

Proclamation of the City of Portola, County of Plumas, State of California, Proclaiming Existence of a Local Emergency by the Director of Emergency Services, Appointing an Assistant Director of Emergency Services, Delegating Certain Powers and Duties to the Assistant Director of Emergency Services and Authorizing the Assistant Director of Emergency Services to Exercise such Powers and Duties to Address Impacts of the 2023 Winter Storms

WHEREAS, on or about January 27, 2023, the City of Portola began experiencing severe winter storms which have continued through the first week of March 2023 (“2023 Winter Storms”) through the week.

WHEREAS, the 2023 Winter Storms have, among other things, caused pipes to freeze, water mains to break, disruption in traffic along roadways.

WHEREAS, further conditions of extreme peril are threatened by forecasted storms due to strike the City of Portola in the next few weeks.

WHEREAS, these conditions are or are likely to be beyond the control of the services, personnel, equipment, and facilities of the City.

WHEREAS, the City Council of the City of Portola is not in session and cannot immediately be called into session.

WHEREAS, the Mayor of the City of Portola is not available and pursuant to California Government Code Section 36802, if the Mayor is absent or unable to act, the Mayor Pro Tem shall serve until the Mayor returns or is able to act and the Mayor Pro Tem has all of the powers and duties of the Mayor.

WHEREAS, the aforesaid conditions are of extreme peril and warrant and necessitate the proclamation of the existence of a local emergency in accordance with and as authorized by Portola Municipal Code Section 2.32.

WHEREAS, it would be prudent to appoint a person to the office of Assistant Director of Emergency Services and delegate certain powers and duties to that office.

WHEREAS, the City may proclaim a local emergency pursuant to California Government Code Sections 8630 and the City may promulgate orders and regulations necessary to provide for the

protection of life and property, including orders or regulations imposing a curfew within designated boundaries where necessary to preserve the public order and safety. Such orders and regulations and amendments and rescissions thereof shall be in writing and shall be given widespread publicity and notice.

WHEREAS, the City of Portola is not formally asking for CDAA funding at this time.

NOW, THEREFORE, IT IS HEREBY PROCLAIMED that in accordance with Portola Municipal Code Section 2.32 and California Government Code Sections 8630-8634 and in my capacity as the Director of Emergency Services in the absence of the Mayor pursuant to California Government Code Section 36802, I hereby declare a local emergency due to conditions of extreme peril that the 2023 Winter Storms, their impacts and responses thereto pose to the safety of persons and property within the City of Portola.

IT IS FURTHER PROCLAIMED AND ORDERED that the City of Portola is not formally asking for CDAA funding at this time.

IT IS FURTHER PROCLAIMED AND ORDERED that in accordance with Portola Municipal Code Section 2.32, the City's Director of Emergency Services is authorized to use and employ any of the property, services, personnel, and resources of the City, to command the aid of as many citizens as may be necessary to help mitigate this emergency and that County and State agencies may provide mutual aid, including personnel, equipment, and other available resources as needed to assist the City of Portola during this emergency.

IT IS FURTHER PROCLAIMED AND ORDERED that in accordance with Portola Municipal Code Section 2.32 and in my capacity as the Director of Emergency Services, I hereby appoint the City Manager to the office of Assistant Director of Emergency Services.

IT IS FURTHER PROCLAIMED AND ORDERED that in accordance with Portola Municipal Code Section 2.32 and in my capacity as the Director of Emergency Services, I hereby delegate to the Assistant Director of Emergency Services all the powers and duties of the Director of Emergency Services set forth in Portola Municipal Code Section 2.32 during the existence of the local emergency proclaimed herein and authorize the Assistant Director of Emergency Services to exercise all such powers and duties during the existence of the local emergency proclaimed herein.

IT IS FURTHER PROCLAIMED AND ORDERED that during the existence of said local emergency the powers, functions, and duties of the emergency organization of the City of Portola shall be those prescribed by state law, by ordinances, and resolutions of the City of Portola; and that this emergency proclamation shall expire seven (7) days after issuance unless confirmed and ratified by the City Council of the City of Portola.

