by STATE under or in connection with any work, authority or jurisdiction arising under this Agreement. It is understood and agreed that STATE shall fully defend, indemnify and save harmless CITY and all of its officers and employees from all claims, suits or actions of every name, kind and description brought forth under, including, but not limited to, tortious, contractual, inverse condemnation and other theories or assertions of liability occurring by reason of anything done or omitted to be done by STATE under this Agreement with the exception of those actions of STATE necessary to cure a noticed default on the part of CITY.

9.4. Neither STATE nor any officer or employee thereof is responsible for any injury, damage or liability occurring by reason of anything done or omitted to be done by CITY under or in connection with any work, authority or jurisdiction arising under this Agreement. It is understood and agreed that CITY shall fully defend, indemnify and save harmless STATE and all of its officers and employees from all claims, suits or actions of every name, kind and description brought forth under, including, but not limited to, tortious, contractual, inverse condemnation or other theories or assertions of liability occurring by reason of anything done or omitted to be done by CITY under this Agreement.

9.5. PREVAILING WAGES:

9.5.1. Labor Code Compliance- If the work performed under this Agreement is done under contract and falls within the Labor Code section 1720(a)(1) definition of a "public works" in that it is construction, alteration, demolition, installation, or repair; or maintenance work under Labor Code section 1771. CITY must conform to the provisions of Labor Code sections 1720 through 1815, and all applicable provisions of California Code of Regulations found in Title 8, Chapter 8, Subchapter 3, Articles 1-7. CITY agrees to include prevailing wage requirements in its contracts for public works. Work performed by CITY'S own forces is exempt from the Labor Code's Prevailing Wage requirements.

9.5.2. Requirements in Subcontracts - CITY shall require its contractors to include prevailing wage requirements in all subcontracts when the work to be performed by the subcontractor under this Agreement is a "public works" as defined in Labor Code Section 1720(a)(1) and Labor Code Section 1771. Subcontracts shall include all prevailing wage requirements set forth in CITY's contracts.

10. INSURANCE

10.1. SELF-INSURED - CITY is self-insured. CITY agrees to deliver evidence of self-insured coverage providing general liability insurance, coverage of bodily injury liability and property damage liability, naming STATE, its officers, agents and employees as the additional insured in an amount of $1 million per occurrence and $2 million in aggregate and $5 million in excess. Coverage shall be evidenced by a certification of self-insurance letter ("Letter of Self-Insurance"), satisfactory to STATE, certifying that CITY meets the coverage requirements of this section. This Letter of Self-Insurance shall also identify the location as depicted in EXHIBIT A. CITY shall deliver to STATE the Letter of Self-Insurance with a signed copy of this AGREEMENT. A copy of the executed Letter of Self-Insurance shall be attached hereto and incorporate as Exhibit B.

10.2. SELF-INSURED using Contractor - If the work performed under this AGREEMENT is done by CITY's contractor(s), CITY shall require its contractor(s) to maintain in force, during the term of this AGREEMENT, a policy of general liability insurance, including coverage of bodily injury liability and property damage liability, naming STATE, its officers, agents and employees as the additional insured in an amount of $1 million per occurrence and $2 million in aggregate and $5 million in excess. Coverage shall be evidenced by a certificate of insurance in a form satisfactory to the STATE that shall be delivered to the STATE with a signed copy of this Agreement.

11. TERMINATION - This Agreement may be terminated by mutual written consent of PARTIES, and by STATE for cause. CITY's failure to comply with the provisions of this Agreement may be grounds for a Notice of Termination by STATE.

12. TERM OF AGREEMENT -This Agreement shall become effective on the date first shown on its face sheet and shall remain in full force and effect until amended or terminated at any time upon mutual consent of the PARTIES or until terminated by STATE for cause.

PARTIES are empowered by Streets and Highways Code Section 114 & 130 to enter into this Agreement and have delegated to the undersigned the authority to execute this Agreement on behalf of the respective agencies and covenants to have followed all the necessary legal requirements to validly execute this Agreement.

IN WITNESS WHEREOF, the PARTIES hereto have set their hands and seals the day and year first above written.

THE CITY OF YUBA CITY

By: ________________________
Mayor/Chairmen

Initiated and Approved

By: ________________________
City Manager

ATTEST:

By: ________________________
City Clerk

By: ________________________
City Attorney

STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION

TOKS OMISHAKIN
Director of Transportation

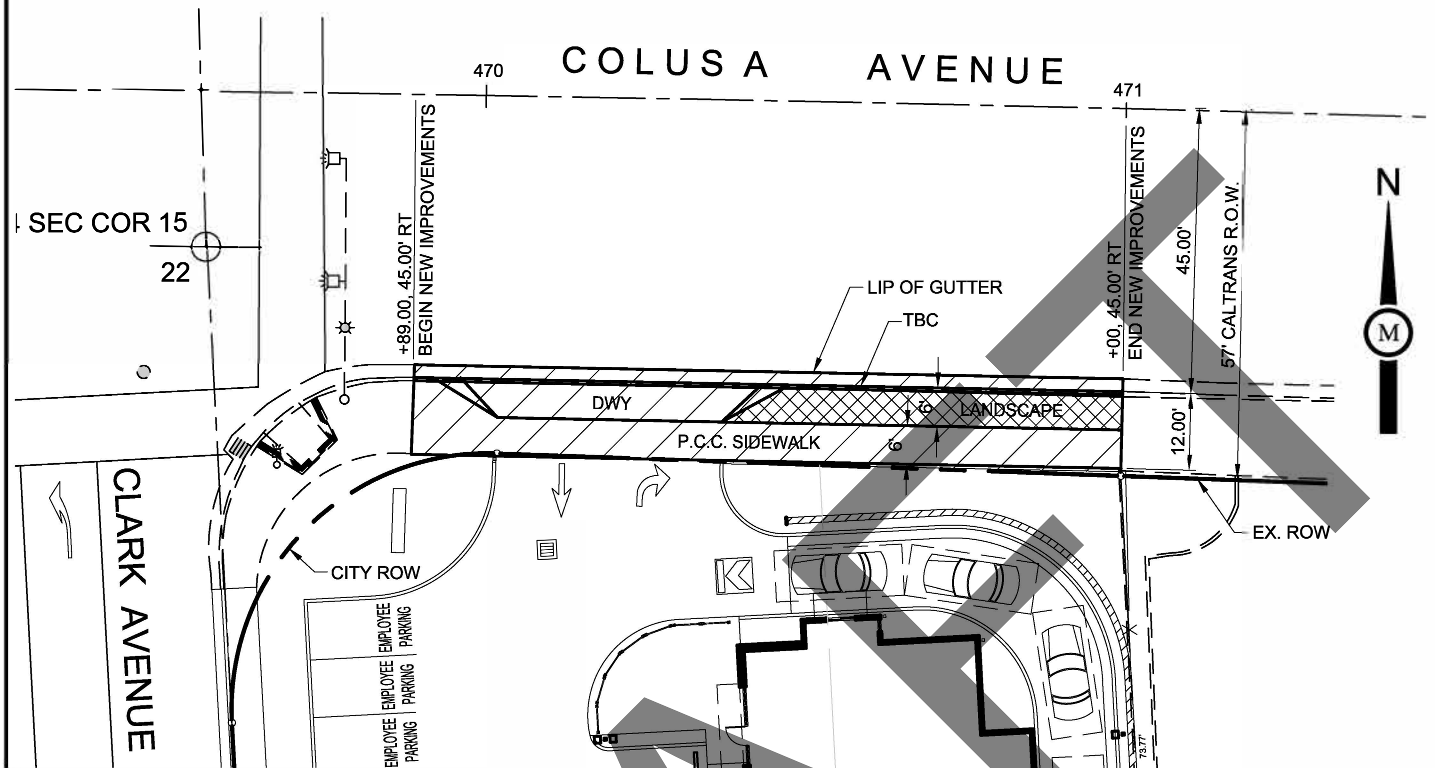
By: ________________________
Deputy District Director
Maintenance District 3

As to Form and Procedure:

By: ________________________
Attorney
Department of Transportation

EXHIBIT A

(Plan map identifying the applicable STATE Routes (Freeway proper) and CITY road(s) and facilities)



PLAN

SCALE: 1" = 30'

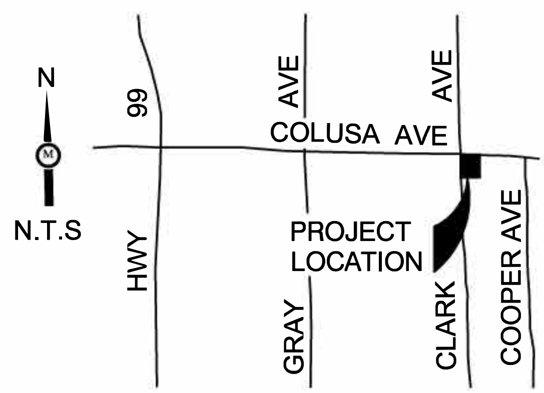
LEGEND

CITY MAINTAINS AT CITY EXPENSE

CITY MAINTAINS LANDSCAPING AT CITY EXPENSE

STATE RIGHT-OF-WAY LINE

CITY OF YUBA CITY



VICINITY MAP

N.T.S.

Milestone Associates
Imagineering
1000 LINCOLN ROAD, STE. H202, YUBA CITY, CA 95991
TEL (530) 755-4700 FAX (530) 755-4567

EXHIBIT A

MAINTENANCE AGREEMENT
WITH CITY OF YUBA CITY - 03-SUT-20 PM 16.2
ENCROACHMENT PERMIT 0320-6CD1258

SCALE
1" = 30'

DATE
10-6-21

SHEET
1 OF 1

EXHIBIT B – STATEMENT OF SELF INSURANCE FOR CITY OF YUBA CITY

California Department of Transportation ________20__
703 B Street
Marysville, CA 95901

ATTN: Thomas Mutunga, District 3 Maintenance Project Delivery Liaison

CITY OF YUBA CITY
Department of Finance

RE: Statement of Self Insurance for City of Yuba City ("CITY") Related to Landscape Maintenance Agreement with the State of California, acting by and through the Department of Transportation, ("STATE") for improvements along STATE Route 20 in the County of Sutter at Post Mile 16.20, LMA-City of Yuba City-03-SUT-020-PM 16.20 ("Landscape Maintenance Agreement").

Dear Mr. Mutunga,

The purpose of this letter is to certify that the CITY is self-insured and self-funded covering third-party claims arising out of its general operations (for example, commercial general liability and automobile liability insurance). Further the CITY is self-insured covering workers' compensation claims and has received the consent of the State Department of Industrial Relations to do so.

Each fiscal year, as a part of its budgetary process, the CITY appropriates funds specifically to satisfy valid third-party claims and workers' compensation claims, which may be brought against the CITY.

The CITY certifies its self-insured, general liability coverage for bodily injury liability and property damage liability, meets the required coverage amounts in section 10 (INSURANCE) of the Maintenance Agreement, specifically general liability insurance, coverage of bodily injury liability and property damage liability in an amount of $1 million per occurrence and $2 million in aggregate and $5 million in excess. The CITY further represents that regarding any claims made in connection with the Maintenance Agreement by the STATE, the STATE will be first-in-line regarding the reserved, self-insured amounts.

If you need any additional information regarding this letter, please direct those inquires through my office.

Sincerely,

FINANCE MANAGER

EXHIBIT B

LANDSCAPE MAINTENANCE AGREEMENT
728 COLUSA AVENUE

THIS AGREEMENT is made and entered into this _____ day of ___________, 20____, by Clark & 20 Development, L.P, hereinafter designated “OWNER,” and the City of Yuba City, a Municipal Corporation, located in the County of Sutter, State of California, hereinafter designated “CITY.”

WHEREAS, OWNER is the owner of certain property in the City described as Assessor Parcel Number (APN): 52-151-016, located at 728 Colusa Avenue in Yuba City. The property is as described as “Lot B” in Sutter County Document No. 2021-0016676 attached as Exhibit 1, and incorporated by reference (“OWNER’s Properties”); and

WHEREAS, OWNER desires to maintain the landscaping of the property located in the right of way of the State of California (“State”) along State Route 20 and which is located adjacent to OWNER’s property, and which is depicted on Exhibit 2 (“Landscape Maintenance Area”); and

WHEREAS, the CITY entered into an agreement authorized by the City Council on January 21, 2024, titled “LANDSCAPE MAINTENANCE AGREEMENT WITH THE CITY OF YUBA CITY”, attached as Exhibit 3, hereinafter designated “State Agreement” with the State, through the Department of Transportation, in which the CITY agreed to do the following:

1. CITY may install, or contract, authorizing a licensed contractor with appropriate class of license in the State of California, to install and thereafter MAINTAIN LANDSCAPING conforming to those plans and specifications (PS&E) pre-approved by STATE.

2. CITY will submit the final form of the PS&E, prepared, stamped and signed by a licensed landscape architect, for LANDSCAPING to STATE’s District Permit Engineer for review and approval and will obtain and have in place a valid necessary encroachment permit prior to the start of any work within STATE’S right of way. All proposed LANDSCAPING must meet STATE’s applicable standards.

    a. CITY contractors will be required to obtain an Encroachment Permit prior to the start of any work within STATE’s right of way.

    b. An Encroachment Permit rider may be required for any changes to the scope of work allowed by this Agreement prior to the start of any work within STATE's right of way

3. CITY shall ensure that LANDSCAPED areas designated on Exhibit “A” of the State Agreement are provided with adequate scheduled routine MAINTENANCE necessary to MAINTAIN a neat and attractive appearance including providing for

water, and fertilizer necessary to sustain healthy plant growth during the entire life of this Agreement including.

a. To prune shrubs, tree plantings, and trees to control extraneous growth and ensure STATE standard lines of sight to signs and corner sight distances are always maintained for the safety of the public.

b. To replace unhealthy or dead plantings when observed or within 30 days when notified in writing by STATE that plant replacement is required.

c. To expeditiously MAINTAIN, replace, repair, or remove from service any LANDSCAPING system component that has become unsafe or unsightly.

4. To MAINTAIN, repair and operate the irrigation systems in a manner that prevents water from flooding or spraying onto STATE highway, spraying parked and moving automobiles, spraying pedestrians on public sidewalks/bike paths, or leaving surface water that becomes a hazard to vehicular or pedestrian/bicyclist travel.

5. To control weeds at a level acceptable to the STATE. Any weed control performed by chemical weed sprays (herbicides) shall comply with all laws, rules, and regulations established by the California Department of Food and Agriculture. All chemical spray operations shall be reported quarterly (Form LA17) to the STATE to: District 3 Maintenance at 703 B Street Marysville, CA 95901.

6. CITY shall ensure LANDSCAPING within the Agreement limits provide an acceptable walking and riding surface, and will provide for the repair and removal of dirt, debris, graffiti, weeds, and any deleterious item or material on or about the LANDSCAPING in an expeditious manner.

7. To MAINTAIN all parking or use restrictions signs encompassed within the area of the LANDSCAPING.

8. To remove LANDSCAPING and appurtenances and restore STATE owned areas to a safe and attractive condition acceptable to STATE in the event this Agreement is terminated as set forth herein.

NOW, THEREFORE, CITY and OWNER mutually agree as follows:

1. OWNER, at OWNER's expense, shall be responsible for CITY's obligation as outlined in the State Agreement attached as Exhibit 3 for the Landscape Maintenance Area which is located adjacent to OWNER's Property.

2. If OWNER fails to perform the landscaping maintenance obligations pursuant to the State Agreement, the CITY shall have the right, but not the obligation, to do so; provided the CITY first provides thirty (30) days prior written notice to the OWNER of their intention to do so and the OWNER has not commenced to cure

such failure to perform the maintenance obligations during that time, and thereafter, in the CITY's reasonable judgment, the OWNER has failed to pursue completion of such cure within a reasonable time. The CITY shall be entitled to reimbursement by the OWNER in an amount equal to the actual costs incurred by the CITY in performing the OWNER's maintenance obligations, plus 30% to defray the CITY's estimated oversight costs.

3. This Agreement is made upon the express condition that the CITY is to be free from all liability and claim for damages by reason of any injury to any person, including OWNER's, agents, servants, or employees, or to any property of any kind by whomsoever belonging, including the OWNER, from any cause or causes whatsoever while in, upon or in any way connected with the work to be done in said Agreement, and OWNER hereby covenants and agrees to indemnify and save the CITY, and its officials and employees, harmless from loss or liability, cost or obligation on account of or arising out of such injuries or damages or losses however occurring. The duty of indemnity of the CITY and its officials and employees by OWNER as in this paragraph provided, and as hereinafter stated, shall specifically include a duty to indemnify the CITY, its officials and employees when the same are concurrently actively negligent with OWNER. OWNER's obligation to indemnify as hereinabove provided shall not extend to nor embrace indemnification of the CITY either from its sole negligence or from its willful misconduct, and in the event any loss and/or liability arises either from the sole negligence of CITY, its officers, agents and/or employees or from the willful misconduct of CITY, its officers, agents and/or employees, there shall be no obligation to indemnify under those circumstances.

4. OWNER agrees to indemnify and save harmless CITY, State, its officers, agents and employees from any claims, losses or obligations on account or arising out of the operations of OWNER in performing the landscape maintenance work called for by this Agreement which are claimed to cause a nuisance or injury or damage to persons or property OWNER on nearby land regardless of how such loss or claim might arise and OWNER specifically agrees to indemnify and save harmless CITY, State, its officers, agents and/or employees and officials from all costs and obligations in connection therewith including attorneys' fees on account of or arising out of any such injury or losses however occurring.

5. In connection with the foregoing, OWNER agrees with CITY to take out comprehensive public liability and property damage insurance in the following amounts: comprehensive liability - $1,000,000 per occurrence; $2,000,000 in aggregate. OWNER shall cause CITY, State, its officers, agents, and employees to appear as an additional insured under said comprehensive liability policy and shall provide thereunder that CITY shall be advised of any cancellation of said insurance at least ten (10) days prior to such purported cancellation.

6. OWNER's contractual commitment to execute all appropriate documentation in connection with the landscape maintenance and to process the same in accordance with the law applicable thereto at said time shall bind OWNER, their successors, grantees and/or assigns, and for this purpose shall constitute a material consideration for this Agreement and shall constitute a covenant running with the lands of OWNER and shall be a burden and servitude upon said lands binding upon OWNER and/or their grantees, transferees, lessees, successors and/or assigns, and/or any persons acquiring any interest whatsoever in said lands. The parties agree that this Agreement shall be recorded and constitute a notice to the world and to all persons to whom OWNER may sell, lease, or otherwise assign this Agreement or to whom OWNER may transfer or convey any interest in the lands the subject hereof that said lands are burdened and impressed with said servitude.

IN WITNESS WHEREOF, the parties have hereunto set their hands the day and year first above written.

CITY OF YUBA CITY

Dave Shaw
Mayor

Ciara Wakefield
City Clerk

Approved as to Form
Counsel for Yuba City

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

OWNER

Clark & 20 Development, LP
By
Butte View Enterprises LLC As General Partner
By
02/05/25

Ryan E. Rogers
President

Rhonda Howe
Secretary

Attachments:
1. Exhibit 1 – Grant Deed, Legal Description and Lot Line Adjustment Exhibit (Lot B)
2. Exhibit 2 – Landscape Maintenance Area
3. Exhibit 3 – State Agreement

ALL- PURPOSE
CERTIFICATE OF ACKNOWLEDGMENT

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

State of California }

County of Sutter }

On 5 February 2025 before me, William A. Sluder Notary Public,
(Here insert name and title of the officer)

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

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

WITNESS my hand and official seal.

WILLIAM A. SLUDER
COMM. # 2494969
NOTARY PUBLIC - CALIFORNIA
SUTTER COUNTY
COMM. EXPIRES AUG. 16, 2028
MGC1 MGC1
THE GREAT SEAL OF THE STATE OF CALIFORNIA EUREKA

Notary Public Signature (Notary Public Seal)

ADDITIONAL OPTIONAL INFORMATION

DESCRIPTION OF THE ATTACHED DOCUMENT

Landscape Maintenance
(Title or description of attached document)

Agreement 728 Colusa Avenue
(Title or description of attached document continued)

Number of Pages 4 Document Date 02-05-25

CAPACITY CLAIMED BY THE SIGNER

- ☐ Individual (s)
- ☐ Corporate Officer

____
(Title)

- ☐ Partner(s)
- ☐ Attorney-in-Fact
- ☐ Trustee(s)
- ☐ Other ________________

2015 James Ross Insurance 1 800 543-1444

INSTRUCTIONS FOR COMPLETING THIS FORM

This form complies with current California statutes regarding notary wording and, if needed, should be completed and attached to the document. Acknolwedgents from other states may be completed for documents being sent to that state so long as the wording does not require the California notary to violate California notary law.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. ~~he~~/she/~~they,~~ is /~~are~~) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
  - ❖ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
  - ❖ Indicate title or type of attached document, number of pages and date.
  - ❖ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document with a staple.

EXHIBIT 1
SUTTER COUNTY DOCUMENT NO. 2021-0016676
GRANT DEED, LEGAL DESCRIPTION, AND LOT LINE ADJUSTMENT EXHIBIT
(LOT B, 728 COLUSA AVE)

RECORDING REQUESTED BY

Placer Title Company
Escrow Number: P-432389
Branch: 1601

AND WHEN RECORDED MAIL TO

Clark & 20 Development, L.P.
P.O. BOX 510
MARYSVILLE, CA 95901

2021-0016676

Recorded Official Records County of Sutter Donna M. Johnston Clerk Recorder

01:30PM 17-Sep-2021

REC FEE 25.00
HOUSING FEE 75.00

GG
Page 1 of 4

A.P.N.: ptn 52-151-002,ptn 52-151-012

SPACE ABOVE THIS LINE FOR RECORDER'S USE

GRANT DEED

LOT LINE ADJUSTMENT

The undersigned grantor(s) declare(s):
Documentary transfer tax is $0.00 City Transfer Tax: $0.00 R&T Code 11911 Value less than $100.00
( ) Unincorporated Area (x) City of Yuba City
(X) computed on full value of property conveyed, or
( ) computed on full value less value of liens and encumbrances remaining at time of sale.

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,
Clark & 20 Development, L.P. and Pride 76, Inc., a California Corporation

Hereby GRANT(S) to
Clark & 20 Development, L.P.

The land described herein is situated in the State of California, County of Sutter, City of Yuba City, described as follows:

Exhibit "A" and "B" attached

This Deed is being executed to confirm that certain boundary line adjustment approved by the County of Sutter, California
LLA 20-05

Dated: September 3, 2021

MAIL TAX STATEMENTS TO PARTY SHOWN ON FOLLOWING LINE; IF NO PARTY SHOWN, MAIL AS DIRECTED ABOVE

SAME AS ABOVE

Name	Street Address	City & State

2

Clark & 20 Development, L.P.

Ryan Rogers

By: Ryan Rogers, President/CEO

Pride 76, Inc., a California Corporation

Ryan Rogers

By: Ryan Rogers, President/CEO

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

State of California) ss.

County of Sutter)

On 16 September 2021 before me, William A Sluder, Notary Public personally appeared Ryan Rogers who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct. WITNESS my hand and official seal.

SIGNATURE William A Sluder

WILLIAM A. SLUDER
Comm. #2331705
Notary Public · California
Sutter County
Comm. Expires Aug 16, 2024

EXHIBIT "A"
LOT B

All that real property located in the City of Yuba City, County of Sutter, State of California, being Lot 1, Lot 2 and Lot 3 of Block 1 as shown on that certain map entitled "FRUITRIDGE TRACT", filed in the Official Records of said County and as described in the Trustee's Deed to Pride 76, Inc. recorded as Document Number 2014-0007355 on June 23, 2014 and in the Grant Deed to Clark & 20 Development recorded as Document Number 2020-0010400 on July 17, 2020, more particularly described as follows:

BEGINNING at a point on the westerly line of said Lot 1 from which point the Southwest corner of said Lot 1 bears South 2°18'10" East, 66.87 feet; Thence (1) North 87°41'43" East, 79.98 feet to the center of a party wall;

Thence (2) North 87°41'43" East along the center of the party wall a distance of 45.00 feet;

Thence (3) North 87°41'43" East leaving said party wall a distance of 15.68 feet to the easterly line of said Lot 3;

Thence (4) North 2°18'10" West, 76.47 feet to the Northeast corner of Lot 3;

Thence (5) North 88°22'40" West along the northerly lines of Lot 1, Lot 2 and Lot 3 a distance of 141.00 feet to the Northwest corner of Lot 1;

Thence (6) South 2°18'10" East along the westerly line of Lot 1 a distance of 86.13 feet to the **POINT OF BEGINNING**.

EXCEPTING THEREFROM all those portions conveyed in the deeds to the State of California by deed recorded May 4, 1951, in Book 38, Page 142, Official Records and to the State of California by deed recorded May 5, 1951, in Book 38, Page 145, Official Records.

SUBJECT TO the easement deed conveyed to the City of Yuba City, recorded on February 24, 1981 in Book 1010, Page 373, Official Records.

The above description is prepared for Lot Line Adjustment 20-05. It is not based upon a field survey.