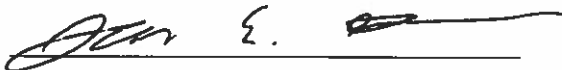
IT IS FURTHER PROCLAIMED AND ORDERED that the local emergency proclaimed herein shall be reviewed by the City Council for the need to continue it at least once every sixty (60) days until the City Council terminates the local emergency and the City Council shall proclaim the termination of the local emergency at the earliest possible date that conditions warrant.

PROCLAIMED this 8th day of March 2023



Mayor Pro Tem, City of Portola, Bill Powers

ATTEST:



Jason Shaw, Deputy City Clerk

I, Jason Shaw, Deputy City Clerk of the City of Portola, do hereby certify that the above and foregoing Proclamation was duly proclaimed by the Mayor Pro Tem of the City of Portola in his capacity as the Director of Emergency Services on March 8, 2023.



Jason Shaw, Deputy City Clerk



RESOLUTION NO. 2563

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PORTOLA
AUTHORIZING PAYMENT OF CLAIMS FOR THE PERIOD
NOVEMBER 9, 2023 THROUGH DECEMBER 13, 2023.**

**ACCOUNTS PAYABLE
CHECK NUMBERS: 45377 – 45474**

**PAYROLL
CHECK NUMBERS: 17319 – 17324**

WHEREAS, the City Council of the City of Portola has been fully advised that all such claims and demands are legal obligations of the City; and,

WHEREAS, the City Council has fully considered the claims and money demands and payment thereof as set forth below and in "Exhibit A" attached hereto and incorporated herein.

ACCOUNTS PAYABLE:	\$ 194,117.04
PAYROLL:	<u>\$ 92,623.65</u>
TOTAL:	\$ 286,740.69

NOW THEREFORE BE IT RESOLVED THAT all claims and demands represented are just and proper and legal demands or claims against the City of Portola, and the payment of any such demands is approved and authorized.

PASSED, APPROVED AND ADOPTED this 13th day of December, 2023 by the following vote:

AYES: _____

NOES: _____

ABSTAIN: _____

ABSENT: _____

Bill Powers, Mayor

ATTEST:

Jason Shaw, Deputy City Clerk

I, Jason Shaw, Deputy City Clerk of the City of Portola, do hereby certify that the above and foregoing Resolution was duly passed and adopted by the City Council at the City of Portola Regular meeting thereof held on December 13, 2023.

Jason Shaw, Deputy City Clerk

VENDOR	I.D.	NAME	CHECK TYPE	CHECK DATE	DISCOUNT	AMOUNT	CHECK NO#	CHECK AMOUNT
000025	I-202311161810	AUTO & TRUCK ELECTRIC IN SNOW VEH REPAIR	R	11/22/2023		178.64	453077	178.64
000029	I-202311151792	COUNTRY BREEZE CLEANING CITY CLEANING SERVICES	R	11/22/2023		400.00	453078	400.00
000033	I-202311161826	MCGINLEY & ASSOCIATES SOLID WASTE CONSULTING	R	11/22/2023		5,550.87	453079	5,550.87
000047	I-202311161805	ALL ELECTRIC MOTORS INC SEWER EQUIP REPAIR	R	11/22/2023		2,161.54	453080	2,161.54
000048	I-202311161808	PACE ENGINEERING INC SEWER PROF SERVICES	R	11/22/2023		4,415.25	453081	4,415.25
000056	I-202311161827	GRISWOLD INDUSTRIES LDWTP EQUIP REPAIR	R	11/22/2023		1,370.66	453082	1,370.66
0005	I-202311151793	AIRGAS, INC. ACETLENE/OXYGEN	R	11/22/2023		419.02	453083	419.02
0010	I-202311151788	AMAZON CAPITOL SERVICES MATERIALS & SUPPLIES	R	11/22/2023		2,666.34	453084	2,666.34
0015	I-202311151795	AMERIGAS PUBLIC WORKS PROPANE	R	11/22/2023		547.13	453085	547.13
0015	I-202311151797	AMERIGAS CITY HALL PROPANE	R	11/22/2023		514.99	453086	514.99
0021	I-202311151794	AT&T 800 EMER LINE	R	11/22/2023		4.41	453087	4.41
0023	I-202311161820	AT&T CALNET 3 SCADA/LDWTP	R	11/22/2023		86.46	453088	86.46
0025	I-202311161804	ATLAS COPCO COMPRESSORS, LLC LDWTP EQUIP REPAIR	R	11/22/2023		3,138.66	453089	3,138.66
0027	I-202311161814	BASTIAN ENGINEERING ENGINEERING PROF SERVICES	R	11/22/2023		426.21	453090	426.21
0046	I-202311161803	CASHMAN EQUIPMENT COMPANY EQUIP REPAIR	R	11/22/2023		183.92	453091	183.92