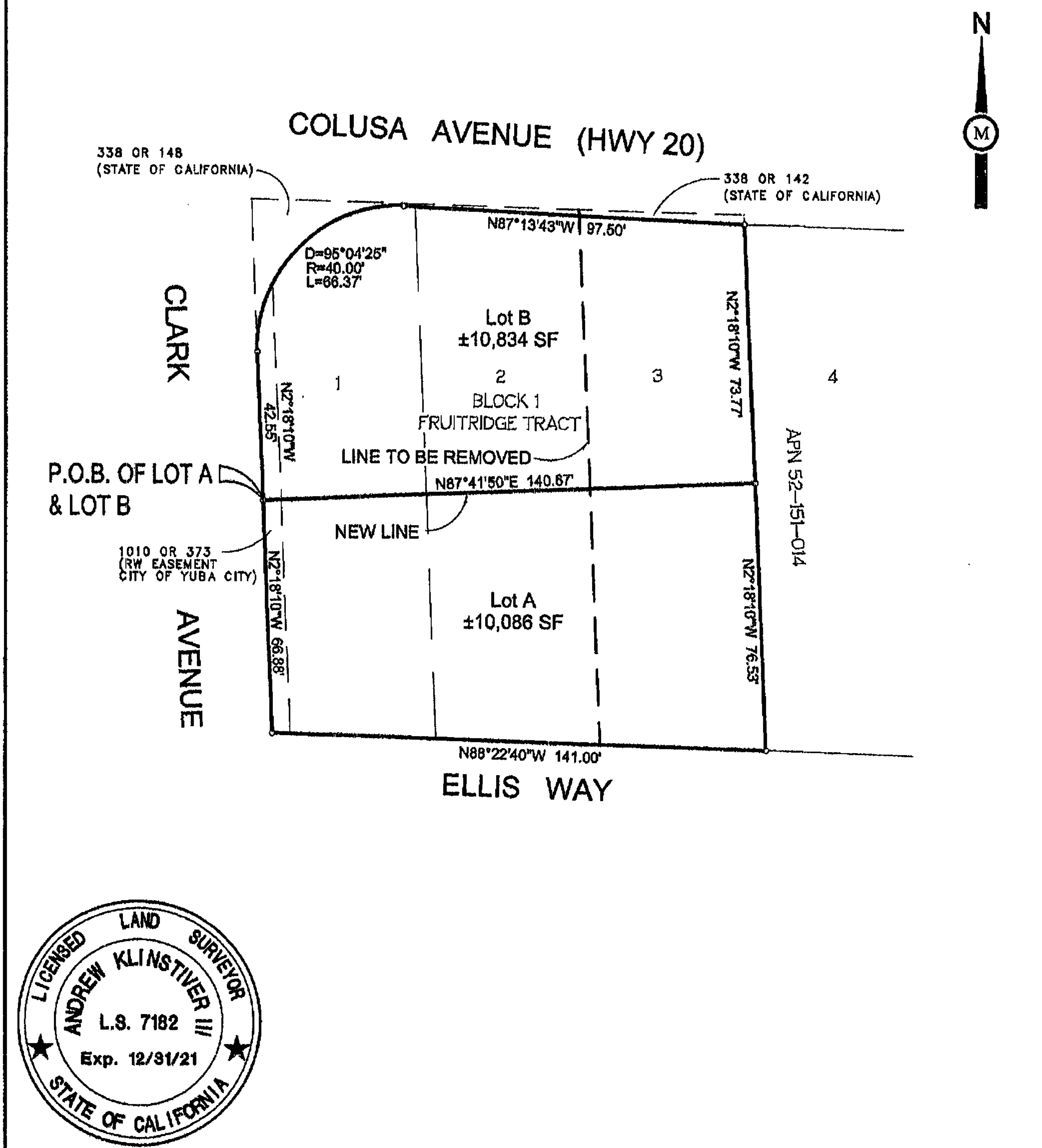
End of Description

Signature ______________
Andrew Klinstiver III, LS 7182

Date 8/24/2021

LICENSED LAND SURVEYOR
Andrew Klinstiver III
No. 7182
STATE OF CALIFORNIA

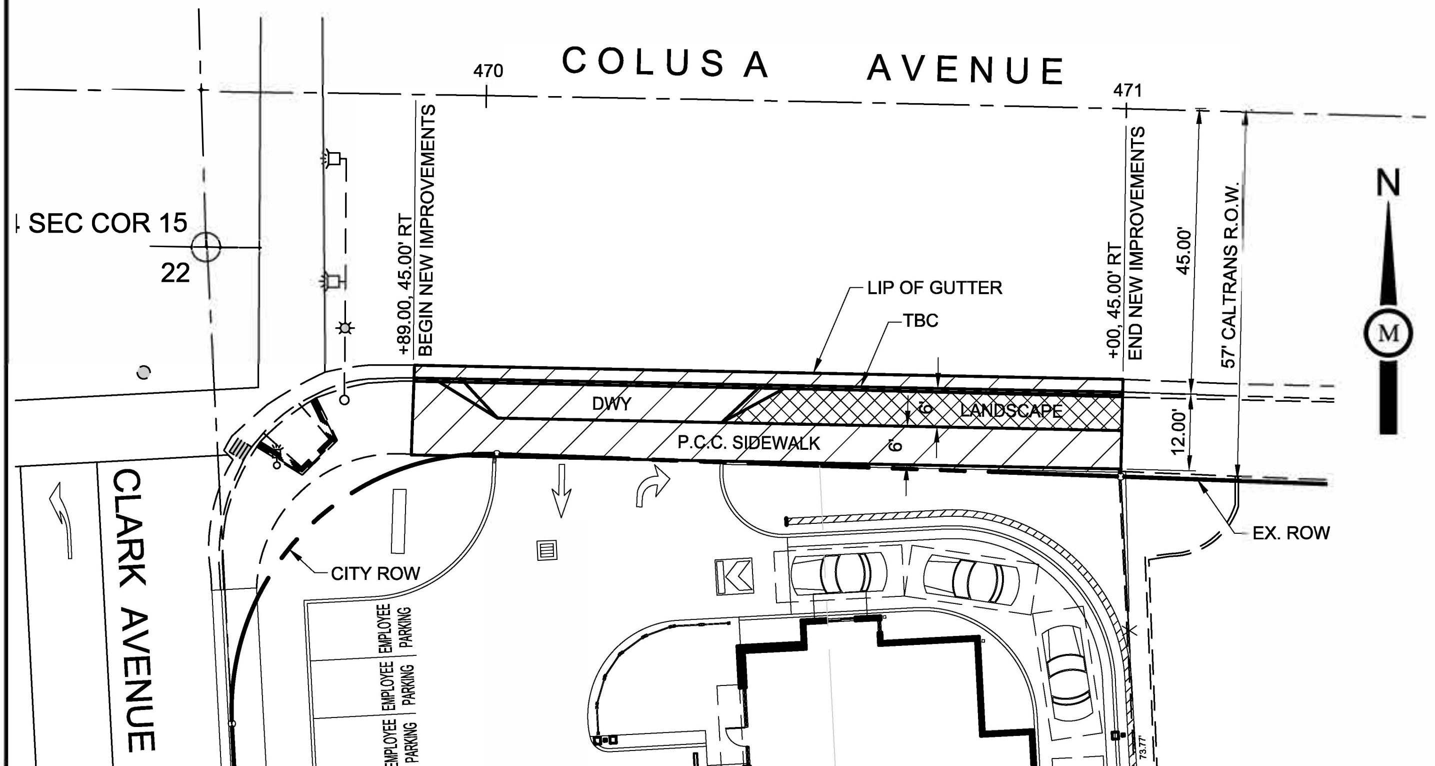
4



Milestone Associates *Imagineering* 1000 LINCOLN ROAD, STE. H202, YUBA CITY, CA 95991 TEL (530) 755-4700 FAX (530) 755-4567	EXHIBIT B CERTIFICATE OF COMPLIANCE LOT LINE ADJUSTMENT COLUSA AVENUE CITY OF YUBA CITY, CALIFORNIA	SCALE 1" = 40' DATE 11-16-20 SHEET 1 OF 1

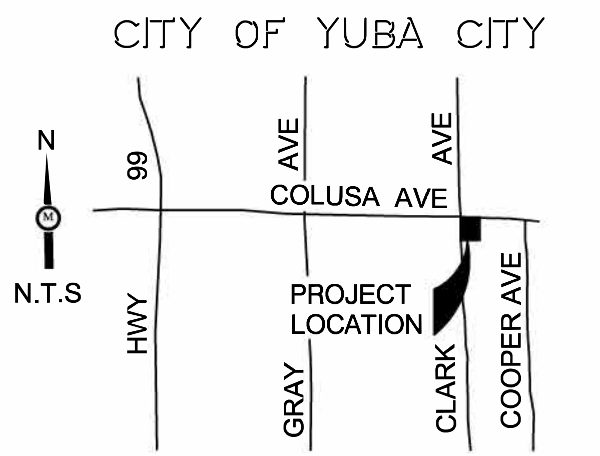
END OF DOCUMENT

EXHIBIT 2
LANDSCAPE MAINTENANCE AREA



PLAN

SCALE: 1" = 30'



VICINITY MAP

N.T.S.

LEGEND

CITY MAINTAINS AT CITY EXPENSE

CITY MAINTAINS LANDSCAPING AT CITY EXPENSE

STATE RIGHT-OF-WAY LINE

Milestone Associates Imagineering
1000 LINCOLN ROAD, STE. H202, YUBA CITY, CA 95991
TEL (530) 755-4700 FAX (530) 755-4567

EXHIBIT A

MAINTENANCE AGREEMENT
WITH CITY OF YUBA CITY - 03-SUT-20 PM 16.2
ENCROACHMENT PERMIT 0320-6CD1258

SCALE 1" = 30'

DATE 10-6-21

SHEET 1 OF 1

EXHIBIT 3
STATE AGREEMENT

LANDSCAPE MAINTENANCE AGREEMENT
WITH
THE CITY OF YUBA CITY

THIS AGREEMENT is made effective this ______ day of ____________, 20__, by and between the State of California, acting by and through the Department of Transportation, hereinafter referred to as "STATE" and the CITY of Yuba City; hereinafter referred to as "CITY" and collectively referred to as "PARTIES".

1. The PARTIES hereto mutually desire to identify the maintenance responsibilities of CITY for newly constructed or revised improvements within STATE's right of way by Encroachment Permit Number 0320-6CD1258.

2. This Agreement addresses CITY responsibility for the curb, gutter, sidewalk, driveway, and plantings (collectively the "LANDSCAPING") placed within State Highway right of way on State Route 20, as shown on Exhibit A, attached to and made a part of this Agreement.

3. Maintenance responsibility includes, but is not limited to, inspection, providing emergency repair, replacement, and maintenance, (collectively hereinafter "MAINTAIN/MAINTENANCE") of LANDSCAPING as shown on said Exhibit "A."

4. The degree or extent of maintenance work to be performed, and the standards, therefore, shall be in accordance with the provisions of Section 27 of the Streets and Highways Code and the then current edition of the State Maintenance Manual.

5. When a planned future improvement is constructed and/or a minor revision has been effected with STATE's consent or initiation within the limits of the STATE's right of way herein described which affects PARTIES' division of maintenance responsibility as described herein, PARTIES will agree upon and execute a new dated and revised Exhibit "A" which will be made a part hereof and will thereafter supersede the attached original Exhibit "A" to thereafter become a part of this Agreement.

   5.1. The new exhibit can be executed only upon written consent of the PARTIES hereto acting by and through their authorized representatives. No formal amendment to this Agreement will be required.

6. CITY agrees, at CITY expense, to do the following:

   6.1. CITY may install, or contract, authorizing a licensed contractor with appropriate class of license in the State of California, to install and thereafter

MAINTAIN LANDSCAPING conforming to those plans and specifications (PS&E) pre-approved by STATE.

6.2. CITY will submit the final form of the PS&E, prepared, stamped and signed by a licensed landscape architect, for LANDSCAPING to STATE's District Permit Engineer for review and approval and will obtain and have in place a valid necessary encroachment permit prior to the start of any work within STATE'S right of way. All proposed LANDSCAPING must meet STATE's applicable standards.

6.2.1. CITY contractors will be required to obtain an Encroachment Permit prior to the start of any work within STATE's right of way.

6.2.2. An Encroachment Permit rider may be required for any changes to the scope of work allowed by this Agreement prior to the start of any work within STATE's right of way

6.3. CITY shall ensure that LANDSCAPED areas designated on Exhibit "A" are provided with adequate scheduled routine MAINTENANCE necessary to MAINTAIN a neat and attractive appearance including providing for water, and fertilizer necessary to sustain healthy plant growth during the entire life of this Agreement including.

6.3.1. To prune shrubs, tree plantings, and trees to control extraneous growth and ensure STATE standard lines of sight to signs and corner sight distances are always maintained for the safety of the public.

6.3.2. To replace unhealthy or dead plantings when observed or within 30 days when notified in writing by STATE that plant replacement is required.

6.3.3. To expeditiously MAINTAIN, replace, repair, or remove from service any LANDSCAPING system component that has become unsafe or unsightly.

6.4. To MAINTAIN, repair and operate the irrigation systems in a manner that prevents water from flooding or spraying onto STATE highway, spraying parked and moving automobiles, spraying pedestrians on public sidewalks/bike paths, or leaving surface water that becomes a hazard to vehicular or pedestrian/bicyclist travel.

6.5. To control weeds at a level acceptable to the STATE. Any weed control performed by chemical weed sprays (herbicides) shall comply with all laws, rules, and regulations established by the California Department of Food and Agriculture. All chemical spray operations shall be reported quarterly (Form

LA17) to the STATE to: District 3 Maintenance at 703 B Street Marysville, CA 95901.

6.6. CITY shall ensure LANDSCAPING within the Agreement limits provide an acceptable walking and riding surface, and will provide for the repair and removal of dirt, debris, graffiti, weeds, and any deleterious item or material on or about the LANDSCAPING in an expeditious manner.

6.7. To MAINTAIN all parking or use restrictions signs encompassed within the area of the LANDSCAPING.

6.8. To remove LANDSCAPING and appurtenances and restore STATE owned areas to a safe and attractive condition acceptable to STATE in the event this Agreement is terminated as set forth herein.

7. STATE may provide CITY with written notice of unsatisfactory conditions that require correction by the CITY. However, the non-receipt of notice does not excuse CITY from maintenance responsibilities assumed under this Agreement.

8. STATE shall Issue encroachment permits to CITY and CITY contractors at no cost to them.

9. LEGAL RELATIONS AND RESPONSIBILITIES:

9.1. Nothing within the provisions of this Agreement is intended to create duties or obligations to or rights in third parties not party to this Agreement, or affect the legal liability of either PARTY to this Agreement by imposing any standard of care respecting the design, construction and maintenance of these STATE highway improvements or CITY facilities different from the standard of care imposed by law.

9.2. If during the term of this Agreement, CITY should cease to MAINTAIN the LANDSCAPING_to the satisfaction of STATE as provided by this Agreement, STATE may either undertake to perform that MAINTENANCE on behalf of CITY at CITY's expense or direct CITY to remove or itself remove LANDSCAPING at CITY's sole expense and restore STATE's right of way to its prior or a safe operable condition. CITY hereby agrees to pay said STATE expenses, within thirty (30) days of receipt of billing by STATE. However, prior to STATE performing any MAINTENANCE or removing LANDSCAPING, STATE will provide written notice to CITY to cure the default and CITY will have thirty (30) days within which to affect that cure.

9.3. Neither CITY nor any officer or employee thereof is responsible for any injury, damage or liability occurring by reason of anything done or omitted to be done by STATE under or in connection with any work, authority or jurisdiction arising under this Agreement. It is understood and agreed that STATE shall fully defend, indemnify and save harmless CITY and all of its officers and employees from all claims, suits or actions of every name, kind and description brought forth under, including, but not limited to, tortious, contractual, inverse condemnation and other theories or assertions of liability occurring by reason of anything done or omitted to be done by STATE under this Agreement with the exception of those actions of STATE necessary to cure a noticed default on the part of CITY.

9.4. Neither STATE nor any officer or employee thereof is responsible for any injury, damage or liability occurring by reason of anything done or omitted to be done by CITY under or in connection with any work, authority or jurisdiction arising under this Agreement. It is understood and agreed that CITY shall fully defend, indemnify and save harmless STATE and all of its officers and employees from all claims, suits or actions of every name, kind and description brought forth under, including, but not limited to, tortious, contractual, inverse condemnation or other theories or assertions of liability occurring by reason of anything done or omitted to be done by CITY under this Agreement.

9.5. PREVAILING WAGES:

9.5.1. <u>Labor Code Compliance</u>- If the work performed under this Agreement is done under contract and falls within the Labor Code section 1720(a)(1) definition of a "public works" in that it is construction, alteration, demolition, installation, or repair; or maintenance work under Labor Code section 1771. CITY must conform to the provisions of Labor Code sections 1720 through 1815, and all applicable provisions of California Code of Regulations found in Title 8, Chapter 8, Subchapter 3, Articles 1-7. CITY agrees to include prevailing wage requirements in its contracts for public works. Work performed by CITY'S own forces is exempt from the Labor Code's Prevailing Wage requirements.

9.5.2. <u>Requirements in Subcontracts</u> - CITY shall require its contractors to include prevailing wage requirements in all subcontracts when the work to be performed by the subcontractor under this Agreement is a "public works" as defined in Labor Code Section 1720(a)(1) and Labor Code Section 1771. Subcontracts shall include all prevailing wage requirements set forth in CITY's contracts.

10. INSURANCE

10.1. SELF-INSURED - CITY is self-insured. CITY agrees to deliver evidence of self-insured coverage providing general liability insurance, coverage of bodily injury liability and property damage liability, naming STATE, its officers, agents and employees as the additional insured in an amount of $1 million per occurrence and $2 million in aggregate and $5 million in excess. Coverage shall be evidenced by a certification of self-insurance letter ("Letter of Self-Insurance"), satisfactory to STATE, certifying that CITY meets the coverage requirements of this section. This Letter of Self-Insurance shall also identify the location as depicted in EXHIBIT A. CITY shall deliver to STATE the Letter of Self-Insurance with a signed copy of this AGREEMENT. A copy of the executed Letter of Self-Insurance shall be attached hereto and incorporate as Exhibit B.

10.2. SELF-INSURED using Contractor - If the work performed under this AGREEMENT is done by CITY's contractor(s), CITY shall require its contractor(s) to maintain in force, during the term of this AGREEMENT, a policy of general liability insurance, including coverage of bodily injury liability and property damage liability, naming STATE, its officers, agents and employees as the additional insured in an amount of $1 million per occurrence and $2 million in aggregate and $5 million in excess. Coverage shall be evidenced by a certificate of insurance in a form satisfactory to the STATE that shall be delivered to the STATE with a signed copy of this Agreement.

11. TERMINATION - This Agreement may be terminated by mutual written consent of PARTIES, and by STATE for cause. CITY's failure to comply with the provisions of this Agreement may be grounds for a Notice of Termination by STATE.

12. TERM OF AGREEMENT -This Agreement shall become effective on the date first shown on its face sheet and shall remain in full force and effect until amended or terminated at any time upon mutual consent of the PARTIES or until terminated by STATE for cause.

PARTIES are empowered by Streets and Highways Code Section 114 & 130 to enter into this Agreement and have delegated to the undersigned the authority to execute this Agreement on behalf of the respective agencies and covenants to have followed all the necessary legal requirements to validly execute this Agreement.

IN WITNESS WHEREOF, the PARTIES hereto have set their hands and seals the day and year first above written.

THE CITY OF YUBA CITY

By: ___________________________
Mayor

Initiated and Approved

By: ___________________________
City Manager

ATTEST:

By: ___________________________
City Clerk

By: ___________________________
City Attorney

STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION

TOKS OMISHAKIN
Director of Transportation

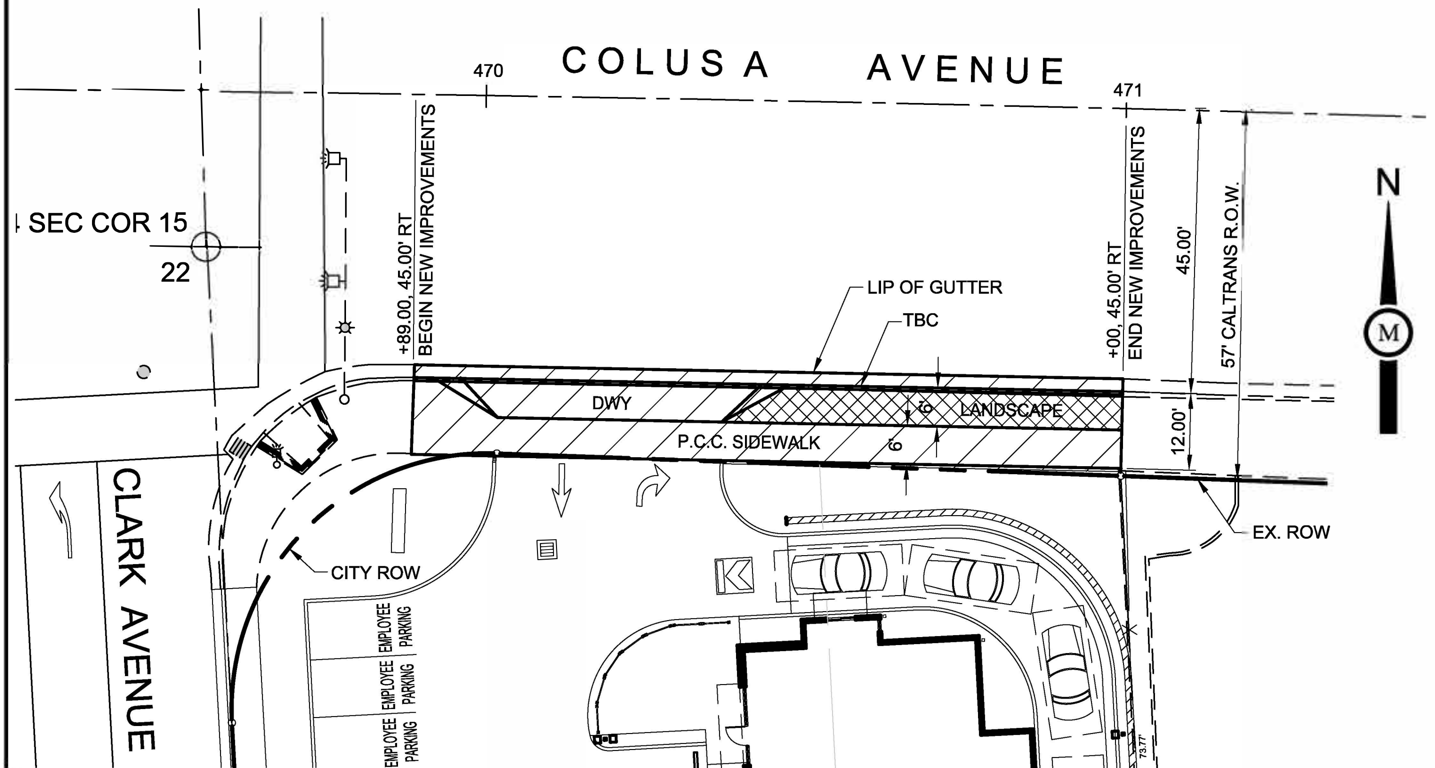
By: ___________________________
Deputy District Director
Maintenance District 3

As to Form and Procedure:

By: ___________________________
Attorney
Department of Transportation

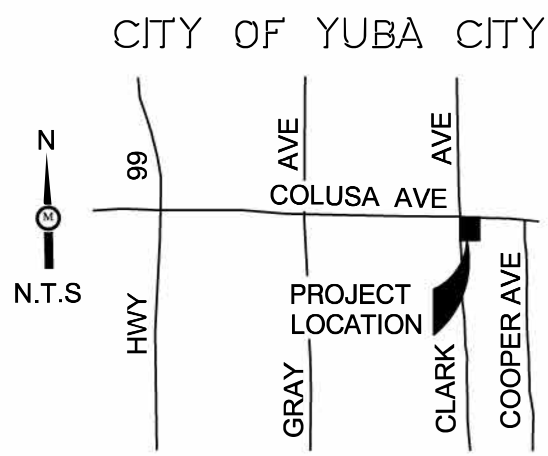
EXHIBIT A

(Plan map identifying the applicable STATE Routes (Freeway proper) and CITY road(s) and facilities)



PLAN

SCALE: 1" = 30'



LEGEND

CITY MAINTAINS AT CITY EXPENSE

CITY MAINTAINS LANDSCAPING AT CITY EXPENSE

STATE RIGHT-OF-WAY LINE

VICINITY MAP

N.T.S.

Milestone Associates
Imagineering
1000 LINCOLN ROAD, STE. H202, YUBA CITY, CA 95991
TEL (530) 755-4700 FAX (530) 755-4567

EXHIBIT A

MAINTENANCE AGREEMENT
WITH CITY OF YUBA CITY - 03-SUT-20 PM 16.2
ENCROACHMENT PERMIT 0320-6CD1258

SCALE
1" = 30'

DATE
10-6-21

SHEET
1 OF 1

EXHIBIT B – STATEMENT OF SELF INSURANCE FOR CITY OF YUBA CITY

California Department of Transportation _______20__
703 B Street
Marysville, CA 95901

ATTN: Thomas Mutunga, District 3 Maintenance Project Delivery Liaison

CITY OF YUBA CITY
Department of Finance

RE: Statement of Self Insurance for City of Yuba City ("CITY") Related to Landscape Maintenance Agreement with the State of California, acting by and through the Department of Transportation, ("STATE") for improvements along STATE Route 20 in the County of Sutter at Post Mile 16.20, LMA-City of Yuba City-03-SUT-020-PM 16.20 ("Landscape Maintenance Agreement").

Dear Mr. Mutunga,

The purpose of this letter is to certify that the CITY is self-insured and self-funded covering third-party claims arising out of its general operations (for example, commercial general liability and automobile liability insurance). Further the CITY is self-insured covering workers' compensation claims and has received the consent of the State Department of Industrial Relations to do so.

Each fiscal year, as a part of its budgetary process, the CITY appropriates funds specifically to satisfy valid third-party claims and workers' compensation claims, which may be brought against the CITY.

The CITY certifies its self-insured, general liability coverage for bodily injury liability and property damage liability, meets the required coverage amounts in section 10 (INSURANCE) of the Maintenance Agreement, specifically general liability insurance, coverage of bodily injury liability and property damage liability in an amount of $1 million per occurrence and $2 million in aggregate and $5 million in excess. The CITY further represents that regarding any claims made in connection with the Maintenance Agreement by the STATE, the STATE will be first-in-line regarding the reserved, self-insured amounts.

If you need any additional information regarding this letter, please direct those inquires through my office.

Sincerely,

Diona Pope
Finance Director

Agenda Item **12**

CITY OF YUBA CITY
STAFF REPORT

Date: February 18, 2025

To: Honorable Mayor & Members of the City Council;

From: Public Works

Presentation By: Ben Moody, Public Works & Development Services Director

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Summary

Subject: 2025 Water Rate Update

Recommendation: Adopt a Resolution approving the rates for water services at the 2016 Proposition 218 approved limits, until superseded by additional Council action

Fiscal Impact: Estimated $450,000 in water revenue

Purpose:

To increase water service rates to the Proposition 218 limits established in 2016 in order to fund necessary operations, maintenance, and capital improvements.

Council's Strategic Goals:

This item addresses Council's strategic goals of *Fiscal Responsibility*, *Infrastructure*, and *Public Safety* by ensuring that the City provides safe and reliable drinking water at a reasonable customer rate that funds the rising costs of operations, maintenance, debt service, and capital improvements for the water treatment and distribution system.

Background:

Water and wastewater rates and fees are established by a Proposition 218 process and supported by a recurring rate study, which projects the revenue needs for the utility for five (5) years. The City's last rate study and Proposition 218 process occurred in spring 2016. While the study projected revenue needs through Fiscal Year 20/21, City Council elected to set water and wastewater rates lower than the projections in response to economic and environmental factors, including COVID-19 and drought conditions. On June 15, 2021, Council set utility rates for a three-year span, and the last approved increase occurred on July 1, 2023.

Analysis:

Obligatory water and wastewater operating costs have risen significantly over the past few years, particularly for energy, chemicals, parts, and labor, which requires the City to capitalize on any available revenue possibilities to meet these funding needs. An approximate 2.65% increase remains for water service rates within the Proposition 218 limits. This proposed rate change will provide a considerable and necessary boost to the water revenue stream, which is under particular strain due to non-discretionary operational expenditures and capital improvement project needs.

A utilities rate study is underway to produce five-year revenue and expenditure projections, a financial plan, and recommend rates and fees for a Proposition 218 process. Public Works is on target to return to Council with the study in summer 2025 with further recommendations. Preliminary rate model results indicate that rate increases for both water and wastewater will be necessary to fund operational, capital improvement, and debt service requirements in the immediate future and will be recommended for the proposed Proposition 218 process.

In order to meet funding needs in the interim, Public Works recommends that Council increase the water service rates to the Proposition 218 maximums, effective March 1, 2025 (Attachment 1).
Adopting the proposed rates at this time will allow for cross-fiscal year flexibility for the new rate schedule adoption and implementation timing, as necessary. The current and proposed rates are shown in Table A.

Table A – Water Monthly Service Rates

Meter Size	Baseline Allocation (HCF)	Current Rates	Proposed Rates	Rate Change
1”	15	$41.49	$42.59	$1.10
1-1/2”	30	$82.99	$85.18	$2.19
2”	60	$166.00	$170.39	$4.39
3”	240	$663.97	$681.53	$17.56
4”	480	$1,327.96	$1,363.08	$35.12
6”	900	$2,489.89	$2,555.74	$65.85
8”	2,100	$5,809.77	$5,963.42	$153.65
Flow Rate per Excess HCF		$2.130	$2.137	$0.007

<u>Fiscal Impact</u>:

Staff estimates approximately $450,000 in water sales revenue with a 2.65% rate increase per fiscal year. This equates to a $1.10 monthly increase for a typical single-family residence with a 1” meter. The remaining available water revenue is critical to provide interim offset for operational costs until a Proposition 218 process and new rate schedule adoption can be completed.

<u>Alternatives</u>:

Do not approve the rate update and keep the current water rates, unless superseded by future Council action. This will keep revenues stagnant until the next Proposition 218 process and not address rising operational costs.

<u>Recommendation</u>:

Adopt a Resolution approving the rates for water services at the Proposition 218 approved limits, until superseded by additional Council action.

<u>Attachments:</u>

1. Resolution - 2025 Water Rate Update

Prepared By:	Submitted By:
Scarlett O. Harris	Diana Langley
Administrative Analyst III	City Manager

ATTACHMENT 1

RESOLUTION NO. 25-_____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY ESTABLISHING THE WATER SERVICE RATES AND FEES UNTIL SUPERSEDED BY COUNCIL

WHEREAS, on June 21, 2016, the City Council repealed and reenacted Chapter 6 of Title 6 (Water System) of the Yuba City Municipal Code, which included new water and wastewater rate maximums following a Proposition 218 process in accordance with California law; and

WHEREAS, the amended Chapter 6 of Title 6 also included the provision that Council retain the authority to set the actual rates by Resolution, provided that they do not exceed the rates approved through the Proposition 218 process; and

WHEREAS, the Public Works Department has reviewed the projected operations, maintenance, capital improvement, and debt services expenditures for Fiscal Years 24/25 and 25/26 and recommends that all water service rates be raised to the approved Proposition 218 maximums, until superseded by additional Council action.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Yuba City that the water and wastewater rates shall be as follows, effective March 1, 2025:

Water Service Rates		
Meter Size	Baseline Allocation (HCF)	Rates Effective 3/1/25
1”	15	$42.59
1-1/2”	30	$85.18
2”	60	$170.39
3”	240	$681.53
4”	480	$1,363.08
6”	900	$2,555.74
8”	2,100	$5,963.42
Flow Rate per Excess HCF		$2.137

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 18th day of February 2025.

AYES:

NOES:

ABSENT:

____

Dave Shaw, Mayor

ATTEST:

____
Ciara Wakefield, Deputy City Clerk

APPROVED AS TO FORM
COUNSEL FOR YUBA CITY:

____
Shannon Chaffin, City Attorney
Aleshire & Wynder, LLP

Agenda Item **13**

CITY OF YUBA CITY
STAFF REPORT

Date:	February 18, 2025
To:	Honorable Mayor & Members of the City Council;
From:	Administration Department
Presentation By:	Diana Langley, City Manager

Summary

Subject:	Classification and Compensation Study - Contract Amendment
Recommendation:	Adopt a Resolution approving Amendment No. 1 to the Professional Services Agreement with Koff & Associate, now a division of Gallagher Benefit Services, to conclude the classification and compensation study, and authorize the City Manager to execute the amendment following approval as to form by the City Attorney, with the finding that it is in the best interest of the City
Fiscal Impact:	$36,043.25 - Account No. 1720-62701 (Professional Services)

Purpose:

To conclude the work completed to date on the classification and compensation study prepared by Koff & Associates, now a division of Gallagher Benefit Services.

Council's Strategic Goal:

This item addresses the City Council's Strategic Goal of fiscal responsibility.

Background:

On June 21, 2022, the City Council authorized a contract with Koff & Associates in the amount of $208,425, for the preparation of a classification and compensation study. The study evaluated job descriptions, comparator agencies, benchmark classes, internal relationships, and benefits. The project began in late 2022 and is nearing completion.

Analysis:

The study was originally anticipated to take approximately eight months to complete. However, delays occurred and the number of comparators and benchmarks increased due to changes in bargaining unit agreements, resulting in additional work that was outside the original scope of work. Staff is requesting an amendment in the amount of $36,043.25 to cover the additional scope of work and conclude the study. Also, during the delay Koff & Associates became a division of Gallagher Benefit Services.

Fiscal Impact:

$36,043.25 - Account No. 1720-62701 (Professional Services)

Alternatives:

Do not approve and provide staff direction.

Recommendation:

Adopt a Resolution approving Amendment No. 1 to the Professional Services Agreement with Koff & Associate, now a division of Gallagher Benefit Services, to complete the classification and compensation study, and authorize the City Manager to execute the amendment following approval as to form by the City Attorney, with the finding that it is in the best interest of the City.

Attachments:

1. Resolution - Amendment No. 1 - Gallagher
2. Exhibit A - Amendment No. 1

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

ATTACHMENT 1

RESOLUTION NO. 25-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY APPROVING AMENDMENT NO. 1 TO THE PROFESSIONAL SERVICES AGREEMENT WITH GALLAGHER, FORMERLY KOFF & ASSOCIATES, TO CONCLUDE THE CLASSIFICATION AND COMPENSATION STUDY, AND AUTHORIZE THE CITY MANAGER TO EXECUTE THE AMENDMENT SUBJECT TO REVIEW AND APPROVAL AS TO LEGAL FORM BY THE CITY ATTORNEY

WHEREAS, on June 21, 2022, the City Council awarded a Professional Services Agreement to Koff & Associates, now Gallagher, to prepare a Classification and Compensation Study; and

WHEREAS, the scope of work increased as Gallagher (Koff & Associates) was asked to increase the number of comparator agencies and benchmarks due to changes in bargaining unit agreements; and

WHEREAS, the cost for the additional scope of work is $36,043.25; and

WHEREAS, the City Council desires to amend the Professional Services Agreement with Gallagher to address the additional scope of work; and

WHEREAS, such an amendment is in the public interest.

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

1. 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 Gallagher (Koff & Associates) and finds that approval of such amendment is 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 18th day of February 2025.

AYES:

NOES:

ABSENT:

____
Dave Shaw, Mayor

ATTEST:

____
Ciara Wakefield, City Clerk

APPROVED AS TO FORM:

____
Shannon Chaffin, Esq.
Aleshire & Wynder, LLP

Exhibit A – Amendment No. 1 to the Professional Services Agreement

ATTACHMENT 2

EXHIBIT A

AMENDMENT NO. 1 TO THE AGREEMENT FOR PROFESSIONAL SERVICES

KOFF & ASSOCIATES, A DIVISON OF GALLAGHER BENEFIT SERVICES

Gallagher Benefit Services
P.O. Box 71696
Chicago, IL 60694-1696

SUBJECT: Amendment No. 1 to Scope of Services for Yuba City Classification and Compensation Study

This Amendment to the Agreement for Professional Services dated June 27, 2022, by and between the City of Yuba City ("City") and Koff & Associates ("Consultant").

Recitals

Whereas, by Professional Services Agreement dated June 27, 2022 ("Prime Agreement"), City entered into an agreement with Consultant for the preparation of a Classification and Compensation Study.

Whereas, the parties desire to amend the Prime Agreement to provide for additional scope of work.

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, Compensation, of the Prime Agreement is amended to add the following:

   For services rendered by Consultant under this Amendment No. 1 to the Prime Agreement as outlined above, Consultant's compensation shall not exceed $244,468.25 without additional written authorization from the City.

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

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

CITY:
CITY OF YUBA CITY, a municipal corporation

____
Diana Langley
City Manager

CONSULTANT:
GALLAGHER BENEFIT SERVICES

____

Name:__________________________

Title:___________________________

Attachment:
Exhibit A: Prime Agreement

EXHIBIT A

AGREEMENT FOR PROFESSIONAL SERVICES

This Agreement ("Agreement") is made and entered into as of June 27, 2022, by and between the City of Yuba City, a municipal corporation ("City") and Koff & Associates, a division of Gallagher Benefit Services, Inc., a Delaware corporation ("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

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. 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.

3. Compensation. Compensation to be paid to Consultant shall be in accordance with the Schedule of Charges set forth in Exhibit A, which is attached hereto and incorporated herein by reference. In no event shall Consultant's compensation exceed $208,425 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. Consultant shall submit monthly billings to City describing the work performed during the preceding month. Consultant's invoices shall include a brief description of the services performed, the date the services were performed, the number of hours spent and by whom, and a description of any reimbursable expenses. City shall pay Consultant not later than 30 days after approval of the monthly invoice by City staff. When payments made by the City equal 90% of the maximum fee provided for in this Agreement, no further payments shall be made until the final work under this Agreement has been accepted by City.

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. This Agreement may be terminated by the City immediately for cause or by either party without cause upon fifteen days written notice of termination. Upon termination, Consultant shall be entitled to compensation for services performed up to the effective date of termination. Such compensation is subject to the conditions of Section 4 of this agreement.

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. Notwithstanding the foregoing, Consultant will retain sole and exclusive ownership of all right, title and interest in and to its intellectual property and derivatives thereof which no data or confidential information of the City was used to create and which was developed entirely using Consultant's own resources. To the extent Consultant's intellectual property is necessary for the City to use the services provided, Consultant will grant to the City a non-exclusive, royalty-free license to Consultant's intellectual property solely for the City's use of such services.

* 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. 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. 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 and Limitation of Liability. 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. Consultant's liability to the City and any other party for any losses, injury or damages to persons or properties or work performed arising out of in connection with this Agreement and for any other claim, whether the claim arises in contract, tort, statute or otherwise, shall be limited to the amount of the total fees due to Consultant from City for the particular services giving rise to the claim. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, CONSULTANT SHALL NOT BE LIABLE FOR ANY SPECIAL, INDIRECT, CONSEQUENTIAL, LOST PROFITS, OR PUNITIVE DAMAGES SUSTAINED OR INCURRED IN CONNECTION WITH THIS AGREEMENT, WHETHER OR NOT SUCH DAMAGES ARE FORESEEABLE.

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 B.

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	Natalie Springer, Human Resources Director Human Resources City of Yuba City 1201 Civic Center Blvd Yuba City, CA 95993 (530) 822-4765

If to Consultant: Katie Kaneko, Managing Director
Koff & Associates, a Division of Gallagher
Benefit Services, Inc.
2835 Seventh Street
Berkeley, CA 94710
(510) 858-6678

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. Mediation. The parties agree to make a good faith attempt to resolve any disputes arising out of this Agreement through mediation prior to commencing litigation. The parties shall mutually agree upon the mediator and shall divide the costs of mediation equally. If the parties are unable to agree upon a mediator, the dispute shall be submitted to JAMS/ENDISPUTE ("JAMS") or its successor in interest. JAMS shall provide the parties with the names of five qualified mediators. Each party shall have the option to strike two of the five mediators selected by JAMS and thereafter the mediator remaining shall hear the dispute. If the dispute remains unresolved after mediation, either party may commence litigation.

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:	**KOFF & ASSOCIATES, A DIVISION OF GALLAGHER BENEFIT SERVICES, INC.:**
By: Diana Langley	By
Diana Langley **City Manager**	**Georg S. Krammer** **Managing Director**

Attachments: Exhibit A – Scope of Services
Exhibit B - Insurance Requirements
Exhibit C - Workers' Compensation Exemption

Koff & Associates
A Gallagher Company

May 25, 2022

Classification and Compensation Study Proposal

City of Yuba City

KOFF & ASSOCIATES, A GALLAGHER COMPANY

GEORG S. KRAMMER
Managing Director, Compensation and Rewards Consulting

2835 Seventh Street
Berkeley, CA 94710
www.KoffAssociates.com

gkrammer@koffassociates.com
Tel: 510.658.5633
Fax: 510.652.5633

Part 1 : Cover Letter

May 25, 2022

Ms. Natalie Springer
Human Resources Director
City Hall, 1201 Civic Center Blvd.
Yuba City, CA 95993

Dear Ms. Springer:

Thank you for the opportunity to respond to your Request for Proposals for a **Classification and Compensation Study** for the **City of Yuba City** ("City"). We are most interested in assisting the City with this important study and feel that we are uniquely qualified to provide value to your organization based on our experience working with other cities, counties, special districts, joint-powers associations, and other public agencies.

Koff & Associates, now a Gallagher company, is an experienced Human Resources and Recruitment Services firm providing human resources services to cities, counties, special districts, courts, educational institutions, and other public agencies for 38 years. The firm has achieved a reputation for working successfully with management, employees, and governing bodies. We believe in a high level of dialogue and input from study stakeholders and our proposal speaks to that level of effort. Our firm's extra effort has resulted in close to *100% implementation* of all of our classification and compensation studies. Our headquarters are in Berkeley, CA, and we have satellite offices in Southern California, the Central Valley, the Sacramento Region, and the Western Region.

Koff & Associates ensures that each of our projects is given the appropriate resources and attention, resulting in a high level of quality control, excellent communication between clients and our office, commitment to meeting timelines and budgets, and a consistently high-caliber work product.

The study includes a significant number of meetings with the Study Project Team, Human Resources, employees, union representation, and the City Council, as desired. We have expertise in labor/management relations and understand the importance of active participation by all stakeholders to ensure a successful outcome. The meetings and "stakeholder touch-points" that we recommend ensure understanding of the project parameters, enhance accurate intake and output of information, and create a collaborative and interactive approach resulting in greater buy-in for study recommendations. This interactive approach has resulted in almost 100% implementation success of K&A's studies.

The majority of our clients are unionized and our larger city and county clients typically have multiple unions. Due to the multitude of stakeholder groups who are affected by any compensation study K&A conducts, our team understands the importance of accurate and validated data that withstands any scrutiny, effective and ongoing communication throughout each effort, and collaboration with the various stakeholder groups to ensure organizational buy-in to our findings and recommendations. We have developed a unique methodology of stakeholder "touchpoints" and collaboration that has made us highly successful and effective and has earned our team respect, agreement, and understanding from all stakeholders. In addition, we adjust and customize our methodology based on each individual client's unique needs and circumstances.

We also recognize that both the City and union representatives have obligations to employees and members to ensure that any study is conducted in a fair and equitable manner. Our project work plans are designed for transparency and we strongly encourage dialog with all stakeholders on study deliverables so they in turn can express their concerns; we all have a shared goal of ensuring the process followed is fair and equitable.

This intense and comprehensive stakeholder engagement and our transparent study processes are also a mechanism of quality control. The fact that our information, data, and recommendations have to be able to withstand utmost scrutiny by diverse stakeholders require an in-depth multi-step quality control process for deliverables. This involves K&A team member validation of classification analyses and compensation data, K&A Project Manager review of all classification and compensation analyses, recommendations and deliverables, and finally K&A Principal (Project Director) review of deliverables before submittal to the client.

As a Managing Director of Koff & Associates, Katie Kaneko would assume the role of Project Director and be responsible for the successful completion of project. We can be reached at our Berkeley address and the phone number listed on the cover page. Katie's email is kkaneko@koffassociates.com and my email is gkrammer@koffassociates.com.

This proposal will remain valid for at least 90 days from the date of submittal. Please call if you have any questions or wish additional information. We look forward to the opportunity provide professional services to the **City of Yuba City**.

Sincerely,

Georg S. Krammer
Managing Director, Compensation and Rewards Consulting

TABLE OF CONTENTS

Part 2 : EXPERIENCE AND QUALIFICATIONS

Koff & Associates ("K&A") is a full-spectrum, public-sector human resources and recruitment services firm that was founded in 1984 by Gail Koff; K&A has been assisting cities, counties, special districts, other public agencies, and non-profit organizations with their human resources needs for 38 years.

As of April 30, 2021, we are in the process of merging with Arthur J. Gallagher and are now officially a Gallagher Division. Our headquarters are in Berkeley, CA, and we have satellite offices in Southern California, the Central Valley, the Sacramento Region, and the Western Region.

We are familiar with the various public sector organizational structures, agency missions, operational and budgetary requirements, and staffing expectations. We have extensive experience working in both union and non-union environments (including service as the management representative in meet & confer and negotiation meetings), working with City Councils, County Commissions, Boards of Directors, Boards of Supervisors, Boards of Trustees, Merit Boards, and Joint Power Authorities.

The firm's areas of focus are classification and compensation studies (approximately 70% of our workload); executive search and staff recruitments; organizational development/assessment studies; performance management and incentive compensation programs; development of strategic management tools; policy/procedure development and employee handbooks; training and development; public agency consolidations and separations; Human Resources audits; and serving as off-site Human Resources Director for smaller public agencies that need the expertise of a Human Resources Director but do not need a full-time, on-site professional.

Without exception, all of our classification and compensation studies have successfully met all of our intended commitments; communications were successful with employees, supervisors, management, and union representatives; and we were able to assist each agency in successfully implementing our recommendations. All studies were brought to completion within stipulated time limits and proposed budgets.

Our long list of clients (please see https://koffassociates.com/our-clients/) is indicative of our firm's reputation as being a quality organization that can be relied on for producing comprehensive, sound, and cost-effective recommendations and solutions. K&A has a reputation for being "hands on" with the ability and expertise to implement its ideas and recommendations through completion in both union and non-union environments.

K&A relies on our stellar reputation and the recommendations and referrals of past clients to attract new clients. Our work speaks for itself and our primary goal is to provide professional and technical consulting assistance with integrity, honesty and a commitment to excellence. We are very proud of the fact that in working with hundreds of public agency clients and completing hundreds of classification and/or compensation and other types of studies, we have only had a handful of formal appeals in our entire history.

Our team consists of 35 employees as shown below in our organizational chart.

Georg Krammer
Katie Kaneko
Managing Directors

Alyssa Thompson
Debbie Owen
Senior Project Managers

Frank Rojas
Recruitment Manager

Mike Harary
Kari Mercer
Amber Richards
Jamie Inderbitzen
Project Managers

Joshua Boudreaux
Recruitment Supervisor

Lisa Gardner
Maggie Williams-Dalgart
Lindsay Christopher
Monica Garrison-Reusch
Arlene Gibbs
Sarah Nunes
Ariele Rodriguez
Frances Trant
Cindy Harary
Chelsea Freeman
Senior H.R. Associates

Renate Tiner
Trish Griffus
Kelly Barns
Ione Bell
H.R. Associates

Sarah Williams
Lynda Guerra
Junior H.R. Associate

Eileen King
Marketing Associate

John Logsdon
Senior Proposals Developer

Lenissa Dumlao
Elise Johnson
Administrative Coordinators

Kathy Crotty
Eric Swidler
Administrative Assistants

Carlo Zabala
Edna Swaim
Recruiters

Ember Plummer
Recruiting Coordinator

No subcontractors will be assigned to this study.

TEAM MEMBER QUALIFICATIONS

All members of our team have worked on multiple comprehensive classification and total compensation studies and are well acquainted with the wide array of public sector organizational structures, compensation structures, classification plans, as well as the challenges and issues that arise when conducting studies such as this one for the City.

KEY PERSONNEL

Our project team will be led by Co-Project Directors Katie Kaneko (Managing Director) and Kari Mercer (Senior Project Manager). They will coordinate all of K&A's efforts, attend all meetings with the City, and be responsible for all work products and deliverables.

CONSULTANTS

Lindsay Christopher (Senior HR Associate), Monica Garrison-Reusch (Senior HR Associate), Maggie Williams-Dalgart (Senior HR Associate), Sarah Nunes (HR Associate), Arlene Marks Gibbs (Senior Associate), Cindy Harary (Senior HR Associate) Lisa Gardner (Senior HR Associate), and Renate Tiner (HR Associate) will conduct classification analysis and interviews with employees and management, compensation data collection and analysis, internal job analysis, develop recommendations and implementation strategies.

WORKLOAD

We currently have a team of 23 HR consultants and five administrative support staff – resources that we are able to pool base on each project's needs, to execute projects and to meet clients' needs and expectations. Each time we are selected as the successful bidder on a project, we strategize to determine project timelines, deliverable deadlines, and the resources that are required to produce the deliverables as promised. We are poised to accommodate the City's classification and compensation study and plan to devote the necessary resources for the successful executive of the project.

Following are biographies of the specific staff who will be assigned to this study:

Catherine "Katie" Kaneko, C.P.A., P.H.R.
Managing Director, Compensation and Rewards Consulting

Katie is one of the two principals of Koff & Associates. She brings more than 25 years of management-level human resources and consulting experience to K&A. She has extensive experience in classification analysis and evaluation techniques, compensation, performance incentive programs, recruitment, and organizational studies.

Armed with her Bachelor of Business Administration degree, and as a CPA (Certified Public Accountant), Katie began her career in an international accounting/consulting firm. She transitioned into Human Resources within the firm to become the Human Resources Director of the San Francisco office. She next moved into the high-tech industry where she served in leadership positions for high-growth companies, startup firms, and organizations in transition. Katie then moved to the public sector, joining K&A in 2003 and has been the firm's President since 2005; over the last 16 years, she has overseen hundreds of compensation, classification, organizational and other studies for cities, counties, and special districts throughout California.