VENDOR	I.D.	NAME	CHECK TYPE	CHECK DATE	DISCOUNT	AMOUNT	CHECK NO#	CHECK AMOUNT
0048	I-202311161812	CBC COMPANIES-FACTUAL DATA UB CREDIT CHECKS	R	11/22/2023		70.00	453092	70.00
0052	I-202311151786	CITY OF PORTOLA WATER/SEWER BILLS	R	11/22/2023		5,156.42	453093	5,156.42
VOID	453094	VOID CHECK	V	11/22/2023			453094	**VOID**
0055	I-202311161807	COATES TIRE CENTER ARPA	R	11/22/2023		49.00	453095	49.00
0086	I-202311161800	FOLCHI LOGGING & CONSTR., INC. WATER SYSTEM IMPROVEMENTS	R	11/22/2023		9,794.54	453096	9,794.54
0096	I-202311161799	HARBOR FREIGHT TOOLS EQUIP REPAIR	R	11/22/2023		434.11	453097	434.11
0101	I-202311151789	HUNT & SONS, INC. CITY FUEL CHARGES	R	11/22/2023		3,146.32	453098	3,146.32
0105	I-202311151796	INTERMOUNTAIN DISPOSAL REFUSE COLLECTION	R	11/22/2023		812.76	453099	812.76
0105	I-202311161821	INTERMOUNTAIN DISPOSAL ARPA	R	11/22/2023		3,490.20	453100	3,490.20
0105	I-202311161828	INTERMOUNTAIN DISPOSAL ARPA E WASTE	R	11/22/2023		264.43	453101	264.43
0111	I-202311151790	JEFFERSON SUPPLY COMPANY WATER LINE REPAIR	R	11/22/2023		3,077.80	453102	3,077.80
0112	I-202311151783	JOHNSON'S METAL RECYCLERS ARPA	R	11/22/2023		585.00	453103	585.00
0124	I-202311161798	KOMATSU EQUIPMENT EQUIP REPAIR	R	11/22/2023		279.53	453104	279.53
0133	I-202311151784	LIBERTY UTILITIES CITY ELECTRIC BILLS	R	11/22/2023		2,816.90	453105	2,816.90
0136	I-202311161822	MANHARD CONSULTING PLANNING SERVICES	R	11/22/2023		320.00	453106	320.00