Agencies for whom classification and/or compensation studies, or HR Services (such as organizational assessments, executive performance evaluations, succession planning studies, etc.) were led by Katie, as Project Director, during the last few years, include, but are not limited to, the following:

- **Cities and/or Towns**: Albany, Belmont, Benicia, Calistoga, Carmel, Coachella, Crescent City, Cupertino, Danville, Dinuba, East Palo Alto, Fairfield, Galt, Hayward, Hillsborough, Los Altos, Los Gatos, Madera, Manteca, Merced, Monterey, Moraga, Morgan Hill, Mt. Shasta, Newman, Novato, Pacific Grove, Pacifica, Palo Alto, Paradise, Piedmont, Redwood City, Rohnert Park, Sacramento, San Bruno, San Pablo, San Ramon, Santa Cruz, Santa Rosa, Seaside, Sonora, Tracy, Tulare
- **Counties**: Butte, El Dorado, Humboldt, Mendocino, Merced, Placer, San Joaquin, San Mateo, Sonoma, Tuolumne, Yuba
- **Courts**: Superior Court of the County of Alameda, Superior Court of San Joaquin County

- **Education**: First Five Contra Costa, First Five Santa Clara, Hartnell College, Salinas Union High School District, Southwestern Community College District, Travis Unified School District
- **State**: California State Compensation Insurance Fund; California State Auditor's Office
- **Other**: Municipal Pooling Authority, Public Agency Risk Sharing Authority of California
- **Special Districts**:
  - Open Space Districts: Midpeninsula Regional Open Space District, Santa Clara Valley Open Space Authority, Sonoma County Agricultural Preserve and Open Space District.
  - Park and Recreation Districts: Livermore Area Recreation and Park District, Mendocino Coast Recreation & Park District,
  - Air Quality: Bay Area Air Quality Management District
  - Community Services District: Cosumnes Community Services District, Discovery Bay Community Services District, Groveland Community Services District, Rancho Murieta Community Services District, Town of Discovery Bay CSD
  - Fire and Police Protection: Central Fire District of Santa Cruz County, East Contra Costa Fire Protection District
  - Housing/Economic Development: Oakland Housing Authority
  - Public Utilities: Northern California Power Agency
  - Retirement: Contra Costa County Employees' Retirement Association, Retirement Office of City of San José
  - Solid Waste: Alameda County Waste Management Authority, Humboldt Waste Management Authority, Monterey Regional Waste Management District, Salinas Valley Solid Waste Authority
  - Transportation: Alameda Contra Costa Transit District, San Francisco County Transportation Authority, Solano Transportation Authority
  - Wastewater: Castro Valley Sanitary District, Central Contra Costa Sanitary District, Dublin San Ramon Services District, East Palo Alto Sanitary District, Encina Wastewater Authority, Fairfield Suisun Sewer District, Las Gallinas Sanitary District, Monterey Regional Water Pollution Control Agency, Mt. View Sanitary District, Vallejo Flood and Wastewater District, West Valley Sanitation District
  - Water: Alameda County Water District, Coastside County Water District, Indian Wells Valley Water District, North Coast County Water District, Santa Clara Valley Water District, Valley County Water District, Zone 7 Water Agency

Katie will be key personnel and serve as the Co-Project Director for this project; she will coordinate all of K&A's efforts, will attend all meetings with the City, and will be responsible for all work products and deliverables.

Kari Mercer, SPHR
Project Manager

Kari's professional qualifications include over 13 years of experience in the Human Resources field, including work in classification and compensation, employee relations, and recruitment and examination. Her experience includes both private and public sector Human Resources work for the County of Madera, County of Fresno, and Macy's. She gained experience in classification and compensation, labor relations, MOU administration, policy development and administration, recruitment and examination, and general human resources administration.

As a Human Resources Consultant for another private human resources consulting firm she specialized in conducting classification and compensation studies for multiple public sector agencies, such as: Cities of Anaheim, Concord, Palmdale, Redding; Counties of Lake, Madera, Monterey, and Sacramento; and special districts such as: California Joint Powers Risk Management Authority, East Bay Regional Park District, Elk Grove Water District, San Diego Association of Governments, San Francisco Municipal Transportation Agency, and Ventura Regional Sanitation District. Additionally, Kari has consulted for out-of-state clients in Maryland, New Mexico, and Texas.

Since joining Koff & Associates, Kari has worked on a wide variety of classification and compensation projects for the following agencies:

A. **Cities/Towns:** Anaheim, Arroyo Grande, Atascadero, Belmont, Hayward, Madera, Manteca, Merced, Milpitas, Oakland, Perris, Pleasant Hill, Redwood City, San Pablo, Santa Clara, Saratoga, Seal Beach, Seaside, Tracy, Vallejo
B. **Counties**: El Dorado, Fresno, Humboldt, Merced, Monterey, Orange, San Joaquin
C. **Special Districts**: Coachella Valley Public Cemetery District, Cosumnes Community Services District, First 5 of Alameda County, Foothill-DeAnza Community College District, Housing Authority of the City of Santa Barbara, Housing Authority of the County of San Bernardino, Livermore Area Recreation and Park District, Mendocino Coast Recreation and Park District, Port of Oakland, Orange County Fire Authority, Santa Clara County Housing Authority, Superior Court of California-Kern County, Sweetwater Authority, Travis Unified School District, Truckee Sanitary District, West Valley Mission Community College District, Valley County Water District

She earned her B.S. degree in Business Administration with an emphasis on Human Resources Management at California State University, Fresno and is a certified Senior Professional in Human Resources (SPHR). Kari serves as a Personnel Commissioner for the City of Clovis and is a member of Central California SHRM.

Kari will provide managerial project support throughout this effort, including classification analysis, interviews with employees and management, compensation data collection and analysis, internal job analysis, development of recommendations, and implementation strategies.

Kelly Ann Basoco, SPHR, SHRM-SCP, PHRca
Senior H.R. Associate

Kelly's professional qualifications include over 15 years of experience in the Human Resources field, primarily as a generalist. She spent the first 12 years in the private sector as a Human Resources Manager working for global companies such as Parker Hannifin and 3M. Kelly gained experience in employee relations, policies and procedures administration, recruitment activities and performance management; with Parker and 3M she also worked with mergers and acquisitions and managed plant/facility closures.

Kelly was Director of Human Resources for a multi-state manufacturing company where she oversaw corporate human resources. Kelly transitioned to human resources consulting providing human resources audits, policy and procedure development, performance management and investigations for local businesses and classification and compensation studies for the public sector.

Since joining K&A, Kelly has conducted classification and/or compensation studies, organizational assessments, and other HR projects, for the following agencies:

- **Cities / Towns:** Coachella, El Monte, Galt, Citrus Heights, Hillsborough, Manteca, Milpitas, Morgan Hill, Murrieta, Newman, Perris, Redlands (Municipal Utilities and Engineering Department), San Diego, Santa Clara, Santa Monica, Saratoga, Sausalito, Sonora, Westminster
- **Counties:** El Dorado, Fresno, Humboldt
- **Special Districts:** Beaumont-Cherry Valley Water District, Castro Valley Sanitary District, Eastern Municipal Water District, Excelsior Charter Schools, Helendale Community Services District, IBEW (International Brotherhood of Electrical Workers), Long Beach Transit, Mojave Water Agency, Orange County Mosquito and Vector Control District, Orange County Sanitation District, Phelan-Piñon Hills Community Services District, Rancho California Water District, Riverside Community College District, San Bernardino Valley Water Conservation District, Santa Clarita Valley Water District, South Coast Water District, Southern California Public Power Authority, Southwestern Community College District, and Travis Unified School District

Kelly received her Bachelors Degree in Business and Human Resource Development from Notre Dame College. She is a member of the national Society of Human Resource Managers (www.shrm.org) holding the Senior Certified Professional (SHRM-SCP) certification, the Senior Professional in Human Resources (SPHR) certification and the Professional in Human Resources – California (PHRca) certification. She is also a member of the Professionals in Human Resources Association (www.pihra.org). In addition, she is an Item Writer for the HRCI (Human Resource Certification Institute) and is considered a Subject Matter Expert for the PHRca and SPHR certifications.

Kelly will provide Senior H.R. Associate support throughout the project, including classification analysis, interviews with employees and management, compensation data collection and analysis, internal job analysis, staffing analysis, development of recommendations, and implementation strategies.

Lindsay Christopher
Senior H.R. Associate

Lindsay's professional qualifications include ten years of experience working in the public sector, mostly with Alameda County. In her role as Human Resources Analyst, she was responsible for classification and compensation projects, as well as recruitment and selection, in a Civil Service, merit-based, environment. Mostly recently, she continued to focus on classification and compensation projects at East Bay Regional Park District.

Since joining K&A, Lindsay has worked on studies for the following:

- **Cities:** Gardena, Hemet, Milpitas, Tracy, Corona, Seattle (Library), Napa
- **Counties:** Humboldt
- **Special Districts:** Contra Costa County Employees' Retirement Association, Greater LA County Vector Control District, Orange County Sanitation District, Purissima Hills Water District, Marin Municipal Water District, Housing Authority of the City of Santa Barbara, Tri-City Mental Health Authority, Victor Valley College, Buena Park Library District, East Bay Regional Park District, Tualatin Hills Park and Recreation District, Valley Water, San Luis and Delta Mendota Water Authority

A Bay Area native, Lindsay earned her B.A. degree in Sociology with a concentration in Criminology from San Jose State University.

Lindsay will provide Senior H.R. Associate support throughout this effort, including classification analysis, interviews with employees and management, compensation data collection and analysis, internal job analysis, development of recommendations, and implementation strategies.

Monica Garrison-Reusch, B.A., M.B.A.
Senior H.R. Associate

Monica has over 15 years of human resource program experience, all of which have been spent serving as either a team consultant or project manager on projects working with public sector agencies. Monica's primary professional focus over the last several years has been on classification and compensation practices.

Prior to joining K&A, Monica performed classification and compensation consulting services as either a team member or project manager on varied projects including large scale studies done for the Counties of Madera, Sacramento, Bernalillo (in New Mexico), and the California State Department of Personnel Administration. Monica also developed and served as a Co-Trainer for a two-day course on Classification and Compensation.

Monica's depth of experience allows her to provide a broad range of human resources services to public agencies. She specializes in compensation projects focusing on both base salary and total compensation analysis studies. Monica has also worked on project teams conducting classification studies and organizational analysis, including performing the full range of classification analysis and conducting in-depth survey and analysis of organizational structures and past organizational practices.

Since joining K&A, Monica has worked on studies for the following clients:

- **Cities:** Cotati, Crescent City, Pleasant Hill, Sacramento, Vallejo
- **Counties:** El Dorado, Mendocino, Monterey, Trinity
- **State**: California State Auditor's Office
- **Special Districts:** AC Transit, Cosumnes Community Services District, East Bay Municipal Utility District, Eastern Municipal Water District, El Dorado County Transit Authority, First 5 Contra Costa County, First 5 Santa Clara County, Hayward Area Recreation and Park District, Livermore Amador Valley Transit Authority, Mendocino Coast Rec and Park District, Mojave Water Agency, North Tahoe Public Utility District, Orange County Transportation Authority, State Water Contractors, Trabuco Canyon Water District

She earned an MBA with an emphasis in Marketing at Golden Gate University and a Bachelor of Science in Business Administration from the University of Southern California.

Monica will provide Senior H.R. Associate support for this project, including classification analysis, interviews with employees and management, compensation data collection and analysis, internal job analysis, development of recommendations, and implementation strategies.

Cindy Harary, B.A.
Senior H.R. Associate

Cindy's professional qualifications include over 32 years of experience in the Human Resources field, primarily in classification and compensation. She spent the first 11 years in the public sector working for the City of Whittier, California, where she started out in their Public Works Department before moving to the Human Resources Department. She gained experience in classification and compensation, recruitment and selection, employee training and development, labor relations, and general human resources administration.

For the next 16 years, Cindy worked as a Human Resources Consultant for a consulting firm where she specialized in conducting classification and compensation studies for multiple public sector agencies including cities, counties, and special districts as well as several private sector clients. Some of the Orange County Cities she worked on in partnership with other consultants at that firm were: Cities of Brea, Laguna Beach, Lake Forest, La Palma, Los Alamitos, Placentia, San Clemente, Stanton and Tustin. In Los Angeles County, her work includes: Cities of Corona, Downey, El Monte, Manhattan Beach, and Upland. Finally, in San Bernardino County she has worked on the City of Rancho Cucamonga. Since joining Koff & Associates in 2015, Cindy has worked on Classification and/or Compensation studies for:

- **Cities/Towns**: Anaheim, Big Bear Lake, Campbell, Carmel, Corona, Danville, Davis, Indian Wells, Laguna Niguel, Los Altos, Manteca, Menifee, Murrieta, National City, San Diego, Santa Ana, Santa Barbara, Seal Beach, Tracy, Yucca Valley
- **Counties**: Orange
- **Education**: Compton College
- **Special Districts:** Alameda Housing Authority, Altadena Library District, Bay Area Water Supply and Conservation Agency, Cosumnes Community Services District, Eastern Municipal Water District, Encina Wastewater Authority, Housing Authority of Alameda County, Housing Authority County of San Bernardino, Housing Authority for the County of Santa Barbara, Humboldt Waste Management Authority, Inland Empire Utilities Agency, Monte Vista Water District, North Coast County Water District, Orange County Fire Authority, Orange County Mosquito & Vector Control District, Oro Loma Sanitary District, Port of Hueneme, Rincon del Diablo Municipal Water District, Riverside County Transportation Commission, Santa Clarita Valley Water Agency, South Coast Air Quality Management District, Sweetwater Authority, Trabuco Canyon Water District, Vallecitos Water District, Water Replenishment District of Southern California, Western Municipal Water District

Cindy earned her B.A. degree in Broadcast Journalism at California State University, Long Beach.

Cindy will provide H.R. Associate support throughout this effort, including classification analysis, interviews with employees and management, compensation data collection and analysis, internal job analysis, development of recommendations, and implementation strategies.

Arlene Marks Gibbs, BS, MPA, SPHR, IPMA-CP
Senior Associate

Arlene Gibbs possesses over thirty years of Human Resources management experience including spending over twenty years in the public sector working for both large and small education, municipal and special district organizations in California.

Her public sector experience includes serving as the Chief Human Resources Officer for San Diego State University which is the largest California State University campus with over 6,700 faculty and staff. While at San Diego State, Arlene led the HR Directors Committee for the 23 campus system of HR service delivery. Her experience also includes senior and executive HR management roles with several small and large public agencies including the City of San Jose, the City of Tustin as well as air and water/wastewater special districts.

Arlene's experience includes all facets of Human Resources, Employee & Labor Relations. She is an experienced labor contract negotiator having negotiated many public sector labor agreements while serving as the Chief Spokesperson/Labor Negotiator. In addition, her experience includes managing recruitment and selection processes for all types of public sector positions, handling employee benefits functions, responding to labor and employee relations issues, coordinating classification and compensation studies, complying with labor laws, conducting personnel investigations, and managing a wide variety of general human resources functions.

Arlene holds a Masters' Degree in Public Administration from California State University Northridge and a Bachelor of Science Degree in Business Administration with an emphasis in Labor Relations from California State University Long Beach. She also is certified as an IPMA-CP and as a Senior Professional in Human Resources (SPHR).

Arlene has also led and participated in local, regional as well as statewide efforts in small and large agencies with the League of California Cities, IPMA as well as serving as a resource for City, County, State and Local Boards, Councils, Committees and Commissions.

Some of the K&A classification and compensation projects Arlene has worked on include but are not limited to:

- **Cities/Counties/Towns:** County of Butte, City of Bellflower, City of Concord, City of Cupertino, Humboldt County, City of Los Altos, Town of Los Altos Hills, and the City of Pinole.
- **Special Districts:** Dublin San Ramon Services District, Garfield County Public Library District (CO), Coachella Valley Water District, Foothill De Anza Community College District, and the Los Angeles County Development Authority.

Maggie Williams-Dalgart
Senior H.R. Associate

Maggie brings over twenty (20) years of public sector human resources experience, most recently managing the City of Anaheim classification and compensation program. Maggie has conducted several hundred studies in the areas of classification, compensation, and staffing, and brings a wealth of knowledge drawn from current public sector employment practices. In addition to classification and compensation expertise, Maggie's experience includes collective bargaining, labor contract administration and labor costing, policy development and implementation, discipline and performance management, and recruitment and selection.

Prior to joining Koff & Associates, Maggie served as President of CalPACS, a regional internet-based salary and benefits survey website for local agencies in Southern California.

Maggie holds a Bachelor's degree in History of Public Policy from the University of California, Santa Barbara, a Master's degree in Public Administration from the University of Colorado, Colorado Springs, and possesses certification as a Senior Professional in Human Resources (SPHR)."

Lisa Gardner
Senior H.R. Associate

Lisa Gardner has over 25 years of experience in a variety of leadership and technical public-sector human resources roles, from entry analyst to Deputy Chief HR Officer in K-12, community college and municipal government. While a well-rounded practitioner and generalist in both merit/civil service and non-merit public agency human resources, she has been focusing her expertise in the areas of classification and compensation for the last 9 years, most recently with the City of Seattle, Washington. Lisa joined Koff & Associates in December, 2021.

Lisa has a bachelor's degree in Social Ecology from the University of California, Irvine. She has received her California School Personnel Commissioners Association (CSPCA) Merit Academy certification and the Association of California School Administrators (ACSA) Certificate in Human Resources.

Sarah Nunes, M.A.
H.R. Associate

Sarah's professional qualifications include over 19 years of public sector experience with the Human Resources Department of the City of San José. Starting at the analyst level and eventually rising to Division Manager, she gained experience in recruitment and selection, classification and compensation, and general human resources administration.

Since joining Koff & Associates in 2017, Sarah has worked on Classification and Compensation studies for the following agencies:

- **Cities/Towns:** Antioch, Calistoga, Campbell, Concord, Laguna Beach, Los Gatos, Milpitas, Monte Sereno, Newport Beach, Palo Alto, Perris, Piedmont, Rio Dell, San Diego, San Mateo, Santa Cruz, Saratoga
- **Special Districts:** Central Fire Protection District of Santa Cruz, Housing Authority of the County of Alameda, Local Agency Formation Commissions of Santa Clara and Sonoma County, Metropolitan Transportation Commission, Napa Sanitation District, Ojai Valley Sanitary District, Orange County Fire Authority, San Francisco Bay Area Water Emergency Transportation Authority ("WETA"), Santa Clara Valley Open Space Authority, Santa Clara Valley Water District, West Valley Sanitation District

Sarah earned her B.A. degree in Anthropology from Beloit College, in Wisconsin, and was awarded her M.A. in Anthropology from California State University, in Chico. Sarah will provide H.R. Associate support for this project, including classification analysis, interviews with employees and management, compensation data collection and analysis, internal job analysis, development of recommendations, and implementation strategies.

Renate Tiner, B.Sc.
H.R. Associate

Renate's professional qualifications include five years of both non-profit and private sector Human Resources experience. Starting in Human Resources administration and rising into Human Resources management, she gained experience in full-cycle recruitment, orientation and on-boarding, Health and Safety, Worker's Compensation, licensing and accreditation, policy development, and general Human Resources administration.

Since joining Koff & Associates in 2017, Renate has worked on Classification and Compensation Studies for the following agencies:

- **Cities:** Bellflower, Concord, Cupertino, El Monte, Hillsborough, Los Altos, Mt. Shasta, Piedmont, Rohnert Park, San Diego, Sausalito, West Sacramento
- **Special Districts:** Alameda County Transportation Commission, Bay Area Water Supply and Conservation Agency, Eastern Municipal Water District, Dublin-San Ramon Services District, Foothill-De Anza Community College District, Groveland Community Services District, Los Angeles County Employees Retirement Association, Metropolitan Transportation Commission, Midpeninsula Regional Open Space District, Port of Long Beach, Riverside Community College District, and San Joaquin County Superior Court

Renate earned her B.Sc. degree in Psychology from the University of Northern British Columbia, in Prince George BC, Canada. She was a Canadian Human Resource Professional (CHRP) Candidate before moving to the United States.

She will provide H.R. Associate support throughout this effort, including classification analysis, interviews with employees and management, compensation data collection and analysis, internal job analysis, development of recommendations, and implementation strategies.

PART 3: UNDERSTANDING PROJECT, APPROACH, METHODOLOGY

The City desires human resources assistance to conduct a comprehensive citywide classification and total compensation study of the following departments:

City manager's Office including City Clerk's Office; Finance Department including Information Technology Division; Human Resources Department; Public Works/Development Servcies including Building Division, Planning Divisioin, Housing Division, Engineering Division, Water Division, Wastewater Division, Laboratory Division, Environmental Compliance Division, Street Maintenance Division, Electrical Maintenance Division, Fleet Maintenance Division,Facilities Maintenance Division; Community Services Department including Recreation Division, Parks Maintenance Division, Animal Services Division; Police Department including Adinistration Division, Traffic Division, Field Operations Division, Investigation Division; Fire Department including Administration Division, Operations Division.

Per the RFP and Q&A process, the City's employees are dvided into represented and unrepresented. Approximately 305 employees are represented. There are approximately 114 full-time classifications and approximately 12 part-time classifications with 317.5 employees. The Recreation Worker job classification employs the most temporary employees. However, in reviewing the City's various salary schedules and all titles listed there, we count approximately 188 full-time classifications (this is counting each level in a class series as a separate classification). The total number of classifications (full-time and part-time), by our estimation, is therefore closer to 200.

The City would like to review the existing job descriptions and compensation system including all benefits, analyze the current jobs performed by employees, determine the market compensation for each position, establish the market value of the employee benefits package and provide a market analysis of the total compensation including salary and benefits. The City seeks recommendations for adjustments to compensation and benefits resulting from internal salary compaction, increased duties that do not warrant a reclassification, or a significant lag to comparable internal positions.

The study's first level of effort is to initially develop an updated and well-structured classification system and classification descriptions for all study positions that are legally compliant (including Fair Labor Standards Act ("FLSA") and Americans with Disabilities Act ("ADA") requirements), internally aligned, reflective of contemporary standards, and accurately descriptive of current roles, responsibilities, duties, and qualifications. The classification analysis process includes orientation and briefing sessions with employees, management, Human Resources, union representation, and other stakeholders, as appropriate; the completion of a position description questionnaire by employees; interviews with at least a representative sample of employees in each study classification; and interviews with supervisors and management to address any classification issues. All participating employees will be allocated to an appropriate classification; draft classification descriptions will be developed, and sent back to the City and incumbents for additional feedback and concurrence.

A second level of effort will be to review the City's compensation structure for the studied classifications and to conduct a total compensation market survey (salaries plus benefits) using a set of appropriate comparator agencies. The identification of comparator agencies, benchmark classifications, and benefits to be collected is an iterative process that includes all stakeholders. We have found this open discussion philosophy to be critical to our success for organizational buy-in. Once the external data development is completed, we will make specific recommendations for internal equity for non-benchmarked classifications and classifications without a large enough market sampling.

The compensation study will contain specific recommendations regarding the integration of all study classifications into the City's compensation structure, with the goal of developing a clearly designed, internally equitable format that is flexible for career opportunity and future growth. Our study will make recommendations regarding a salary structure that takes the City's compensation preferences into consideration as well as the appropriate placement of each classification on the City's salary schedule.

The study includes a significant number of meetings with the Study Project Team, Human Resources, employees, union representation, and the City Council, as desired. We have expertise in labor/management relations and understand the importance of active participation by all stakeholders to ensure a successful outcome. The meetings and "stakeholder touch-points" that we recommend ensure understanding of the project parameters, enhance accurate intake and output of information, and create a collaborative and interactive approach resulting in greater buy-in for study recommendations. This interactive approach has resulted in almost 100% implementation success of K&A's studies.

The majority of our clients are unionized and our larger city and county clients typically have multiple unions. Due to the multitude of stakeholder groups who are affected by any compensation study K&A conducts, our team understands the importance of accurate and validated data that withstands any scrutiny, effective and ongoing communication throughout each effort, and collaboration with the various stakeholder groups to ensure organizational buy-in to our findings and recommendations. We have developed a unique methodology of stakeholder "touchpoints" and collaboration that has made us highly successful and effective and has earned our team respect, agreement, and understanding from all stakeholders. In addition, we adjust and customize our methodology based on each individual client's unique needs and circumstances.

We also recognize that both the City and union representatives have obligations to employees and members to ensure that any study is conducted in a fair and equitable manner. Our project work plans are designed for transparency and we strongly encourage dialog with all stakeholders on study deliverables so they in turn can express their concerns; we all have a shared goal of ensuring the process followed is fair and equitable.

This intense and comprehensive stakeholder engagement and our transparent study processes are also a mechanism of quality control. The fact that our information, data, and recommendations have to be able to withstand utmost scrutiny by diverse stakeholders require an in-depth multi-step quality control process for deliverables. This involves K&A team member validation of classification analyses and compensation data, K&A Project Manager review of all classification and compensation analyses, recommendations and deliverables, and finally K&A Principal (Project Director) review of deliverables before submittal to the client.

Study Objectives

Classification Objectives:

- To analyze and update the City's classification system and each study position's classification description and structure through a comprehensive process of job analysis and evaluation, including review of existing documentation, position description questionnaire completion, employee interviews, management interviews, analysis of existing positions and working situations, analysis of levels of duties and responsibilities, and other professional methods, as appropriate;

- To recommend each study position for title change or reclassification (as appropriate), create new classifications (if applicable), eliminate outdated classifications (if applicable), and consolidate classifications assigned to similar functional areas (as appropriate);
- To provide for growth and flexibility of assignment within the new classification structure, where feasible, in recognition that some job duties and responsibilities may evolve over time, as well as to provide adequate career paths and class series/job families that will foster career service within the City;
- To clearly state definitions of job classifications, the typical job functions, and minimum required and preferred/desired qualifications such as education, prior work experience, knowledge, skills, abilities, licenses, certifications, and physical demands and working conditions;
- To provide a classification structure that ensures regulatory compliance, including allocation of each study position to the correct classification with appropriate FLSA designation as well as meeting ADA and EEO regulations;
- To provide for adequate educational, review, and appeal processes that will result in a product that is understood by all levels of personnel and is internally equitable; and
- To ensure sufficient documentation and training throughout the study, on methods used to determine appropriate classification and level, methods for logical progression of movement between classifications, classification concepts and distinguishing characteristics, as well as the delivery of final reports and recommendations to guide the organization in implementing, managing, and maintaining the classification system.

Compensation Objectives:

- To make recommendations regarding a list of appropriate, logical and defensible comparator agencies, benchmark classifications, and benefits to be collected prior to beginning the compensation portion of the study;
- To collect accurate salary and benefit data from the approved group of comparator agencies and to ensure that the information is analyzed in a manner that is clear and comprehensible to the Study Project Team, Human Resources, management, employees, union representation, and the governing body;
- To carefully analyze the scope and level of duties and responsibilities, requirements for successful work performance, and other factors for survey classes, according to generally accepted compensation practices;
- To review the City's compensation structure and practices and develop compensation recommendations that will assist the City in recruiting, motivating, and retaining competent staff;
- To develop solutions that address pay equity issues, analyze the financial impact of addressing pay equity issues, and create a market adjustment implementation strategy supporting the City's goals, objectives, and budget considerations;
- To evaluate benefit offerings in the labor market and make recommendations for better alignment and/or different benefit offerings as indicated by the analysis and best practices;
- To create a comprehensive final report summarizing the compensation study approach and methodology, analytical tools, findings, and recommended compensation structure;

- To recommend appropriate internal salary relationships and allocate classes to salary ranges in a comprehensive salary range plan; and
- To ensure sufficient documentation and training throughout the study, on methods used to determine appropriate salary ranges, methods for logical progression of movement within the salary scale for each classification, and other practices, so that our recommendations can be implemented and maintained in a competent and fair manner.

Overall Objectives:

- To review and understand all current documentation, rules, regulations, policies, budgets, procedures, class descriptions, organizational charts, memoranda of understanding, personnel policies, wage and salary schedules, and related information so that our recommendations can be operationally incorporated with a minimum of disruption;
- To conduct start-up Study Project Team meetings with management, study project staff, and other stakeholders to discuss any specific concerns with respect to the development of classification and compensation recommendations; finalize study plans and timetables; conduct orientation sessions with management, union leadership, and staff in order to educate and explain the scope of the study and describe what are and are not reasonable study expectations and goals;
- To work collaboratively and effectively with the City and its stakeholders while at the same time maintaining control and objectivity in the conduct of the study;
- To develop a classification and compensation structure that meets all legal requirements, that is totally non-discriminatory, and that easily accommodates organizational change, growth, and operational needs;
- To document all steps in the process and provide documentation and training for Human Resources and other staff, as appropriate, in classification and compensation analysis methodologies so that the City can integrate, maintain, administer, and defend any recommended changes after the initial implementation; and
- To provide effective ongoing communications throughout the duration of the project and continued support after implementation.

Methodology / Work Plan / Deliverables

This section of the proposal identifies the actual work plan. We believe that our detailed explanation of methodology and work tasks clearly distinguishes our approach and comprehensiveness.

Our approach is to complete the classification and job evaluation before completing the compensation review. The reasons for this include:

- The description of the work performed and the requirements for that work are, in the minds of the employees and their supervisors, inextricably associated with the "worth of that work" or compensation, which is often a highly emotional issue. Separating the two phases of the study, even though elements of phases may be conducted concurrently, tends to produce more objective classification results.
- The compensation review will be completed when there is a full understanding of the work of the City, thereby ensuring that the data developed from the labor market and the City's classifications is accurate.

Given these parameters, our approach is as follows:

PHASE I: CLASSIFICATION STUDY

Deliverable A: Meetings with Study Project Team and Management Staff, Initial Documentation Review, and Development of Communications and Engagement Plan

This phase includes identifying the City's Study Project Team, contract administrator, and reporting relationships. Our team of Project Managers and H.R. Associates will conduct an orientation and briefing session with the Study Project Team to explain process and methodology; create the specific work plan and work schedule; identify subsequent tasks to be accomplished; reaffirm the primary objectives and specific end products; determine deadline dates for satisfactory completion of the overall assignment; determine who will be responsible for coordinating/scheduling communications with employees, management, union representation, and the Council; and develop a timetable for conducting the same.

We will also conduct and initial meeting with Department Heads to provide information regarding study methodology, process, timing and logistics and provide them an opportunity to communicate any areas of concerns and pain points they may be experiencing with the current classification and compensation system.

Included in this task will be the gathering of written documentation, identifying current incumbents, and assembling current class descriptions, organizational charts, salary schedules, budgets, memoranda of understanding ("MOU"), personnel policies, previous classification and compensation studies, and any other relevant documentation to gain a general understanding of City operations.

City terminology and methods of current classification and compensation procedures, as well as the written questionnaire instrument for the classification study that will be used in the job analysis phase will be reviewed and agreed to. We will discuss methodology, agree to formats for class descriptions and compensation results, identify appropriate comparator agencies, benchmark classifications, and benefits to be surveyed for compensation survey purposes. We will respond to any questions that may arise from the various stakeholders.

We will develop a communications and engagement plan to foster organizational buy-in and acceptance of study outcomes and consultant recommendations throughout the project by District stakeholders including employees. The goal of the communications and engagement plan is to build positive and effective relationships with the study stakeholders and achieve consensus whenever possible and to strive to understand and take into consideration stakeholders' ideas, opinions, desires, and issues, and to fully address their concerns. The variety of communication and engagement channels will help inform, consult, involve, collaborate with, and empower City stakeholders and ensure that our methodology and "stakeholder touch-points" are followed and executed at each study milestone.

We are committed to working closely with City study advisors (Human Resources, District leadership, employee representatives, if any, and other stakeholders) to understand the needs of the mutual constituencies (employees) and to ensure that the Study Project Team, K&A team, management, and any employee representatives meet the highest standards of stakeholder interaction, including communicating clearly, politely, honestly, and promptly, and treating everyone fairly, equally, and with respect. We understand that the positions included in this study are non-union and will work with the City's HR and leadership team to determine how to best collaborate with the workforce whose body of work is being studied and evaluated.

The communications and engagement plan will enable us to respond to questions or concerns in a timely and professional manner. Our typical communication model includes at least weekly or biweekly written status updates to keep the City informed on where we are for every element of the project. Over the last two years, we have learned that most communication can be managed through email and teleconferences and that the work we do can be accomplished successfully and, in fact, more efficiently, by performing it virtually and remotely.

In addition, the study includes a significant number of meetings with the Study Project Team, Human Resources, management, employees, and the Board of Directors, as desired. The meetings and "stakeholder touchpoints" that we recommend ensure understanding of the project parameters, enhance accurate intake and output of information, and improve a collaborative and interactive approach that will result in greater buy-in for study recommendations. This interactive approach, although time-consuming, has resulted in almost 100% implementation success of K&A's studies.

Deliverable B. Orientation Meetings with Employees

We will facilitate several orientation meetings with employees over the course of several days and distribute our Position Description Questionnaire ("PDQ") to start the classification portion of the study. While these meetings are not mandatory, they form the beginning of the educational process that continues throughout the study. We will discuss the importance of the employees' involvement in the study and their participation in PDQ completion and job analysis interviews. Project processes will be explained, expectations will be clarified, and elements that are <u>not</u> a part of the study will also be covered. Questions will be answered and a detailed explanation and examples for completing the PDQ will be given.

The Position Description Questionnaire ("PDQ") will be discussed with the Study Project Team and customized as needed to meet the study objectives prior to distributing copies to employees.

Each PDQ will be handed out with the incumbent's current class description attached to the questionnaire so the employee can use this as a tool for completing the questionnaire.

In the past, we have typically conducted these orientation sessions in person, onsite, and at various client locations. We have experience in conducting business virtually and have found that it can be a much more efficient and cost effective approach for our clients. We can provide the City with many technological options to ensure a smooth process, as we have with many of our clients during the last two years. Examples include:

- Scheduling app: Purchasing a scheduling web application for employee orientation sessions where up to 100 people can attend a session; employees can choose a session date and time and receive a confirmation which populates their calendar, and sends them a meeting reminder; it also generates attendee lists.
- Orientations: Providing more flexible options for employee orientation sessions by offering fewer options per day over a higher number of days to accommodate employee schedules; onsite meetings require a larger number of daily sessions over a more limited number of days.
- FAQs: Preparing a series of FAQ's for each study which are made available to employees after the orientation sessions.
- Recording meetings: Videotaping our employee orientation sessions (we also do this for onsite sessions) for employees who cannot attend a session; or simply recording a video-conference orientation session that employees could watch later.

- Chat lines: Training our staff on the use of communication tools such as chat lines; we intersperse our employee orientation session presentations with multiple points when questions can be asked.
- Post-meeting help: Remaining in the orientation session for about 5-10 minutes after it has "officially" ended in the event some employees want to stay behind to ask questions.
- Safeguards: For employee interviews, as we generally do, we prepare the schedules of dates and times for each employee and the client coordinates scheduling employees with departments, using agreed upon meeting options for employees. Safeguards are in place to ensure only the employee/ employees (for group interviews) in that time slot access the meeting, such as virtual "waiting rooms."
- Telephone support: Providing a direct telephone number for the K&A Project Manager to departments in the event there are scheduling or access issues.
- Time between meetings: Scheduling 10-15 minutes between meetings, versus on-site back to back meetings; this change results in slightly fewer meetings per day, but provides a less "hurried" nature to the meetings; and because the meetings are not onsite, clients do not need to reserve multiple meeting rooms for multiple days.

Our clients have received these operational changes very positively. We continue to ask our clients for feedback so we can implement continuous improvements. We recognize not all clients have the same technology as we do, which means we must provide viable technology options. While we provide multiple options, the expertise of our associates in asking relevant and probing questions of each study participant to better understand each employee's work is critical to the job evaluation interview process (see more information regarding employee interviews below). Our client-centric approach and methodology does not change with the venue.

Deliverable C. Collection and Review of PDQs

We recommend giving employees in the same classification the option of collaborating on completing a PDQ together, if the employees so choose. At the same time, we will invite employees to complete an individual PDQ if they prefer and if they wish to be interviewed separately. We provide an electronic version of our questionnaire so that employees can more easily complete it. Employees complete the questionnaire and then send it to their supervisor for review, comment, and signature. We typically require a second level of review by the next level of management in the reporting structure. This ensures that all staff have an opportunity to provide information as to what the nature of the job is for each job classification.

Upon receipt of the PDQs in our office, K&A staff will review and analyze the PDQs in detail along with other documentation to obtain an understanding of the duties and responsibilities assigned to each position.

Deliverable D. Interviews with Employees, Supervisors, and Management

Interviews will be scheduled with employees. Because this is a critical step in the information-gathering and educational process, we recommend scheduling interviews with at least a representative sample of employees in each classification that will be included in the study. Typically, we employ the following approach and interview:

- All employees in single-position classifications;
- An adequate sampling of employees in multiple-position classifications; and
- Any employee who requests an interview.

We will offer employees the option to be interviewed in a focus group session with incumbents in the same classification or to request an individual interview if they prefer. We recommend individual interviews only if the employee wants to discuss certain issues (e.g., out of class responsibilities, etc.) in privacy with the consultant.

Interviews will then be held with supervisory and management staff (division managers, department heads, etc.), who will clarify their own responsibilities and/or confirm the information we have received in the interviews with their staff (we allow more time for these interviews).

The purpose of the interviews is to clarify and supplement the questionnaire data and to respond to potential perception differences regarding roles, tasks, scope, and supervisory responsibilities. The appropriateness of the following will be assessed:

- Work being completed and relationships of positions to each other within a division/department as well as across the organization; and
- Classification structure and reporting structure.

Deliverable E. Classification Concept and Preliminary Allocation

Prior to developing detailed class descriptions, our job evaluation will result in a classification concept and employee allocation document that will be submitted to the City for review and approval. We will compare changes in business need and operations, as well as any reorganizations, with the established classification system and job families as well as review internal relationships between classifications to define the reasons for, and effects of, the proposed changes.

Our job analysis method is the <u>whole position analysis approach</u>. Objective factors in the whole position job analysis methodology include:

A. Decision making/judgment
B. Difficulty and complexity of work
C. Supervisory responsibilities
D. Non-supervisory responsibilities
E. Minimum qualifications
F. Working conditions/risk factors
G. Contacts

This document will list broad class concepts and highlight where significant changes may be recommended, such as creating or collapsing class series in the same functional area and/or separating or combining classifications assigned to different functional areas. We will review and analyze potential career ladders and promotional opportunities, including clearly delineated and distinguished levels within classification series. We will also review and update established titling guidelines for the studied classifications for appropriate and consistent titling.

A detailed, incumbent-specific allocation list for each position included in the study will be prepared, specifying current and proposed classification title and the impact of our recommendations (reclassification – upgrade or downgrade, title change, or no change).

After we have completed this process, a meeting will be arranged to review any recommended changes to the classification plan with the Study Project Team.

Deliverable F. Draft Class Description Development

After preliminary approval of the class concepts and allocation lists, new and/or updated class descriptions will be developed for each proposed classification, following the format approved by the City.

From the review of the PDQs and employee interviews, we will update duties, responsibilities, and minimum qualifications of each class specification, as necessary. We will develop new class specifications if duties, responsibilities, and minimum qualifications have changed significantly, and/or if we recommend new classifications/class levels, and/or if operational changes, business needs, or reorganizations, have occurred.

Following EEO Uniform Guidelines, we will review, analyze, and update, as appropriate, knowledge, skills, abilities, education and experience, position definitions, purpose, distinguishing characteristics, supervision received and exercised, position functions and special requirements including licensing and certifications that are required and desirable. We will address relevance and hierarchical consistency of each classification and each class series.

We will also review and update physical demands based on the most typical job functions of each classification in accordance with the ADA.

Finally, we will review each classification's typical job functions and determine exempt vs. non-exempt status in accordance with "white collar" exemptions under the FLSA.

Deliverable G. Facilitation of Draft Class Description Review and Employee Feedback Process

A draft copy of the revised/new class description with allocation recommendation will be submitted to the Project Team and subsequently to each manager, supervisor, and employee, to give each stakeholder group an opportunity to provide comments and concerns regarding any modifications to the classification structure and specifications. Our experience has been that this is one of the most critical phases of the project (as well as one of the most time-consuming). Our proactive and effective communication process at this juncture has always avoided formal appeals, adversarial meetings, or major conflicts at the conclusion of our studies.

We will work with the study's stakeholder groups, including employee representation, to determine the best approach to reviewing the draft classification specifications, and how to provide feedback to us. Supervisors and managers typically receive a copy of their employees' draft class descriptions and will be asked to review their employees' comments and feedback to verify and concur with, or recommend changes to, the information provided.

Significant employee comments will be reviewed with management prior to making any significant changes to the proposed class plan. These discussions will be by email, telephone, or additional direct personal contact with employees, depending upon the extent of the response.

Allocation and/or class description changes will be made as required and the class specifications will be finalized and submitted for approval. All employees who submitted their comments during the review process will be notified in writing regarding the outcome of their concerns.

Deliverable H. Classification Plan and Draft of Interim Report and Final Report

A Draft Interim Report of the Classification Study will be completed and submitted to the Study Project Team for review and comment. The report will contain:

- Classification recommendations for each studied position, including documentation regarding study goals and objectives, classification methodology, approach, and process as well as all findings, analysis, and resulting recommendations;
- The recommended allocation list, classification title changes, job family and career ladder/career growth issues, reporting relationships, and other factors will all be included;
- The recommended classification structure will be in alignment with current business/ operational needs of the City; and
- Classification concepts and guidelines as well as methods used to determine appropriate classification and level, methods for logical progression of movement between classifications, distinguishing characteristics and other pertinent information for implementation and continued maintenance of the recommendations will be detailed.

Once we have received the City's comments regarding the Draft Interim Report and have made any necessary changes, a Final Classification Report will be developed.

PHASE II: TOTAL COMPENSATION STUDY

Deliverable A. List of Comparator Agencies, Benchmark Classifications, and Benefits to be Collected

During the initial meeting with the Study Project Team, we will discuss and agree to the compensation study factors. We will identify/confirm appropriate, logical and defensible comparator agencies that will be included in the external market survey, which will be the foundation for ensuring that the City's salaries for the studied classifications are competitively aligned with the external labor market. We will also identify/confirm those classifications that will be surveyed in the market (i.e., benchmark classifications), with the intention of internally aligning the remaining classifications with those that were surveyed.

Finally, we will determine the list of benefits that the City wants to include in the total compensation data gathering process.

- ***Determination of Comparator Agencies***

  The selection of comparator agencies is a critical step in the study process. We typically use the following factors to identify appropriate comparators and will receive approval before proceeding with the total compensation study.

  Our recommended methodology is that we involve management, Human Resources, employee representation, and the City Council, in the decision-making process of selecting which comparable agencies are included, **PRIOR** to beginning the study. Our experience has shown that this is the most successful approach. The factors that we typically review when selecting and recommending appropriate comparator agencies include:

- ***Organizational type and structure*** – While various organizations may provide overlapping services and employ some staff having similar duties and responsibilities, the role of each organization is somewhat unique, particularly in regard to its relationship to the citizens it serves and level of service expectation. During this iterative process, the City's current/ previous list of comparators, if any, and the advantages/disadvantages of including them or others would be discussed.

- ***Similarity of population served, City demographics, City staff, and operational budgets*** – These elements provide guidelines in relation to resources required (staff and funding) and available for the provision of services.
- ***Scope of services provided*** – While having an organization that provides all of the services at the same level of citizen expectation is ideal for comparators, as long as the *majority* of services are provided in a similar manner, sufficient data should be available for analysis. When reviewing this factor, the City's unique services would be evaluated in order to ensure that the majority of comparators provide the same services. This ensures that each comparator yields a sufficient number of matches for the City's jobs.
- ***Labor market*** – The reality of today's labor market is that many agencies are in competition for the same pool of qualified employees, because large portions of the workforce don't live in the communities they serve, are accustomed to lengthy commutes, and are more likely to consider changing jobs in a larger geographic area than in the past. Therefore, the geographic labor market area (where the City may be recruiting from or losing employees to) is taken into consideration when selecting potential comparator organizations. As part of this analysis, we will determine whether the City has identified agencies that it competes with for qualified talent; those agencies are taken into consideration for purposes of our analysis. It is important to understand and consider the City's competitive landscape and include agencies in the study to whom the City loses talent.
- ***Cost-of-living*** – The price of housing and other cost-of-living related issues are some of the biggest factors in determining labor markets. We review overall cost-of-living of various geographic areas, median house prices, and median household incomes to determine the appropriateness of various potential comparator agencies.

We typically recommend using 10-12 comparator agencies for all survey benchmarks in order to achieve statistical significance but are flexible and can easily use a different approach based on the City's preferences.

2. Determination of Benchmark Classifications

In the same collaborative manner as described in Step 1 above, we will work with the City's stakeholders to select those classifications that will be surveyed.

"Benchmark classes" are ordinarily chosen to reflect a broad spectrum of class levels. In addition, those that are selected normally include classes that are most likely to be found in other similar agencies, and therefore provide a sufficient valid data sample for analysis. Internal relationships will be determined between the benchmarked and non-benchmarked classifications and internal equity alignments will be made for salary recommendation purposes. Due to the fact that the labor market typically yields reliable data, we recommend using approximately 60-65% of all classifications as benchmarks but we are happy to use a different model.

3. Determination of Salary and Benefits Data to Be Collected

In addition to base salaries, benefit data elements for a total compensation study normally include at least the following (which are generally available to all staff in a specific job classification):

- **Monthly Salary** – The top of the normal, published salary range. All figures are presented on a monthly or annual basis. We normalize the salary data to reflect number of hours in the work week and/or roll-up of retirement or other benefits in base salaries.

- **Employee Retirement** – This includes two figures: the amount of the employee's State or other public or private retirement contribution that is contributed by the agency and the amount of the agency's Social Security contribution.
- **Retiree Healthcare** – Given that healthcare costs are rising and retiree healthcare and liabilities increasing for many public agencies, we collect this information to capture the costs.
- **Insurance** – This typically includes Health, Dental, Vision, and other insurance coverage.
- **Leave** – Other than sick leave, which is usage-based, leave is the amount of days off for which the organization is obligated. We will discuss with the City whether leave days/hours should be converted to direct salary cost in dollars or represented in days/hours.
  - **Vacation:** The number of vacation days available to all employees after five years of employment.
  - **Holidays:** The number of holidays (including floating) available to the employee on an annual basis.
  - **Administrative/Personal Leave:** Administrative leave is normally the number of days available to management staff to compensate for the lack of payment for overtime. Personal leave may be available to other groups of employees to augment vacation or other time off.
- **Deferred Compensation** – We report any employer contribution made on the employee's behalf, whether dollar amount or percentage of salary, that does not require an employee-matching contribution. We can also report employer contributions that do require an employee match and would do so as a separate report.
- **Other** – This category includes any other benefits that are available to all employees within a classification and not already specifically detailed.

Deliverable B. Data from Comparators and Preliminary Analysis of Data

K&A does not collect market compensation data by merely sending out a written questionnaire. We find that such questionnaires are often delegated to the individual in the department with the least experience in the organization and given a low priority. Our experienced compensation analysts conduct all of the data collection and analysis to ensure validity of the data and quality control. This approach also ensures that we compare job description to job description and not just job titles, therefore ensuring true "matches" of at least 70%, which is the percentage we use to determine whether to include a comparator classification or not.

As mentioned above in the Classification methodology, our job analysis method is the whole position analysis approach.

We typically collect classification descriptions, organization charts, salary schedules, personnel policies, budgets, master plans, operational information, MOUs, and other information via website, by telephone, or by an onsite interview. With the prior knowledge from the data gathered directly from each comparator agency and our experience in the public sector human resources field, our compensation analysts make preliminary "matches" and then schedules appointments by telephone, or sometimes in person, with knowledgeable individuals to answer specific questions. We find that information collected using these methods has a very high validity rate and allows us to substantiate the data for employees, management, and governing bodies.

Data will be entered into spreadsheet format designed for ease of interpretation and use. The information will be presented in a format that will identify the comparator positions used for each classification comparison. Information will be calculated based upon both average and median figures allowing the City to make informed compensation decisions. Other elements of the compensation survey report are agencies surveyed; comparable class titles; salary range maximum/control point; number of observations; and percent of the City's salary range is above/below the market values.

In addition, we will include any type of statistical representation and analysis that the City desires such as 60th, 70th, or any other percentiles per the City's compensation philosophy.

Benefits data will be displayed in an easy-to-read format. You will receive three sets of spreadsheets per classification, one with base pay, one with the benefits detail, and one with total compensation statistical data. In addition, we are often asked to collect "other" benefits (as listed in the benefits section above), which we typically report on a separate spreadsheet.

Deliverable D. Draft Compensation Findings/Additional Analysis/Study Project Team Meetings

As part of our transparent approach and communication strategy to ensure organizational buy-in to the study, we share the market survey with the organization. We first distribute our draft findings to the Study Project Team. After their preliminary review, K&A will meet with the Study Project Team and other stakeholders (including Human Resources, management, employees, and their representatives) to clarify data, to receive requests for reanalysis of certain comparators, and to answer questions and address concerns. This provides an opportunity for the Study Project Team and other stakeholders to review and question any of our recommended benchmark comparator matches. If questions arise, we conduct follow-up analysis to reconfirm our original analysis and/or make corrections as appropriate.

Deliverable E. Analysis of Internal Relationships and Alignment

To determine internal equity for all studied positions, considerable attention will be given to this phase of the project. It is necessary to develop an internal position hierarchy based on the organizational value of each classification. Again, we utilize the whole position analysis methodology as described earlier.

By reviewing those factors, we will make recommendations regarding vertical salary differentials between classes in a class series, for example, as well as across departments. This analysis will be integrated with the results of the compensation survey and the City's existing compensation plan.

The ultimate goal of this critical step in the process is to address any potential internal equity issues and concerns with the current compensation system, including compaction issues between certain classifications. We will create a sound and logical compensation structure for the various levels within each class series, so that career ladders are not only reflected in the classification system but also in the compensation system, with pay differentials between levels that allow employees to progress on a clear path of career growth and development. Career ladders will be looked at vertically, as well as horizontally, to reflect the City's classification structure that was developed during the classification phase of the study.