VENDOR	I.D.	NAME	CHECK TYPE	CHECK DATE	DISCOUNT	AMOUNT	CHECK NO#	CHECK AMOUNT
0139	I-202311161801	MCCOLLUM EQUIPMENT REPAIR EQUIP REPAIR	R	11/22/2023		6,265.09	453107	6,265.09
0159	I-202311151787	OFFICE DEPOT OFFICE SUPPLIES	R	11/22/2023		105.60	453108	105.60
0180	I-202311161809	PLUMAS COUNTY ENVIRONMENTAL SEWER CUPA FEES	R	11/22/2023		262.00	453109	262.00
0188	I-202311161816	PORTER SIMON CORPORATION LEGAL SERVICES	R	11/22/2023		5,790.00	453110	5,790.00
0189	I-202311161825	PR DIAMOND PRODUCTS, INC. WATER LINE REPAIR	R	11/22/2023		345.00	453111	345.00
0192	I-202311161813	PURCHASE POWER METER POSTAGE	R	11/22/2023		520.99	453112	520.99
0218	I-202311161802	SILVER STATE ANALYTICAL WATER/WASTE WATER TESTING	R	11/22/2023		1,765.00	453113	1,765.00
0235	I-202311151791	SUSAN SCARLETT ACCOUNTING SERVICES	R	11/22/2023		5,000.00	453114	5,000.00
0246	I-202311161817	TYLER TECHNOLOGIES, INC EMPLOYEE TRAINING	R	11/22/2023		250.00	453115	250.00
0256	I-202311151785	USA BLUE BOOK LDWTP EQUIP REPAIR	R	11/22/2023		99.72	453116	99.72
0269	I-202311161811	XEROX FINANCIAL SERVICES COPIER LEASE	R	11/22/2023		268.13	453117	268.13
0275	I-202311161823	EIP HOLDINGS II LLC BECKWOURTH REPEATER RENT	R	11/22/2023		193.00	453118	193.00
1	I-202311161818	KELLIE PATO REIMBURSEMENT	R	11/22/2023		64.92	453119	64.92
1	I-202311161824	JASON SHAW SCORE REIMBURSEMENT	R	11/22/2023		216.80	453120	216.80

* * B A N K T O T A L S * *	NO#	DISCOUNTS	CHECK AMT	TOTAL APPLIED
REGULAR CHECKS:	43	0.00	73,507.36	73,507.36
HANDWRITTEN CHECKS:	0	0.00	0.00	0.00
PRE-WRITE CHECKS:	0	0.00	0.00	0.00
DRAFTS:	0	0.00	0.00	0.00
VOID CHECKS:	1	0.00	0.00	0.00
NON CHECKS:	0	0.00	0.00	0.00
CORRECTIONS:	0	0.00	0.00	0.00
BANK TOTALS:	44	0.00	73,507.36	73,507.36

** REGISTER GRAND TOTALS *

* * T O T A L S * *	NO#	DISCOUNTS	CHECK AMT	TOTAL APPLIED
REGULAR CHECKS:	43	0.00	73,507.36	73,507.36
HANDWRITTEN CHECKS:	0	0.00	0.00	0.00
PRE-WRITE CHECKS:	0	0.00	0.00	0.00
DRAFTS:	0	0.00	0.00	0.00
VOID CHECKS:	1	0.00	0.00	0.00
NON CHECKS:	0	0.00	0.00	0.00
CORRECTIONS:	0	0.00	0.00	0.00
REGISTER TOTALS:	44	0.00	73,507.36	73,507.36

** POSTING PERIOD RECAP **

FUND	PERIOD	AMOUNT
100	11/2023	19,231.86CR
207	11/2023	1,853.38CR
208	11/2023	4,688.86CR
215	11/2023	250.00CR
710	11/2023	27,148.75CR
720	11/2023	14,274.13CR
730	11/2023	6,060.38CR
=====		
ALL		73,507.36CR

11/20/2023 3:32 PM
 PACKET: 00307 11.20.2023 AP SPECIAL CHE
 VENDOR SET: 01 CITY OF PORTOLA
 BANK: PC POOLED CASH - PLUMAS

DIRECT PAYABLES CHECK REGISTER
 **** CHECK LISTING ****

VENDOR	I.D.	NAME	CHECK TYPE	CHECK DATE	DISCOUNT	AMOUNT	CHECK NO#	CHECK AMOUNT
1	I-202311201830	STATE BOARD OF EQUALIZATION BE	R	11/20/2023		3,800.00	045421	3,800.00

* * B A N K T O T A L S * *

	NO#	DISCOUNTS	CHECK AMT	TOTAL APPLIED
REGULAR CHECKS:	1	0.00	3,800.00	3,800.00
HANDWRITTEN CHECKS:	0	0.00	0.00	0.00
PRE-WRITE CHECKS:	0	0.00	0.00	0.00
DRAFTS:	0	0.00	0.00	0.00
VOID CHECKS:	0	0.00	0.00	0.00
NON CHECKS:	0	0.00	0.00	0.00
CORRECTIONS:	0	0.00	0.00	0.00
BANK TOTALS:	1	0.00	3,800.00	3,800.00