Deliverable F. Compensation Structure and Implementation Plan

Depending on data developed as a result of the internal analysis, we will review and make recommendations regarding internal alignment and the salary structure (set of salary ranges, salary differentials, steps within ranges, and/or alternative compensation plans) within which the classes are allocated, based upon the City's preferred compensation model. In addition, we will develop externally competitive benefit comparisons for all classifications. We will also assist the City in developing a compensation philosophy and practices relative to the surveyed public jurisdictions, if desired. Finally, we will develop a proposed implementation plan based on the study results and recommendations.

We will conduct a competitive pay analysis using the market data gathered to assist in the determination of external pay equity and the recommendation of a new base compensation structure, if desired. We will conduct a comparative analysis to illustrate the relationships between current pay practices and the newly determined market conditions and develop solutions to address pay equity issues, analyze the financial impact of addressing pay equity issues, and create a market adjustment implementation strategy supporting City goals, objectives, and budget considerations.

Draft recommendations will be discussed with the Study Project Team and management for discussions and decisions on overall pay philosophy and the practicality of acceptance and prior to developing an Interim Report.

Deliverable G. Final Report and Guidelines for Implementation

Volume II (Draft Interim Report of the Compensation Study) will be completed and submitted to the Study Project Team for review and comment. The report will provide detailed compensation findings, documentation, and recommendations. The report will include:

- An executive summary of the compensation study results;
- A set of all market data spreadsheets;
- A proposed Salary Range Placement document;
- A procedure to address employees whose base pay exceeds the maximum of their newly assigned pay range;
- Implementation issues and cost projections surrounding our recommendations; and
- A guide for rules, policies and procedures for the City in implementing, managing and maintaining the compensation system, as appropriate.

Once all of the City's questions/concerns are addressed and discussed, a Final Classification and Compensation Report will be created and submitted in the City's preferred format. The Final Report will incorporate any appropriate revisions identified and submitted during the review of the draft report.

Deliverable H. Formal Appeals Process

Should the City have an formal appeals process regarding the allocation of positions to classifications and of classifications to salary ranges, this proposal does not cover time regarding a formal appeal process. Should our on-site participation be desired, our stated composite hourly rate will be honored. As mentioned above, however, our internal process usually addresses any of these issues.

Deliverable I. Final Presentation

Our proposal includes multiple meetings and weekly oral and written status/progress updates to the Study Project Team. Regarding the involvement of the City Council, etc., we recommend at least one initial meeting to confirm/identify the comparator agencies to be included in the study, one interim study session (to discuss the initial findings of the compensation study), and one final presentation of our Final Report. Of course, we are flexible regarding having more or less interaction with the Council, based on the City's preferences.

Expectations of City Support:

In order to conduct this study in the most timely and cost-effective manner, we ask for support in the following areas:

A. Timely provision of written documentation, such as current class specifications, union contracts, organizational charts, budget documents, requests for audits, past studies, etc.;
A. Assistance in the notification and scheduling of orientation and other meetings and the provision of adequate interview space and resources;
B. Assistance in the compilation of current descriptions with the PDQ; collecting and forwarding questionnaires; and in ensuring that materials are complete and returned in a timely manner;
C. Assistance in scheduling study project team, bargaining unit, management, employee audit, and other meetings; and
D. Meeting agreed-upon timelines.

In terms of time commitment for City staff, we understand that the City hires an outside consultant to conduct and coordinate the entire effort. Therefore, it is our goal to reduce the time commitment of City staff as much as possible and to only request assistance in the coordination of some of the steps in the process, such as scheduling employee orientation meetings, duplicating PDQs, scheduling employee interviews/desk audits, disseminating information, and in general, being a channel of communication between our firm and employees.

- **Communication with the City:**

Our typical communication model includes at least weekly or biweekly written status updates to keep the City informed on where we are during each phase of the project.

In addition, the study includes a significant number of meetings with the Study Project Team, human resources, management, employees, employee representation, and the City Council, as desired. The meetings and "stakeholder touch-points" that we recommend ensure understanding of the project parameters, enhance accurate intake and output of information, and foster a collaborative and interactive approach that will result in greater buy-in for study recommendations. This interactive approach, although time-consuming, has resulted in almost 100% implementation success of K&A's studies.

- **Post-Implementation Consultation and Support:**

We are committed to providing the City with the highest-quality product and service. Providing ongoing consultation and support after study implementation is a service that is included in our professional fees and a continued relationship-building aspect of our client relationship that we highly value.

We often find that clients will call or email with follow-up questions and to discuss certain aspects of the study, ask why decisions and recommendations were made, and other important components of the study. We consider post-implementation support as part of our customer service.

Should the City request any additional onsite meetings and/or training after implementation of the study and/or other specific, identifiable work efforts, such as position reclassification studies, creating new class descriptions, or conducting annual surveys, we would honor our composite hourly rate for actual hours spent at the City. However, from experience, we expect that most follow-up support will be conducted via telephone and email and this is absolutely included in our "Not To Exceed Fee" for this project.

- **Stakeholder Engagement:**

The meetings and communications with stakeholders that we recommend ensure understanding of the project parameters, enhance accurate intake and output of information, and encourage a collaborative and interactive approach that will result in greater buy-in for study recommendations. This interactive approach, although time-consuming, has resulted in almost 100% implementation success of K&A's studies.

We believe in an interactive and collaborative process with the whole organization and in a high level of stakeholder contact and interaction to ensure organizational buy-in of the study throughout the entire process. Following are the major milestones at which we touch base with Human Resources, employees, managers, employee representation, and other stakeholders, as appropriate:

- Initial study kick-off and employee/management orientation meetings;
- PDQ completion and review ;
- Employee and management interviews;
- Employee, management, and Human Resources review of draft class descriptions;
- Contact with employees and management to address final classification issues;
- Stakeholder input regarding a list of appropriate comparator agencies, benchmark classifications, and benefits to be collected;
- City stakeholder review of compensation study data and contact with them to address any challenges to the market comparables we identified for each classification;
- Stakeholder input on internal salary relationship analysis and recommendations; and
- Stakeholder input regarding final compensation plans and structure recommendations.

These steps will ensure that the study results in a product that is accepted and trusted by all levels within the organization. Beyond sound mechanics, our approach includes sufficient communication steps to ensure that the study methodology is understood and the results are regarded as expert, impartial, and fair.

PART 4: DELIVERY SCHEDULE AND TIMELINE

Our professional experience is that classification and compensation studies of this scope and for this size organization take approximately –eight to nine months to complete, allowing for adequate PDQ completion, interview time, classification description review and/or development, compensation data collection and analysis, review steps by the City, the development of final reports, any appeals, and presentations

Due to the unprecedented demand on our services, we are currently experiencing an unusually high volume of projects. Therefore, and if the City is able to be flexible, we propose commencing the project in November 2022 and anticipate completion by June 2023.

The following is a suggested timeline (we provide number of weeks for each project milestone because we have found that actual specific dates usually change based on the client's own timelines and priorities; if we are fortunate to be awarded this project and once we receive a Notice to Proceed and have agreed on an overall timeline for the project, we will be happy to provide actual dates for each deliverable):

Deliverables	Classification Study	Completion by:
A.	Meetings with Study Project Team and Management Staff and Initial Documentation Review	Week 1
B.	Orientation Meetings with Employees and Distribution of PDQ	Week 2
C.	PDQ Completion and Review	Week 6
D.	Employee/Supervisory/Management Interviews	Week 9
E.	Classification Concept/Preliminary Allocation Development	Week 12
F.	Draft Class Description Development/Update	Week 24
G.	Draft Class Description Review and Employee Feedback Process	Week 28
H.	Finalize Classification Plan/Draft Interim Report/Final Report	Week 32
Deliverables	**Total Compensation Survey**	**Completion by:**
A.	List of Comparator Agencies, Benchmark Classifications, and Benefits to be Collected	Week 6
B.	Data from Comparators and Preliminary Analysis of Data	Week 28
C.	Draft Compensation Findings/Additional Analysis/Study Project Team Meetings	Week 30
D.	Analysis of Internal Relationships and Alignment	Week 31
E.	Compensation Structure and Implementation Plan	Week 31
F.	Final Report and Guidelines for Implementation	Week 32
G.	Formal Appeals Process *	As Needed
H.	Final Presentation	As Scheduled

PART 5: COMMITMENT TO PROJECT BUDGET

We have often found our process requires a very high level of time commitment, which sometimes results in a higher proposal cost. We believe that our methodology and implementation success rate is attributable to the significantly greater level of contact we have with employees, employee representation, management, and the governing body. The time we commit to working with the employees (orientations and briefings, meetings with employees via personal interviews, sharing of compensation survey data, informal appeal process, etc.) results in significantly greater buy-in throughout the process and no formal appeals at the end of the study.

In fact, our firm has only had a handful of formal appeals to any of our studies in our 38 years in business. It has been our experience that the money and time invested in stakeholder communication throughout the study are money and time saved during implementation. Numerous times our firm has been hired after an agency has gone through an unsuccessful study whose results were rejected or appealed and whose implementation was very controversial. The result was a divided organization with hostility and animosity between employees/employee representation and management. Whenever our firm was hired after such an unfortunate experience, study stakeholders were amazed at our open and all-inclusive process, our efforts to elicit equal stakeholder input, and our development of recommendations that were accepted as fair and reasonable and understood by management, employees, and the governing body. Our success rate is also attributable to the fact that we have 38 years of experience working with employees of all types of backgrounds, educational levels, and work experiences, and we are accustomed to successfully communicating with and educating them throughout the process. It is imperative that all employees eventually buy into the study results and recommendations, whether they have been through a process like this before or whether this is the first time for them.

Our clients always provide feedback that our process was professional, comprehensive, understandable, timely, and inclusive. Employees, although not necessarily always happy with our recommendations, have always indicated that we listened to their issues and concerns, were available for discussion, and able to provide documentation and data to support our recommendations. Although time consuming, we also drive the process to ensure that timelines are met and schedules are maintained.

Over the last two years, K&A and all of our clients have become accustomed to conducting all of our organizational, classification, and compensation studies virtually. From the experience of the last two years, we have learned that studies can be conducted successfully by using virtual technologies and performing the work remotely. We have also learned that this represents a significant cost savings for our clients, both in terms of consultant travel time and travel expenses, as well as less disruption and reduced non-productivity for the client's workforce. We have several technological solutions that can easily facilitate the entire process (see proposal narrative above). Conducting meetings and orientations virtually means that the client's employees do not have to spend time traveling from one location to another and will not be pulled away from their workstations for lengthy periods of time. They can simply click on a link or call in from a phone to participate. This approach also represents significantly less logistical planning on part of the client in order to reserve meeting rooms and making space available for large employee groups, as well as multiple consultants coming onsite to conduct interviews within a condensed period of time. Conducting orientations and interviews virtually provides us with much more flexibility in scheduling and accommodating multiple different shifts and schedules among a large workforce.

In addition, K&A strives to be as "green" an organization as possible and we are certainly concerned about our carbon footprint. We find that multiple trips to client sites that can sometimes involve multiple consultants flying on planes and/or driving cars, is not as environmentally conscious as we would like to be. Considering the effectiveness of virtual meetings, especially when meetings are only one hour or one-and-a-half hours at a time, onsite travel does appear to create a larger footprint than necessary. This can especially be true for final presentations to leadership teams that are often less than 60 minutes long.

The cost proposal below includes two options depending on scope of work to provide the City with a cost comparison based on the number of classifications, number of employees, and number of comparator agencies surveyed for the compensation study. Of course, the City may select any combination thereof and we are open to negotiating another option if it better serves the City. We hope to be able to negotiate a scope of work and cost option that best serves the City's needs.

For purposes of this cost proposal, we are assuming that all meetings and presentations will be conducted virtually/remotely and no onsite travel to City offices will occur. Should the City desire onsite meetings, we will be happy to provide our per diem cost for onsite meetings based on travel time and market rate travel cost at the time.

Deliver-ables	**Phase 1: Classification Study** 317.5 Employees, 114 Full-time Classifications 12 Part-time Classifications	Option 1: Hours	Option 2: Hours
A.	Meetings with Study Project Team and Management Staff and Initial Documentation Review	16	16
B.	Orientation Meetings with Employees and Distribution of PDQ	24	24
C.	Collection and Review of PDQs ***Option 1:*** *Assumes 1 individual or group PDQ for each of the 126 full-time and part-time classifications (as referenced in the RFP) plus 30% of approximately 317.5 full-time and part-time employees submitting individual PDQs (for a total of approximately 225 PDQs)* ***Option 2:*** *Assumes 1 individual or group PDQ for each of the 200 full-time and part-time classifications (per the City's salary schedules) plus 30% of approximately 317.5 full-time and part-time employees submitting individual PDQs (for a total of approximately 300 PDQs)*	75	100
D.	Interviews with Employees, Supervisors, and Management ***Option 1:*** *Assumes 1 individual or group interview per each of the 126 full-time and part-time classifications (as referenced in the RFP) plus 30% of approximately 317.5 full-time and part-time employees requesting individual interviews (for a total of approximately 225 interviews)* ***Option 2:*** *Assumes 1 individual or group interview per each of the 200 full-time and part-time classifications(per the City's salary schedules) plus 30% of approximately 317.5 full-time and part-time employees requesting individual interviews (for a total of approximately 300 interviews)*	150	200
E.	Classification Concept & Preliminary Allocation	105	105
F.	Draft Class Description Development ***Option 1:*** *Assumes that up to 126 class descriptions will be developed*	315	400

	Option 2: *Assumes that up to 160 class descriptions will be developed (assuming that, of all 200 classifications, some may be eliminated or consolidated)*		
G.	Facilitation of Draft Class Description Review and Employee Feedback Process	95	120
H.	Classification Plan and Draft of Interim Report and Final Report	16	24
	Total Professional Hours – Classification	**796**	**989**
	Combined professional and clerical composite rate: **$175/Hour**	**$139,300**	**$173,075**
Deliverables	PHASE II: Total Compensation Study	Option 1: Hours	Option 2: Hours
A.	List of Comparator Agencies, Benchmark Classifications, and Benefits to be Collected	20	20
B.	Data from Comparators and Preliminary Analysis of Data ***Option 1:*** *up to 76 benchmarks (assuming up to 126 classifications will be developed in Phase I, approx. 60% of those classes); 10 comparators; and total compensation (salaries plus benefits)* ***Option 2:*** *up to 96 benchmarks (assuming up to 160 classifications will be developed in Phase I, approx. 60% of those classes); 12 comparators; and total compensation (salaries plus benefits)*	250	375
C.	Draft Compensation Findings/Additional Analysis/Study Project Team Meetings	45	65
D.	Analysis of Internal Relationships and Alignment	12	16
E.	Compensation Structure and Implementation Plan	20	24
F.	Final Report and Guidelines for Implementation	20	24
G.	Formal Appeals Process *	0	0
H.	Final Presentation	12	12
	Anticipated hours for additional unscheduled meetings and phone calls	16	20
	Total Professional Hours – Compensation	**395**	**556**
	Combined professional and clerical composite rate: **$175/Hour**	**$69,125**	**$97,300**
	Expenses are **included** in the composite hourly rate:	**N/A**	**N/A**
	Expenses include but are not limited to duplicating documents, binding reports, phone, supplies, postage, meals, etc.		
	TOTAL PROJECT COST NOT TO EXCEED:	$208,425	$270,375
	**Additional consulting will be honored at composite rate ($175/hr)*		

PART 6: REFERENCES

We have provided a Sample study at the end of this proposal (City of Bellflower Total Compensation Study and City of El Monte Classification Study. Unfortunately, it is not possible to provide the final report for every one of our studies listed below. Our work products become the property of our clients and not every report becomes a public document. We would be happy to provide additional work samples if the two sample reports included in this proposal are not sufficient.

Agency & Project	Contact
City of Campbell (population: 41,544) Total Comp Study (Police), completed 2021. Classification Study, completed 2016. FLSA class study, completed 2015. Classification and Compensation Studies, completed in 2008 & 2013. Management Compensation Study, completed 2009.	**Ms. Salina Flores** Acting Human Resources Manager (408) 866-2705 70 N. First St. Campbell, CA 95008 salinaf@campbellca.gov
City of Citrus Heights (population: 83,301) Classification Study (Admins), completed 2019. Compensation Study, completed 2017.	**Ms. Monica Alejandrez** Human Resources Manager (916)727-4711 6360 Fountain Square Dr. Citrus Heights, CA 95621 malejandrez@citrusheights.net
City of East Palo Alto (population: 29,593) Classification and Compensation Study, completed 2020.	**Patty Francisco** Human Resources Manager (949) 500-0436 Second Floor, 2415 University Ave., East Palo Alto, CA 94303 pfrancisco@cityofepa.org
City of Elk Grove Ongoing classification and compensation studies since 2020.	**Ms. Melissa Rojas** Human Resources Director 8401 Laguna Palms Way, Elk Grove, CA 95758 (916) 478-2208 mrojas@elkgrovecity.org
City of Galt (population: 25,633) Classification and Compensation Study, completed 2017.	**Mr. Eugene Palazzo** City Manager (209) 366-7100 380 Civic Drive Galt, CA 95632 epalazzo@ci.galt.ca.us
City of Los Altos (population: 30,561) Total Compensation Study (unrepresented classifications), completed 2018. About to commence 2021 Total Compensation Study for City Manager. Compensation Study, Police Department, completed 2017.	**Ms. Jennifer Leal** Human Resources Manager (916) 614-3206 1021 Harvard Wy El Dorado, CA 95762 jleal@edhcsd.org *Note: Ms. Leal is no longer with City of Los Altos but is now serving as Human Resource*

	Manager at El Dorado Hills Community Services District where she can provide a reference.
City of Morgan Hill (population: 45,037) Classification and Compensation Study, completed 2019 (approx. 93 classifications). Total Compensation, completed 2017.	**Ms. Christina Turner** City Manager (408) 776-7382 17575 Peak Ave Morgan Hill, CA 95037 christina.turner@morganhill.ca.gov
City of Napa (population: 80,000+) Classification and Compensation Study for Street Division, completed 2020. Classification Study, completed 2015.	**Ms. Darlene Colaso** HR Director (707) 257-9505 1541 Second Street Napa, CA 94559 dcolaso@cityofnapa.org
City of Palo Alto (population: 67,178) Classification Study, completed 2020. Various Compensation Studies from 2009 through 2018. The Compensation Surveys we have completed have included as few as 35 benchmarks and as many as over 300 classifications representing close to 1,000 employees, including executive, senior, and mid-management, fire police and SEIU.	**Ms. Sandra Blanch** Assistant Director, Human Resources (650) 329-2376 250 Hamilton Ave. Palo Alto, CA 94301 Sandra.blanch@cityofpaloalto.org
City of Pleasant Hill (population: 34,987) Total Compensation Study (11 benchmarks, 15 comparators), completed 2019. Ongoing Classification and Compensation studies since 2015. Organizational Study, completed 2016.	**Ms. Ericka Mitchell** Human Resources Manager (925) 671-5277 100 Gregory Lane Pleasant Hill, CA 94523 emitchell@pleasanthillca.org
City of Redwood City (population: 86,685) Currently conducting several classification studies, 2021. Compensation Study, 24 Executive Classes, completed 2018. Classification Study, 24 classifications, completed 2018. Classification Study, completed 2017. Miscellaneous Classification Studies, since 2016.	**Ms. Michelle Katsuyoshi** Human Resources Director (650) 780-7288 1017 Middlefield Road Redwood City, CA 94063 mkatsuyoshi@redwoodcity.org ***Note:*** *Ms. Katsuyoshi was a reference for K&A when she was at the City of Morgan Hill. She is now at the City of Redwood City.*

CONTRACTUAL CONSIDERATIONS

We will be pleased to sign the City's professional services agreement for a Classification and Compensation Study. We respectfully request that the City will allow for a period of negotiation of certain terms in the professional services contract related to liability, indemnity, insurance, and other terms. We have found that we have always come to an agreement with all of our clients in the past and appreciate the City's flexibility in reviewing certain terms in a collaborative fashion between our legal counsels.

The following are terms we would like to review with the City if we are fortunate to be selected for this project:

- Product Ownership (PDF Page 12) and Section 7 (PDF Page 16) - Gallagher will retain sole and exclusive ownership of all right, title and interest in and to its intellectual property and derivatives thereof which no data or confidential information of City was used to create and which was developed entirely using Gallagher's own resources. To the extent Gallagher's intellectual property is necessary for City to use the services provided, Gallagher will grant to City a non-exclusive, royalty-free license to Gallagher's intellectual property solely for City's use of such services.
- Section 8(c) (PDF Page 17) - Gallagher can only allow an audit during the agreement.
- Section 14 (PDF Page 19) – We request indemnification be limited to grossly negligent acts and omissions, breaches of the contract, intentional misconduct, or violations of law.
- Section 14 (PDF Page 19) – We requeset a limitation of liability of fees paid be added to the indemnification provision.

It is our practice to provide the coverage below in lieu of the City contract insurance language. We therefore propose to replace the insurance language in the RFP's sample agreement with coverage language provided by Gallagher as follows (we attach our Memorandum of Insurance for your review as well):

Exhibit B (PDF Pages 23-24) - Gallagher shall at all times during the term of this Agreement and for a period of two (2) years thereafter, obtain and maintain in force the following minimum insurance coverages and limits at its own expense:

- Commercial General Liability (CGL) insurance on an ISO form number CG 00 01 (or equivalent) covering claims for bodily injury, death, personal injury, or property damage occurring or arising out of the performance of this Agreement, including coverage for premises, products, and completed operations, on an occurrence basis, with limits no less than $2,000,000 per occurrence;
- Workers Compensation insurance with statutory limits, as required by the state in which the work takes place, and Employer's Liability insurance with limits no less than $1,000,000 per accident for bodily injury or disease. Insurer will be licensed to do business in the state in which the work takes place;
- Automobile Liability insurance on an ISO form number CA 00 01 covering all hired and non-owned automobiles with limit of $1,000,000 per accident for bodily injury and property damage;
- Umbrella Liability insurance providing excess coverage over all limits and coverages with a limits no less than $10,000,000 per occurrence or in the aggregate;

- Errors & Omissions Liability insurance, including extended reporting conditions of two (2) years with limits of no less than $5,000,000 per claim, or $10,000,000 in the aggregate;
- Cyber Liability, Technology Errors & Omissions, and Network Security & Privacy Liability insurance, including extended reporting conditions of two (2) years with limits no less than $2,000,000 per claim and in the aggregate, inclusive of defense cost; and
- Crime insurance covering third-party crime and employee dishonesty with limits of no less than $1,000,000 per claim and in the aggregate.
- All commercial insurance policies shall be written with insurers that have a minimum AM Best rating of no less than A-VI, and licensed to do business in the state of operation. Any cancelled or non-renewed policy will be replaced with no coverage gap, and a Certificate of Insurance evidencing the coverages set forth in this section shall be provided to Client upon request.

ARTHUR J. GALLAGHER & CO.
MEMORANDUM OF INSURANCE

DATE: 9/30/2021	
INSURED: Arthur J. Gallagher & Co. and its subsidiaries 2850 West Golf Road Rolling Meadow s, IL 60008	**Insurance Companies**
	A: ARCH INSURANCE COMPANY
	B: ACE PROPERT AND CASUALTY INSURANCE COMPANY
	C: LIBERTY MUTUAL FIRE INS. COMPANY
	D: FEDERAL INSURANCE COMPANY
	E LEXINGTON INS. COMPANY
	F: XL SPECIALTY INS. COMPANY
	G. UNDERWRITERS AT LLOYDS
	H. ILLNOIS NATIONAL INSURANCE COMPANY

The policies of insurance listed below have been issued to the "INSURED" named above for the policy period indicated. Notwithstanding any requirement, term or condition of any contract or other document with respect to which this Memorandum may be issued or may pertain, the insurance afforded by the policies described herein is subject to all the terms, exclusions and conditions of such policies. Limits shown may have been reduced by paid claims.

CO. LTR.	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE	POLICY EXPIRATION	LIMITS (In USD unless otherwise indicated)	
A	**Commercial General Liability** Occurrence Per location Aggregate	41GPP4938414	10/01/21	10/01/22	General Aggregate	4,000,000
					Products - Comp/Op Agg	4,000,000
					Personal and ADV Injury	2,000,000
					Each Occurrence	2,000,000
					Damage to Rented Premises (Each occurrence)	1,000,000
A	**Automobile Liability** Any Auto	41CAB4939014 41CAB4938314	10/01/21	10/01/22	Combined Single Limit	5,000,000
					Bodily Injury (per person)	
					Bodily Injury (per accident)	
B	**Excess/Umbrella Liability** Retention: $10,000	XOO G46820149 004	10/01/2021	10/01/22	Each Occurrence	25,000,000
					Aggregate	25,000,000
A	**Workers Compensation and Employers Liability**	41WCI4938114 44WCI0501914	10/01/21	10/01/22	Workers Comp Limits	Statutory
					EL Each Accident	1,000,000
					EL Disease - Each Employee	1,000,000
					EL Disease – Policy Limit	1,000,000
C	**Property**	US00112916PR21A	10/01/21	10/01/22	Blanket Bldg. & PP	10,000,000
D	**Crime/Fidelity Bond** (Employee Dishonesty)	81326283	09/01/21	09/29/22	Single Loss Limit	15,000,000
E	**Errors & Omissions** (Primary Policy)	06030323	09/29/21	10/01/22	Per Claim and Aggregate	12,000,000
F	**Errors & Omissions** (Excess Policy)	ELU163265-21	09/29/21	10/1/22	Per Claim and Aggregate	10,000,000
G	**Errors & Omissions** (Excess Policy)	B1262F10121921	09/29/21	10/1/22	Per Claim and Aggregate	13,000,000
H	**Cyber Liability**	026062402	10/31/19	05/01/2021	Limit of Liability	10,000,000

Description of Operations / Other Information: See ADDITIONAL INFORMATION on the following page.