** REGISTER GRAND TOTALS *

* * T O T A L S * *	NO#	DISCOUNTS	CHECK AMT	TOTAL APPLIED
REGULAR CHECKS:	1	0.00	3,800.00	3,800.00
HANDWRITTEN CHECKS:	0	0.00	0.00	0.00
PRE-WRITE CHECKS:	0	0.00	0.00	0.00
DRAFTS:	0	0.00	0.00	0.00
VOID CHECKS:	0	0.00	0.00	0.00
NON CHECKS:	0	0.00	0.00	0.00
CORRECTIONS:	0	0.00	0.00	0.00
REGISTER TOTALS:	1	0.00	3,800.00	3,800.00

** POSTING PERIOD RECAP **

FUND	PERIOD	AMOUNT
100	11/2023	3,800.00CR
=====		
ALL		3,800.00CR

TOTAL ERRORS: 0 TOTAL WARNINGS: 0

VENDOR	I.D.	NAME	CHECK TYPE	CHECK DATE	DISCOUNT	AMOUNT	CHECK NO#	CHECK AMOUNT
000009	I-202312071842	CRESCENT TOW & REPAIR ARPA TOWING	R	12/13/2023		5,605.00	045422	5,605.00
000057	I-202312071885	J. J. KELLER & ASSOCIATES MATERIALS & SUPPLES	R	12/13/2023		612.65	045423	612.65
000058	I-202312071884	HOBBS COMPANY LIMITED SNOW VEH REPAIR	R	12/13/2023		1,106.53	045424	1,106.53
0008	I-202312071875	ALWAYS ANSWER 800 NUMBER	R	12/13/2023		69.42	045425	69.42
0015	I-202312071850	AMERIGAS PUBLIC WORKS PROPANE	R	12/13/2023		643.80	045426	643.80
0015	I-202312071851	AMERIGAS CITY HALL PROPANE	R	12/13/2023		722.45	045427	722.45
0015	I-202312071852	AMERIGAS LDWTP PROPANE	R	12/13/2023		652.76	045428	652.76
0015	I-202312071853	AMERIGAS SS FIREHALL PROPANE	R	12/13/2023		226.89	045429	226.89
0020	I-202312071866	ASCAP ANNUAL LICENSE FEE	R	12/13/2023		448.75	045430	448.75
0022	I-202312071869	AT&T LDWTP LONG DISTANCE	R	12/13/2023		40.69	045431	40.69
0027	I-202312071841	BASTIAN ENGINEERING ENGINEERING SERVICES	R	12/13/2023		4,803.71	045432	4,803.71
0039	I-202312071876	BULLET INFORMATION TECHNOLOGY IT SERVICES	R	12/13/2023		892.50	045433	892.50
0046	I-202312071843	CASHMAN EQUIPMENT COMPANY WATER EQUIP REPAIR	R	12/13/2023		574.02	045434	574.02
0062	I-202312071837	CSG CONSULTANTS, INC. CODE ENFORCEMENT	R	12/13/2023		2,740.00	045435	2,740.00
0065	I-202312071840	D & D SEEDS AND FARM EQUIPMENT VEH REPAIR	R	12/13/2023		8,285.87	045436	8,285.87