This Memorandum of Insurance serves solely to list insurance policies, limits and dates of coverage. Any modifications hereto are not authorized by Gallagher or the Insurance Companies.

ARTHUR J. GALLAGHER & CO.
MEMORANDUM OF INSURANCE

ADDITIONAL INFORMATION

As respects GENERAL LIABILITY POLICY

ADDITIONAL INSURED – MANAGERS OR LESSORS OF PREMISES *
Endorsement Form# CG 20 11 04 13 modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE
1. Designation of Premises (Part Leased to You): ANY PREMISES OR PART THEREOF LEASED TO YOU.
2. Name of Person or Organization (Additional Insured): ANY AND ALL PERSONS OR ORGANIZATIONS CONTRACTUALLY REQUIRING ADDITIONAL INSURED STATUS AS THE MANAGER OR LESSOR OF PREMISES TO YOU.
3. Additional Premium: INCLUDED

(If no entry appears above, the information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

WHO IS AN INSURED (Section II) is amended to include as an insured the person or organization shown in the Schedule but only with respect to liability arising out of the ownership, maintenance or use of that part of the premises leased to you and shown in the Schedule and subject to the following additional exclusions:

This insurance does not apply to:
1. Any "occurrence" which takes place after you cease to be a tenant in that premises.
2. Structural alterations, new construction or demolition operations performed by or on behalf of the person or organization shown in the Schedule.

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US
We waive any right of recovery we may have against the person or organization where required by written contract because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard". This waiver applies only where required by written contract.

As respects PROPERTY
This policy insures against "All Risks" of physical loss or damage, except as excluded, to covered property while on Described Premises, provided such physical loss or damage occurs during the term of this policy. Coverage is subject to policy deductibles, terms, conditions and exclusions. Loss Payable clause included for whom Insured has agreed to per written contract.

IMPORTANT NOTICE

*All other Additional Insureds requests requires Legal approval and issuance of a Certificate of Insurance.

*For special requests, such as a *WET SIGNATURE*, please contact the appropriate team: P&C – Doreen Morris or Therese Scamardo; E&O – Helen Ponce de Leon or Ryan Sheekley; Cyber – Jeremy Gillespie or Ariel Magrini.

This Memorandum of Insurance serves solely to list insurance policies, limits and dates of coverage. Any modifications hereto are not authorized by Gallagher or the Insurance Companies.

Signature Page

Koff & Associates intends to adhere to all the provisions described in RFP above.

This proposal is valid for 90 days.

Respectfully submitted,

By: KOFF & ASSOCIATES
State of California

Georg S. Krammer

Georg S. Krammer **May 25, 2022**
Managing Director, Compensation and Rewards Consulting

Koff & Associates
A Gallagher Company

Agenda Item **14**

CITY OF YUBA CITY
STAFF REPORT

Date:	February 18, 2025
To:	Honorable Mayor & Members of the City Council;
From:	Public Works
Presentation By:	Ben Moody, Public Works & Development Services Director

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Summary

Subject: Sale and Transfer of Carryover Water Supply to San Gorgonio Pass Water Agency

Recommendation: A. Authorize the sale and transfer of up to 3,000 acre feet of carryover water to San Gorgonio Pass Water Agency

B. Adopt a Resolution authorizing the Public Works Director or designee to apply, accept, and execute all documents associated with the sale and transfer of up to 3,000 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), Section 15301 (Existing Facilities), and Section 15061(b)(3) (Common Sense Exemption), subject to approval as to legal form by the City Attorney or water counsel

C. Adopt a Resolution 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 3,000 acre feet of Yuba City carryover water supply to San Gorgonio Pass Water Agency on behalf of the City, subject to approval as to legal form by the City Attorney or water counsel

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 Revenue Account No. 507-49010 (Water Operating – Other Revenue)

Fiscal Impact: $675,000 Imbursement to Revenue Account No. 507-49010 (Water Operating – Other Revenue)

Purpose:

To authorize the sale and transfer of surplus carryover water from the City of Yuba City to the San Gorgonio Pass Water Agency.

Council's Strategic Goal:

This item addresses Council's Strategic Goal of *Fiscal Responsibility* by capitalizing on the opportunity to sell and transfer carryover water supply due to favorable water surplus conditions.

Background:

Carryover water is the amount of permitted water allocation that is unused in a water supply system at the end of a water year after all water demands have been met. This water is typically stored in reservoirs, lakes, or underground aquifers and can be used to meet future water demand. The City's annual water allocations and carryover water from the Feather River are managed by the Department of Water Resources through the State Water Project.

Yuba City currently has surplus carryover water allocation which is available for sale and transfer to another water agency, stored in the San Luis Reservoir; however, when the San Luis Reservoir reaches a predetermined height, the carryover water supply becomes null and void and the storage availability is reset to zero. The City has sufficient water supplies for the near future, which provides the City with the opportunity to sell excess carryover to interested agencies rather than potentially lose the stored carryover during a wet year.

Analysis:

The City's water rights consultant, Zanjero, has developed a model of the City's surface water supplies, which demonstrates that the City will have sufficient surface water from the Feather River to meet water demands during a period of five dry years (Attachment 3). Additionally, the City will have auxiliary water sources to supplement its primary water source, including the recently completed second groundwater well, the aquifer storage well that is in the early stages of construction, and water available for purchase from North Yuba Water Agency. Therefore, the transfer of carryover water will have no significant impact on the City's water treatment and delivery operations for the foreseeable future.

San Gorgonio Pass Water Agency has expressed interest in acquiring additional water supplies from the City of an estimated 3,000 acre feet. A draft Transfer Agreement between the two State Water Project agencies is attached to authorize this sale, which requires execution by both Yuba City and the San Gorgonio Pass Water Agency, which will be reviewed and finalized by the Department of Water Resources and the water counsel for each agency (Attachment 4). The City will also need to execute documents directly with the Department of Water Resources regarding the sale and transfer. The sale and transfer will comply with all relevant state and federal water laws and regulations, including the California Environmental Quality Act (CEQA).

Yuba City's water attorney and water rights consultant have negotiated a contract with the San Gorgonio Pass Water Agency to sell the carryover water at a price of $225 per acre foot of the City's available surplus, up to 3,000 acre feet. The sale and transfer provide mutual benefit for both agencies. All final documents will be reviewed and approved by the City's water attorney prior to execution.

Fiscal Impact:

The Public Works Department anticipates a total of $675,000 in revenue from the sale and transfer of Yuba City carryover water supply, with the estimated sale of 3,000 acre feet. Staff recommends depositing the proceeds of the sale in the water operating revenue account (Account No. 507).

Alternatives:

Do not authorize the Public Works Director to execute documents transferring Yuba City carryover water supply to San Gorgonio Pass Water Agency and/or provide staff with further direction.

Recommendation:

A. Authorize the sale and transfer of up to 3,000 acre feet of carryover water to San Gorgonio Pass Water Agency.

B. Adopt a Resolution authorizing the Public Works Director or designee to apply, accept, and execute all documents associated with the sale and transfer of up to 3,000 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), Section 15301 (Existing Facilities), and Section 15061(b)(3) (Common Sense Exemption), subject to approval as to legal form by the City Attorney or water counsel.

C. Adopt a Resolution 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 3,000 acre feet of Yuba City carryover water supply to San Gorgonio Pass Water Agency on behalf of the City, subject to approval as to legal form by the City Attorney or water counsel.

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 Revenue Account No. 507-49010 (Water Operating – Other Revenue).

Attachments:

1. Resolution 1 - Carryover Water Transfer to San Gorgonio
2. Resolution 2 - DWR re Carryover Water Transfer to San Gorgonio
3. Attachment 3 - Yuba City Supply Model Memorandum
4. Attachment 4 - SGPWA - Yuba DRAFT Transfer Agreement V2

Prepared By:
Scarlett O. Harris
Administrative Analyst III

Submitted By:
Diana Langley
City Manager

ATTACHMENT 1

RESOLUTION NO. ___

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY AUTHORIZING THE PUBLIC WORKS DIRECTOR OR DESIGNEE TO APPLY, ACCEPT, AND EXECUTE ALL DOCUMENTS ASSOCIATED WITH THE SALE AND TRANSFER OF UP TO 3,000 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), SECTION 15301 (EXISTING FACILITIES), AND SECTION 15061(B)(3) (COMMON SENSE EXEMPTION)

WHEREAS, the City is a retail water agency that provides water service to its customers; and

WHEREAS, San Gorgonio Pass Water Agency (SGPWA or Agency) is a regional water agency that provides water on a wholesale basis to retail water providers and other public agencies within its service area; and

WHEREAS, the City has a long-term water supply contract (“Water Supply Contract”) with the Department of Water Resources of the State of California (“DWR”) that permits the City to receive water supply, storage and conveyance services from the State Water Project (“SWP”). The City has a contractual right to the delivery of 9,600 acre-feet (“AF”) per year (“AFY”) of water from the SWP in its Water Supply Contract; and

WHEREAS, SGPWA has a long-term water supply contract (“Water Supply Contract”) with the Department of Water Resources of the State of California (“DWR”) that permits SGPWA to receive water supply, storage and conveyance services from the State Water Project (“SWP”). SGPWA has a contractual right to the delivery of 17,300 acre-feet (“AF”) per year (“AFY”) of water from the SWP in its Water Supply Contract; and

WHEREAS, the City’s and SGPWA’s respective Water Supply Contracts allow for the transfer of SWP water under certain conditions and subject to DWR approval. Specifically, Article 56(c) provides for the transfer of Article 56 Carryover Water from the CITY to another SWP contractor such as SGPWA, in accordance with Article 56(c)(4); and

WHEREAS, in 2025, DWR approved an allocation of water to the City of 25% of the “Table A Amount,” as that term is defined by the State Water Contract. City has Article 56 Carryover Water available to it after its 2024 water use; and

WHEREAS, the Carryover Water is stored in the San Luis Reservoir; however, when the San Luis Reservoir reaches a predetermined height, the Carryover Water supply becomes null and void and the storage availability is reset to zero; and

WHEREAS, the City’s five-year water model has projected sufficient surface water supplies to meet the City’s water demands for the period without the exhaustion of excess Carryover Water nor significant impact to the City’s water treatment and distribution operations; and

WHEREAS, the SGPWA has expressed interest in acquiring additional water supplies from the City; and

WHEREAS, DWR has provided a SWP Transfer Agreement (Agreement) to facilitate the transfer, which requires execution by both the City and the San Gorgonio Pass Water Agency; and

WHEREAS, the City Council now desires to transfer up to 3,000 AF of Carryover Water to SGPWA in 2025, subject to the terms and conditions of the Transfer Agreement (Agreement); and

WHEREAS, the City Council has environmentally assessed the proposed Agreement and transfer of Carryover Water as required by the California Environmental Quality Act (CEQA): and

WHEREAS, the City Council desires to authorize the Public Works Director (or designee) to enter into an Agreement and to take any other actions necessary to facilitate the transfer of 3,000 acre feet of Yuba City Carryover Water supply to SGPWA at the price of price of $225 per AF.

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

1. Recitals. The above recitals are incorporated are hereby by reference.

2. CEQA. The execution of the Agreement effectuating the transfer and exchange of SWP Water from the City to the Agency is statutorily exempt from substantive CEQA review under State CEQA Guidelines section 15282(u) and Water Code Section 1729, which exempts temporary changes in the point of diversion, place of use, of purpose of use due to a transfer or exchange of water or water rights. Here, the proposed Project involves the exchange of a certain amount of the City's SWP Carryover Water for the year 2025. The Project merely changes the delivery location, and does not involve construction of any additional facilities to service the Project. As the Project involves a one-year exchange, it also satisfies the definition of "temporary change" pursuant to Water Code Section 1728.

Additionally, the Project is categorically exempt from environmental review under CEQA pursuant to State CEQA Guidelines Section 15301 (Class 1 – Existing Facilities), which exempts from further CEQA review the operation of existing public structures, involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination. The Project will use existing water storage and conveyance facilities and will not require the construction of additional facilities to transfer water to the Agency pursuant to the terms of the Agreement.

Finally, the Project is exempt pursuant to State CEQA Guidelines Section 15061(b)(3) which exempts those activities for which it can be seen with certainty that there is no potential to result in significant environmental effects. The Project involves the transfer of an existing allocation of water within existing facilities.

3. Authorization. The City Council authorizes the Public Works Director (or designee) to enter into an Agreement and to take any other actions necessary to facilitate the transfer of up to 3,000 AF of Carryover Water to San Gorgonio Pass Water Agency at the price of $225 per acre foot prior to June 30, 2025, subject to approval as to legal form by the City Attorney or water counsel.

4. Effective Date. This Resolution shall take effect immediately upon adoption.

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 18th day of February 2025.

AYES:

NOES:

ABSENT:

Dave Shaw, Mayor

ATTEST:

Ciara Wakefield, Deputy City Clerk

APPROVED AS TO FORM
COUNSEL FOR YUBA CITY:

Shannon Chaffin, City Attorney
Aleshire & Wynder, LLP

ATTACHMENT 2

RESOLUTION NO. ___

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY AUTHORIZING THE PUBLIC WORKS DIRECTOR OR DESIGNEE TO APPLY, ACCEPT, AND EXECUTE ALL DOCUMENTS WITH THE DEPARTMENT OF WATER RESOURCES ASSOCIATED WITH THE TRANSFER OF UP TO 3,000 ACRE FEET OF YUBA CITY CARRYOVER WATER SUPPLY TO SAN GORGONIO PASS WATER AGENCY ON BEHALF OF THE CITY

WHEREAS, the City is a retail water agency that provides water service to its customers; and

WHEREAS, San Gorgonio Pass Water Agency (SGPWA or Agency) is a regional water agency that provides water on a wholesale basis to retail water providers and other public agencies within its service area; and

WHEREAS, the City has a long-term water supply contract ("Water Supply Contract") with the Department of Water Resources of the State of California ("DWR") that permits the City to receive water supply, storage and conveyance services from the State Water Project ("SWP"). The City has a contractual right to the delivery of 9,600 acre-feet ("AF") per year ("AFY") of water from the SWP in its Water Supply Contract; and

WHEREAS, SGPWA has a long-term water supply contract ("Water Supply Contract") with the Department of Water Resources of the State of California ("DWR") that permits SGPWA to receive water supply, storage and conveyance services from the State Water Project ("SWP"). SGPWA has a contractual right to the delivery of 17,300 acre-feet ("AF") per year ("AFY") of water from the SWP in its Water Supply Contract; and

WHEREAS, the City's and SGPWA's respective Water Supply Contracts allow for the transfer of SWP water under certain conditions and subject to DWR approval. Specifically, Article 56(c) provides for the transfer of Article 56 Carryover Water from the CITY to another SWP contractor such as SGPWA, in accordance with Article 56(c)(4); and

WHEREAS, in 2024, DWR approved an allocation of water to the City of 25% of the "Table A Amount," as that term is defined by the State Water Contract. City has Article 56 Carryover Water available to it after its 2024 water use; and

WHEREAS, the SGPWA has expressed interest in acquiring additional water supplies from the City; and

WHEREAS, DWR has provided a SWP Transfer Agreement (Agreement) to facilitate the transfer, which requires execution by both the City and the SGPWA, which has been concurrently considered and approved by separate Resolution, including associated determinations as required by the California Environmental Quality Act (CEQA); and

WHEREAS, in addition to the Agreement, the City will also need to execute documents directly with DWR to effectuate the transfer of the Carryover Water; and

WHEREAS, the City Council now desires to authorize the Public Works Director (or designee) to apply, accept, and execute all documents with DWR associated with the transfer of 3,000 AF of Yuba City Carryover Water supply to SGPWA on behalf of the City.

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

1. Recitals. The above recitals are incorporated are hereby by reference.

2. CEQA. The City Council has concurrently considered, and adopted, as separate Resolution finding that the project is exempt per CEQA Guidelines Section 15282(u) (Temporary Changes in Point of Diversion), Water Code Section 1729 (Temporary Change Exemption), Section 15301 (Existing Facilities), and Section 15061(b)(3) (Common Sense Exemption).

3. Authorization. The City Council authorizes the Public Works Director (or designee) to apply, accept, and execute all documents with the Department of Water Resources associated with the transfer of up to 3,000 acre feet of Yuba City Carryover Water to San Gorgonio Pass Water Agency on behalf of the City, subject to approval as to legal form by the City Attorney or water counsel.

3. Effective Date. This Resolution shall take effect immediately upon adoption.

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 18th day of February 2025.

AYES:

NOES:

ABSENT:

____

Dave Shaw, Mayor

ATTEST:

____

Ciara Wakefield, Deputy City Clerk

APPROVED AS TO FORM
COUNSEL FOR YUBA CITY:

____

Shannon Chaffin, City Attorney
Aleshire & Wynder, LLP

ATTACHMENT 3

701 University Avenue, Suite 205
Sacramento, California 95825
(916) 669-9357

MEMORANDUM

To: Benjamin Moody, Public Works and Development Services Director, City of Yuba City
Philip Marler, Utilities Superintendent, City of Yuba City
Christian Elder, Water Treatment Plant Supervisor, City of Yuba City

Date: February 4, 2025

From: Robert Heather, E.I.T, Senior Resources Planner, Zanjero

Subject: Analysis of Article 56 Sale during 2025

San Gorgonio Pass Water Agency has indicated a desire to purchase 3,000 AF of State Water Project (SWP) Article 56 carryover water from the City of Yuba City (City). A similar sale was attempted in 2023 for 3,999 AF of water. Zanjero has conducted a stress test of City water supplies utilizing the Decision Support Tool (DST). A 5-year severe drought analysis was incorporated into the scenario for the DST analysis, indicated by SWP allocations of 20%, 10%, 20%, 20% and 15%[1] respectively, as well as certain constraints on hydrologic availability with respect to the City's appropriative water rights. DST results demonstrate the City's capacity to maintain water service reliability through this period following a 3,000 AF sale of carryover water and would continue to maintain a positive carryover budget at the end of the 5-year drought period.

The objective of this analysis is to determine if 3,000 AF could be sold from the City's SWP Article 56 account. To analyze the water supply reliability risk associated with this sale, a multi-year critically dry scenario was used as a basis to examine water service reliability. More information on the assumptions and results of the Transfer Analysis is presented below.

Conservative Assumptions

Supplies utilized are limited to the current portfolio available to the City. These include,

- SWP Table A Annual Allocation (w/ NOD bump)
- SWP Carryover (beginning 2025)
- North Yuba Water District (NYWD) Contract Supplies
- License 13855
- Permit 18558
- Groundwater (WTP Well #1 only)

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[1] City of Yuba City's allocations incorporate the North of Delta "Bump". Effective allocations incorporated are 35%, 15% 35%, 35%, and 20%.

The following table provides the assumptions incorporated into the DST analysis. These assumptions are conservative with respect to water service reliability. That is, each assumption aims to conservatively characterize the supplies available to the City to meet unconstrained demands.

Table 1: Conservative Assumptions Incorporated

Assumption Element	2025	2026	2027	2028	2029
Effective SWP Allocation (%)	35%	15%	35%	35%	20%
Additional NWYD Supplies (Yes/No)	No	No	No	No	No
Appropriative Rights (AF, % of recent average)	8,595 (100%)	6,880 (80%)	6,991 (82%)	6,890 (80%)	6,854 (80%)
Appropriative Rights (% of Face Value)	55%	44%	45%	44%	44%
Term 91 (months)	Jun – Nov	May - Nov	May - Nov	May - Nov	May - Nov
Additional Groundwater Production (Yes/No)	No	No	No	No	No
City Demands	Unconstrained	Unconstrained	Unconstrained	Unconstrained	Unconstrained
City Demands (AF)	14,935	15,044	15,153	15,262	15,371

Historical SWP Allocation

The DST scenario incorporated would be unprecedented even with severe variability seen in SWP allocations since 2014 as shown in Figure 1.

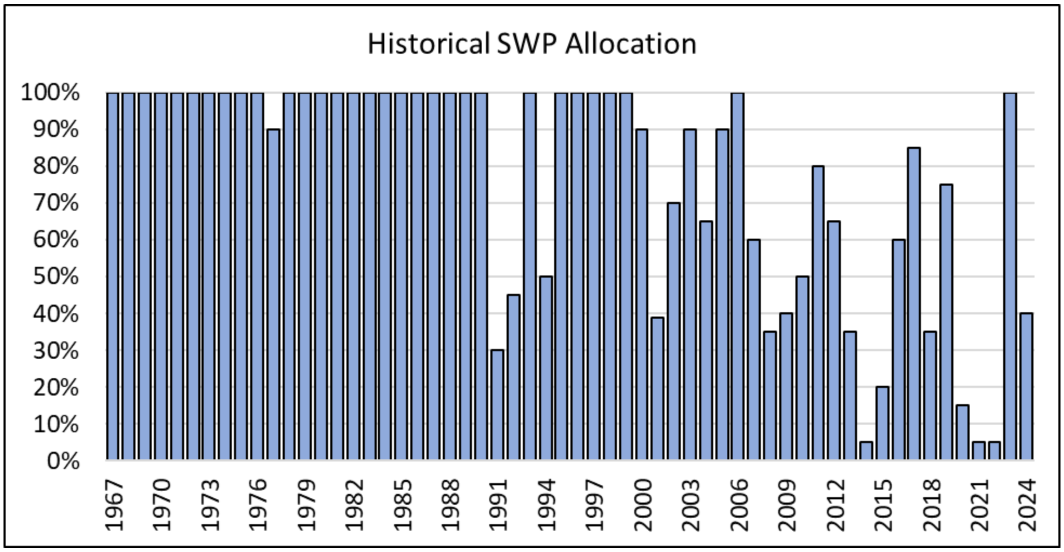

Figure 1: Historical SWP allocations

As seen in the Figure, recent allocations have shown a higher degree of variability when compared to earlier allocations.

Additional NYWD Supplies

The City currently has a contract with NYWD which allows for the delivery of up to 4,500 AF. Although there may a method to make more NYWD water available to the City, the analysis conservatively assumes that only the current contractual amount of 4,500 AF is available.

Appropriative Rights and Term-91

Information from the City's 2014 – 2023 appropriative water rights were incorporated into the analysis. Water allocated in the analysis under the City's appropriative rights were compared to historical values from 2014-2023 for applicability. As shown in the table above, the values incorporated are generally less than the historical average (8,600 AF) which provides for the conservative approach in the methodology.

Term-91 is assumed to be enacted May through November, with the exception of 2025 which limits the imposition to June through November.

Additional Groundwater Production Capacity

Existing infrastructure is utilized in the analysis, limiting the total groundwater production capacity to WTP Well #1 only. As a conservative assumption, the recently operational WTP Well #2 is assumed to <u>not be available</u> as a supply to the City.

City Retail Demands

Demands were obtained from the City's 2020 Urban Water Management Plan and investigated for applicability. It was determined that no adjustments to these demands were warranted. As such, these demands were incorporated into the analysis without adjustments.

Results

Results indicate the City's ability to transfer 3,000 AF of SWP Article 56 water during 2025 while maintaining water service reliability for the period 2025 – 2029. The available SWP Article 56 (carryover water) available to the City at the conclusion of 2029 amounts to 3,080 AF. The following figure provides the supplies utilized in meeting the project demands, along with the customer demands incorporated into the analysis.

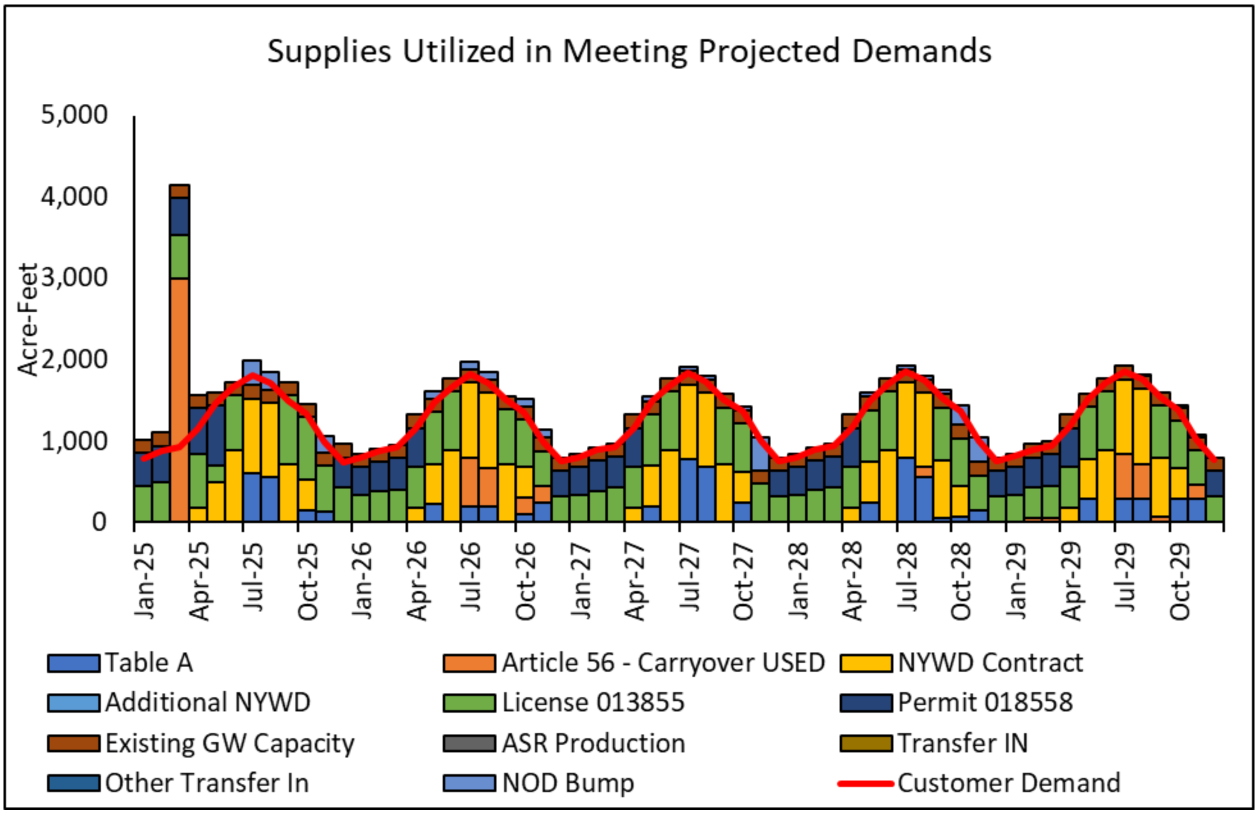

Figure 2: Supplies and Demands in Transfer Analysis

ATTACHMENT 4

TRANSFER AGREEMENT

This Transfer Agreement ("Agreement") is made and entered into as of February ____, 2025 ("Effective Date"), by and between the CITY OF YUBA CITY, a municipal corporation ("CITY") and the SAN GORGONIO PASS WATER AGENCY, a public agency ("SGPWA"). CITY and SGPWA are sometimes individually referred to herein as a "Party" and collectively as the "Parties."

RECITALS

A. CITY provides retail water service to its customers. SGPWA is a regional water agency that provides water on a wholesale basis to retail water providers and other entities within its service area.

B. CITY has a long-term water supply contract ("Water Supply Contract") with the Department of Water Resources of the State of California ("DWR") that permits CITY to receive water supply, storage and conveyance services from the State Water Project ("SWP"). CITY has a contractual right to the delivery of 9,600 acre-feet ("AF") per year ("AFY") of water from the SWP in its Water Supply Contract.

C. SGPWA has a Water Supply Contract with DWR that permits SGPWA to receive water supply, storage and conveyance services from the SWP. SGPWA has a contractual right to the delivery of 17,300 AFY of water from the SWP in its Water Supply Contract.

D. The CITY's and SGPWA's respective Water Supply Contracts allow for the transfer of SWP water under certain conditions and subject to DWR approval. Specifically, Article 56(c) provides for the transfer of Article 56 Carryover Water from CITY to another SWP contractor such as SGPWA, in accordance with Article 56(c)(4).

E. In 2025, CITY has Article 56 Carryover Water available to it after its 2024 water use and has agreed to transfer up to 3,000 AF of this water ("Transfer Water") to SGPWA in 2025, subject to the terms and conditions hereinafter set forth ("Transfer").

F. The Parties wish to enter into this Agreement to address water supply needs for this current year. The Parties desire to work collaboratively to provide for the efficient use of water supplies, in areas of the state where water supplies are needed.

AGREEMENT

NOW THEREFORE, in consideration of the foregoing recitals and the promises and covenants contained herein, the Parties agree as follows:

1. <u>Term</u>. Subject to DWR's approval, the term of this Agreement shall commence on the Effective Date and terminate on June 30, 2025, or upon satisfaction of the Parties' respective obligations pursuant to this Agreement, whichever is sooner ("Term").

2. Transfer and Release of Transfer Water in 2025. CITY shall take any and all actions necessary to make all of the Transfer Water available at the Point of Transfer, as defined in Paragraph 3, prior to June 30, 2025. SGPWA shall take as much Transfer Water at the Point of Transfer as is available under the terms of this Agreement, based upon operations of San Luis Reservoir and before any spill of San Luis Reservoir.

3. Point of Transfer

(a) Both Parties have access to water supplies and conveyance capacity in the California Aqueduct and San Luis Reservoir facilities, which are part of the SWP. For accounting and operational purposes, it is hereby acknowledged that the Transfer will be made in San Luis Reservoir, which shall be deemed to be the "Point of Transfer" of the Transfer Water.

(b) Neither Party is making any representation or warranty concerning the quality of the water transferred under this Agreement.

4. Cooperation in Obtaining DWR Approvals

(a) The Parties will take the necessary actions to fulfill their respective obligations, including but not limited to their respective obligations in coordinating with DWR to obtain DWR's approval of the Transfer.

(b) As soon as practicable after the Effective Date, CITY will submit a request to DWR that DWR deliver the Transfer Water to SGPWA pursuant to the delivery schedule agreed upon by the Parties. CITY will coordinate with DWR to confirm the quantity of Transfer Water available for delivery to SGPWA pursuant to this Agreement.

(c) The Parties will cooperate as follows:

(i) Coordination with DWR for processing and obtaining DWR approvals necessary for the approval and implementation of this Agreement.

(ii) Coordination with DWR for delivery of the Transfer Water.

(iii) CITY, in coordination with SGPWA, will submit the water delivery schedule to DWR for delivery of the Transfer Water.

5. Water Availability. SGPWA will coordinate with DWR to track Transfer Water availability before any spill occurs at San Luis Reservoir. SGPWA has no obligation to pay for any Transfer Water that is not available and released from San Luis Reservoir to SGPWA due to the operations of the SWP that cause San Luis Reservoir to spill. CITY has no obligation to provide SGPWA water to make up for any portion of the Transfer Water that is unavailable due to the operations of the SWP that cause San Luis Reservoir to spill.

6. Article 21 Water. If DWR makes "Article 21 Water" available during the Term of this Agreement, SGPWA will prioritize the delivery of the available Article 21 Water, which will

result in suspending or reducing the delivery of Transfer Water as necessary. Once the availability of Article 21 Water ends, SGPWA will resume delivery of any remaining Transfer Water that did not spill.

7. Payment and Reconciliation

(a) The purchase price for Transfer Water shall be Two Hundred and Twenty-Five Dollars ($225.00) per AF.

(b) Within thirty (30) days after SGPWA has acquired all Transfer Water that will be available by June 30, 2025, or at the conclusion of the Transfer of the full amount of Transfer Water during the Term, SGPWA shall pay CITY the purchase price for all Transfer Water available and released from San Luis Reservoir to SGPWA. The total cost shall be calculated by multiplying the purchase price per AF by the total acre-feet of Transfer Water available and released from San Luis Reservoir to SGPWA.

8. Costs and Expenses

(a) SGPWA will be responsible for the following costs and expenses:

(i) Costs and expenses in connection with taking delivery of the Transfer Water at the Point of Transfer.

(ii) DWR's variable charges for conveying the Transfer Water from the Point of Transfer to SGPWA's service area.

(iii) SGPWA's internal and transaction costs in connection with SGPWA's activities under this Agreement including, but not limited to, costs for review and processing of required agreements, environmental documents, and other transaction costs.

(b) CITY will be responsible for the following costs and expenses:

(i) Costs and expenses in connection with delivering the Transfer Water to the Point of Transfer.

(ii) California Environmental Quality Act (CEQA) compliance costs per Paragraph 8(c).

(iii) CITY's internal and transaction costs in connection with CITY's activities under this Agreement including, but not limited to, costs for review and processing of required agreements, environmental documents, and other transaction costs.

9. Approvals and Requirements. The Transfer and Exchange provided for in this Agreement shall be subject to satisfaction of all applicable approvals and requirements and shall be governed by the terms and conditions of such approvals and any other applicable legal requirements. Each Party is responsible for satisfying their respective requirements, as applicable, including but not limited to the following:

(a) complying with each Party's respective Water Supply Contract;

(b) obtaining all permits, consents, entitlements, and approvals necessary to perform this Agreement; and

(c) fully and completely complying with the California Environmental Quality Act ("CEQA"). The lead agency for the purposes of CEQA will be SGPWA. The Parties shall cooperate with each other and DWR in determining and completing any environmental reviews associated with the activities under this Agreement.

10. Conditions Precedent. This Agreement is subject to the following condition precedent:

(a) DWR's written approval of the Transfer. CITY and SGPWA anticipate that DWR's approval will be provided in the form of a Change in Point of Delivery Agreement ("DWR Approval Agreement"). In the event of a conflict between the terms of this Agreement and the DWR Approval Agreement, the terms of the DWR Approval Agreement shall govern.

(b) In the event DWR does not approve this Agreement, or does not provide approval with sufficient time to complete the Transfer by June 30, 2025, then either Party may terminate this Agreement prior to expiration of the Term.

11. Termination.

(a) This Agreement may be terminated in accordance with the following:

(i) Default. In the event a Party fails to perform any of its obligations under this Agreement ("Defaulting Party"), the other Party ("Non Defaulting Party") may demand in writing that the Defaulting Party cure such non-performance. The Defaulting Party shall have 90 days after receipt of such demand to cure the default. In the event the Defaulting Party fails to cure the default within the 90 day period, the Non Defaulting Party may terminate this Agreement and take any and all actions in law or in equity which may be available to enforce this Agreement.

(ii) Mutual consent. This Agreement may be terminated at any time by mutual written consent of both Parties.

(iii) Failure of One or More Conditions Precedent. In the event any condition precedent to this Agreement has not been satisfied by April 1, 2025, due to circumstances outside of the responsibility or control of the Parties, as applicable, the Parties will meet and confer to discuss whether to amend, suspend, or terminate this Agreement. If mutual agreement is not reached on or before April 15, 2025, then either Party may terminate this Agreement.

12. Force Majeure. The respective obligations of each party shall be suspended while it is prevented from complying by acts of God, war, riots, civil insurrection, acts of civil or military authority, fires, floods, earthquakes, labor accidents or incidents, rules and regulations of any governmental agency (other than the Parties themselves), or other cause of the same or other character any of which are beyond the reasonable control of either Party (collectively, "Force

Majeure"). In the event of a suspension due to the Force Majeure, the Party whose obligations are suspended shall promptly notify the other Party in writing of such suspension and the cause and estimated duration of such suspension.

13. Defense. In the event of any legal action by a third party to challenge this Agreement and/or the Transfer described herein, the Parties agree to cooperate in the defense thereof and to share equally in the costs of such defense, utilizing counsel mutually acceptable to the Parties.

14. Power and Authority to Execute and Perform this Agreement. Each Party has the power and authority to enter into this Agreement and to perform its obligations and all necessary approvals and authorizations have been obtained for entering into this Agreement.

15. General Provisions

(a) Remedies Not Exclusive. Remedies provided in this Agreement for enforcement of its terms are intended and shall be construed as cumulative rather than exclusive and shall not be deemed to deprive either Party from also using any other remedies provided by this Agreement or by law.

(b) Subject to Applicable Law. The Parties acknowledge and agree that this Agreement and the rights and obligations of the Parties shall be subject to the laws governing public agencies as they now exist and as they may be amended or codified by the Legislature of the State of California.

(c) Entire Agreement. This Agreement contains the entire understanding between the Parties with respect to its subject matter, and supersedes all prior agreements, oral or written, and all prior or contemporaneous discussions or negotiations between the Parties. This Agreement cannot be amended except in writing signed by both Parties.

(d) No Waiver. Any failure or delay on the part of either Party to exercise any right under this Agreement shall not constitute a waiver of the right and shall not preclude such Party from exercising or enforcing the right, or any other provision of this Agreement, on any subsequent occasion.

(e) Notices. All notices or other communications required or desired to be given pursuant to this Agreement shall be in writing and shall be delivered in person, by email, or sent by a reputable overnight courier service providing delivery confirmation. Each such notice or communication shall be deemed to be duly given when hand-delivered or one day after being emailed or deposited for next day delivery with an overnight courier. Each such notice or communication shall be addressed to the Parties at their respective addresses set forth next to their signatures below, or such other address as a Party notifies the other in writing.

(f) Headings; Section References. Captions and headings appearing in this Agreement are inserted solely as reference aids for ease and convenience; they shall not be deemed to define or limit the scope or substance of the provisions they introduce, nor shall they be used in construing the intent or effect of such provisions.

(g) Severability. If any provision of this Agreement is finally determined by a court to be invalid or unenforceable as written, the provision shall, if possible, be enforced to the extent reasonable under the circumstances and otherwise shall be deemed deleted from this Agreement. The other provisions of this Agreement shall remain in full force and effect so long as the material purposes of the Agreement and understandings of the Parties are not impaired.

(h) Binding Effect on Successors and Assigns. This Agreement shall be binding on and inure to the benefit of the Parties, and their respective successors and permitted assigns.

(i) Attorneys' Fees. In the event that any action or proceeding is brought to enforce one or more of the terms of this Agreement, to restrain an alleged violation of this Agreement, or to determine the validity of this Agreement or any part, the prevailing Party in any such action or proceeding shall be entitled to recover from the other its reasonable costs and attorneys' fees, in addition to any other remedies available to it in law or equity. If both Parties are successful in one or more causes of action during any such proceeding, the costs and fees shall be apportioned as determined by the court.

(j) Governing Law and Venue. This Agreement is a contract governed in accordance with the laws of the State of California. The Parties hereby agree that venue for any action brought to enforce the terms of this Agreement shall be in a court of competent jurisdiction in the County of Riverside, California, and consent to the jurisdiction thereof.

(k) Counterparts; Delivery by Email; Electronic Signatures. The Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which when taken together shall constitute one and the same document. Counterparts may be delivered via electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

[Signatures follow on the next page]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

City of Yuba City	**SAN GORGONIO PASS WATER AGENCY**
Date: ____________________________	Date: ____________________________
By: ____________________________	By: ____________________________
Diana Langley City Manager	Lance Eckhart, PG, CHG General Manager/Chief Hydrogeologist
City of Yuba City 1201 Civic Center Boulevard Yuba City, CA 95993 Email: dlangley@yubacity.net	San Gorgonio Pass Water Agency 1210 Beaumont Ave. Beaumont, CA 92223 Email: LEckhart@sgpwa.com

CITY OF YUBA CITY
STAFF REPORT

Date: February 18, 2025
To: Honorable Mayor & Members of the City Council;
From: Administration Department
Presentation By: Diana Langley, City Manager

Summary

Subject: FY 2024/25 Proposed Budget Reduction Measures

Recommendation: Adopt a Resolution approving the FY 2024/25 proposed budget reduction measures and corresponding service modifications

Fiscal Impact: Budget Savings in FY 2024/25

Purpose:

To reduce expenditures for the FY 2024/25 budget to address an estimated $1,282,755 deficit.

Council's Strategic Goal:

This item addresses the City Council's goal of Fiscal Responsibility.

Background:

As part of the City Council's Goal Setting workshop, held on January 29, 2025, the Finance Director, Diona Pope, provided a financial highlight presentation on the City's General Fund. In FY 2023/24, the City used $2,419,364 of the $6,600,000 available in the Budget Stabilization Reserve (BSR) to balance the budget. The FY 2024/25 Adopted Budget has a net deficit of $5,463,391. Utilizing the remaining $4,180,636 of BSR results in a deficit of $1,282,755. To address not only the current fiscal year deficit, but to also "right size" the FY 2025/26 budget so that expenditures do not exceed revenues, the Department Heads presented 5% and 10% General Fund budget reduction scenarios along with the corresponding anticipated service impacts.

City Council directed staff to return to Council with the following items:

1. February 4th Council Meeting - Council to provide policy direction regarding general classifications of vacant positions that should be filled and those that should remain vacant.
2. February 18th Council Meeting - Provide a list of services that can be modified and implemented quickly to reduce costs and/or increase revenues.
3. FY 2025/26 Budget Process - Identify other services that can be modified to reduce costs and/or increase revenues.

At the February 4, 2025, Council meeting, the City Council approved an informal Vacant Position

Policy, summarized as follows:

- Freeze General Fund positions that are not front-line safety.
- Fill General Fund positions that are front-line safety, part of Sutter Animal Services Authority, or primarily funded through other funding sources such as Water, Wastewater, Internal Service Funds, and grants.

Analysis:

Per Council's request, below are recommendations, by Department, of cost-reduction items that can be implemented this fiscal year.

Modify Office Hours:

Recommendation	Service Impact
Change City Hall office hours from Monday-Friday, 8 am to 5 pm, to Monday-Thursday, 8 am to 5 pm, and Friday by appointment only	• Public will have reduced hours to pay utility bills, request a business license, obtain a building permit, and access other City services
Change Community Services Front Counter hours at Gauche Aquatic Park from Monday through Friday, 8 am to 5 pm, to Monday through Thursday, 8 am to 5 pm	• Public will have reduced hours to register for youth and adult recreation programs, swim lessons, and other services
Change Police Department Counter hours from Monday through Friday, 8 am to 5 pm, to Monday through Friday, 10 am to 4 pm	• Public will have reduced hours to request front counter services at the Police Department • LiveScan availability will vary

Administration:

Recommendation	Service Impact
Reduce budgeted amount for specialty contract legal services	• Reduce utilization of the bargaining unit contract negotiator
Limit the authorization of materials, supplies, and services	• Reduce advertising, training for staff, funding for meetings and events, and professional services
Do not sponsor a booth at the Yuba-Sutter Fair	• Rely on the Police Department's booth for distribution of materials related to City services

Community Services:

Recommendation	Service Impact
Freeze one (1) Recreation Coordinator position	• Reduction of special and community

and continue to underfill one (1) Recreation Supervisor III position with a Recreation Supervisor II	events • Potential reduction of programs offered to the public
Freeze one (1) Park Maintenance Worker III position	• Reduction in landscape maintenance services of the City's 25 parks and 8 facilities
Reduce Park Maintenance Extra Help	• Reduction in landscape maintenance services of the City's 25 parks and 8 facilities • No park reservations on the weekends • No collection of trash and visual inspection of parks on the weekends • Potential for increased overtime of full-time employees
Reduce Recreation Extra Help	• Less staff to provide front counter service for Community Services at Gauche Aquatic Park

Transition a portion or all of the landscape maintenance services for Lighting and Landscape Maintenance District 4, Zone of Benefits A-D, and Lighting and Landscape Maintenance District 2, Zone of Benefit A, from contract services to Parks Maintenance staff	• This modification will reduce the scope of work of the current contracted maintenance service.Reduction in landscape maintenance services of the City's 25 parks and 8 facilities.
	  ○ City Parks and Facilities
	    ▪ Mowing once every other week vs every week
	    ▪ Taller turf will cause extra stress on equipment
	    ▪ No longer maintain Plumas Street between Highway 20 and Bridge Street on a routine basis. Will respond as needed to address leaves, trash, and graffiti.
	    ▪ Reduced response times for requests for service
	  ○ Feather River Parkway
	    ▪ Minimal staff presence
	    ▪ Trees and shrubs along trails may become overgrown
	    ▪ Bathrooms will be closed
	    ▪ Anticipate increased graffiti and trash
	  ○ Lighting and Landscape Maintenance Districts (L&LMD)
	    ▪ Anticipate increased

	▪ assessments for L&LMD 4 ▪ Anticipate reduced services for L&LMD 2A
Cancel Concerts in the Park	• Loss of community engagement
Transition from a printed Recreation Guide to a digital Recreation Guide only	• Loss of a printed Recreational Guide will impact those without access to the internet
Defer credit card service charges for credit card transactions at the front counter to the customer	• Increase in revenues to the City, increase in cost to the customer as they will now be responsible for paying the credit card service charge

Development Services:

Recommendation	Service Impact
Freeze Plans Examiner I/II position	• The Plans Examiner position is a path to prepare an individual for career advancement to the Chief Building Official position. Freezing the position will limit career advancement opportunities and increase the need for contract plan review services.
Implement Planning Fee increases prior to July 1st	• Increase in revenues to the City as increasing the Planning Fees will better align the fees with the cost of service. However, increasing the fees may cause some developers to reconsider developing in Yuba City.
Limit the authorization of materials, supplies, and services	• Reduce training for staff, professional services, and other supplies and services

Finance/IT:

Defer credit card service charges for credit card transactions at the front counter to the customer	• Increase in revenues to the City, increase in cost to the customer as they will now be responsible for paying the credit card service charge
Business License discovery	• Increase in revenues to the City as businesses that are operating within the City without a business license will be

	identified
Limit the authorization of materials, supplies, and services	• Reduce training for staff, professional services, and other supplies and services

Fire:

Recommendation	Service Impact
Freeze Fire Inspector I/II position	• Firefighters will perform SM inspections which will preclude the City from charging for inspections • Decrease in Community Risk Reduction and training • Reduction in ability to provide education to the public
Freeze Fire Marshal position	• Hire a consultant to perform plan reviews which may extend the plan review process • Delay in permit inspections • Limited Fire investigations
Limit the authorization of materials, supplies, and services	• Reduce training for staff, professional services, and other supplies and services

Human Resources:

Recommendation	Service Impact
Freeze one (1) Administrative Analyst I position	• Delays in recruitments, processing of family leave, worker's compensation, mandatory reporting, addressing benefit and payroll issues, and implementing policies to improve risk management
Limit the authorization of materials, supplies, and services	• Reduce training for staff, professional services, and other supplies and services

Police:

Recommendation	Service Impact
Freeze four (4) sworn Police Officer positions unless there is turnover in currently filled positions	• Changes in patrol responses, such as: ○ Animal problems - will only respond to active aggressive animal calls ○ No patrol response for Civil Standbys

	○ All misdemeanor property crimes and vehicle burglaries with no suspect will be referred to the online reporting tool ○ No response to non-injury collisions unless blocking roadway ○ Absorption of transient-related calls (10% of call volume) will mean less ability to solve and respond to these calls in a timely manner
Freeze two (2) Public Safety Dispatcher positions unless there is turnover in currently filled positions	
Freeze one (1) Records Clerk positions	• The volume of work will not be reduced for the Records Clerks. The recommendation is to reduce the front counter hours at the Police Department to provide uninterrupted time during the workday to process records requests.
Freeze one (1) Community Policing Coordinator position	• Reduced community outreach events and participation
Freeze three (3) Community Service Officer (CSO) positions	• Parking problems will be directed to when CSO's are available • Response will be complaint-driven and addressed in the order received

Public Works:

Recommendation	Service Impact
Reallocate one (1) Building Maintenance Worker to another vacant position	• City facility repairs will be deferred, with the most critical repairs addressed first
Transition a portion or all of the custodial services for the Senior Center, Gauche Aquatic Park, and Sutter Animal Services Authority from contract services to City staff.	• City facility custodial maintenance will be reduced as the Custodians will need to reduce their time at each City facility so that they can take on the maintenance of a portion or all of the Senior Center, Gauche Aquatic Park, and Sutter Animal Services Authority. This modification will reduce the scope of work of the current contracted maintenance service.
Limit the authorization of materials, supplies, and services	• Reduce training for staff, professional

	services, and other supplies and services

Items related to revenues will be brought before the Council Revenue Ad Hoc Committee for consideration prior to Council final approval.

Fiscal Impact:

The proposed modifications will result in significant savings for the remainder of FY 2024/25.

Alternatives:

Modify the recommended budget reduction measures.

Recommendation:

Adopt a Resolution approving the FY 2024/25 proposed budget reduction measures and corresponding service modifications.

Attachments:

1. Resolution - FY 2024-25 Budget Reduction Measures

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

ATTACHMENT 1

RESOLUTION NO. 25-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY APPROVING THE FY 2024/25 PROPOSED BUDGET REDUCTION MEASURES AND CORRESPONDING SERVICE MODIFICATIONS

WHEREAS, as part of the City Council's Goal Setting Workshop, held on January 29, 2025, the Finance Director provided a financial highlight presentation on the City's General Fund; and

WHEREAS, in FY 2023/24, the City used $2,419,364 of the $6,600,000 available in the Budget Stabilization Reserve (BSR) to balance the budget; and

WHEREAS, the FY 2024/25 Adopted Budget has a deficit of $5,463,391, and with the utilization of the remaining BSR, the resulting deficit is $1,282,755; and

WHEREAS, to address not only the current fiscal year deficit but to also "right size" the FY 2025/26 budget so that expenditures do not exceed revenues, staff recommends implementing reduction measures that will result in corresponding service impacts; and

WHEREAS, staff have identified measures that can be implemented within a short timeframe.

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

1. The City Council of the City of Yuba City authorizes the implementation of budget reduction measures that will limit spending or increase revenues within a short timeframe.
2. The City Council of the City of Yuba City recognizes that these budget reduction measures will result in modifications to services provided to the public.
3. The City Council of the City of Yuba City supports the implementation of the budget reduction measures and corresponding modifications in services provided to the public.

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 18th day of February 2025.

AYES:

NOES:

ABSENT:

____

Dave Shaw, Mayor

ATTEST:

____
Ciara Wakefield, City Clerk

APPROVED AS TO FORM:

____
Shannon Chaffin, Esq.
Aleshire & Wynder, LLP

Future Agenda Items

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

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

Adjournment