VENDOR	I.D.	NAME	CHECK TYPE	CHECK DATE	DISCOUNT	AMOUNT	CHECK NO#	CHECK AMOUNT
0078	I-202312071877	ENCOMPASS XEROX COPIES	R	12/13/2023		458.58	045437	458.58
0086	I-202312071886	FOLCHI LOGGING & CONSTR., INC. SYSTEM IMPROVEMENTS	R	12/13/2023		3,583.59	045438	3,583.59
0090	I-202312071844	GRAINGER WATER LINE REPAIR	R	12/13/2023		41.06	045439	41.06
0096	I-202312071858	HARBOR FREIGHT TOOLS SNOW MATERIALS & STREET REPAIR	R	12/13/2023		834.49	045440	834.49
0101	I-202312071883	HUNT & SONS, INC. FUEL CHARGES/HEATING OIL	R	12/13/2023		2,770.63	045441	2,770.63
0103	I-202312071873	IEDA LABOR RELATIONS CONSULTING	R	12/13/2023		253.89	045442	253.89
0105	I-202312071874	INTERMOUNTAIN DISPOSAL REFUSE COLLECTION	R	12/13/2023		600.07	045443	600.07
0111	I-202312071835	JEFFERSON SUPPLY COMPANY MATERIALS & SUPPLIES	R	12/13/2023		54.70	045444	54.70
0118	I-202312071871	KANSAS LIFE INSURANCE CO EMPLOYEE LIFE INSURANCE	R	12/13/2023		69.54	045445	69.54
0122	I-202312071848	KIMBALL MIDWEST WATER/SEWER MATERIALS	R	12/13/2023		460.92	045446	460.92
0133	I-202312071836	LIBERTY UTILITIES CITY ELECTRIC	R	12/13/2023		1,863.09	045447	1,863.09
0135	I-202312071879	MANGHAM GLASS VEH REPAIR	R	12/13/2023		352.40	045448	352.40
0141	I-202312071867	MCI MEGA PREFERRED 800 LONG DISTANCE	R	12/13/2023		44.30	045449	44.30
0148	I-202312071882	NAPA SIERRA MATERIALS & SUPPLIES	R	12/13/2023		261.58	045450	261.58
0162	I-202312071878	OPERATING ENGINEERS EMPLOYEE HEALTH INSURANCE	R	12/13/2023		13,663.00	045451	13,663.00

VENDOR	I.D.	NAME	CHECK TYPE	CHECK DATE	DISCOUNT	AMOUNT	CHECK NO#	CHECK AMOUNT
0175	I-202312071847	PLUMAS ACE HARDWARE MATERIALS & SUPPLIES	R	12/13/2023		630.17	045452	630.17
0180	I-202312071839	PLUMAS COUNTY ENVIRONMENTAL CUPA FEES	R	12/13/2023		10.00	045453	10.00
0183	I-202312071849	PLUMAS SANITATION, INC SEWER PROF SERVICES	R	12/13/2023		450.00	045454	450.00
0184	I-202312071832	PLUMAS SIERRA RURAL ELECTRIC LDWTP ELECTRIC	R	12/13/2023		1,298.54	045455	1,298.54
0185	I-202312071833	PLUMAS SIERRA TELECOMMUNICAT CITY INTERNET SERVICES	R	12/13/2023		387.00	045456	387.00
0208	I-202312071856	SAUERS ENGINEERING, INC. WATER/SEWER PROF SERVICES	R	12/13/2023		10,465.00	045457	10,465.00
0212	I-202312071854	SIERRA CONTROLS, LLC LDWTP PROF SERVICES	R	12/13/2023		1,129.72	045458	1,129.72
0218	I-202312071859	SILVER STATE ANALYTICAL WATER/WASTEWATER TESTING	R	12/13/2023		1,240.00	045459	1,240.00
0227	I-202312071872	STATE OF CALIFORNIA STREET LIGHTS	R	12/13/2023		430.82	045460	430.82
0229	I-202312071860	STATE WATER RESOURCES PERMIT FEES	R	12/13/2023		1,651.00	045461	1,651.00
0229	I-202312071861	STATE WATER RESOURCES PERMIT FEES	R	12/13/2023		3,746.00	045462	3,746.00
0229	I-202312071862	STATE WATER RESOURCES PERMIT FEES	R	12/13/2023		6,738.00	045463	6,738.00
0229	I-202312071863	STATE WATER RESOURCES PERMIT FEES	R	12/13/2023		26,552.00	045464	26,552.00
0231	I-202312071834	SUCCEED.NET WEB HOSTING	R	12/13/2023		67.85	045465	67.85
0233	I-202312071855	SUNRISE ENVIRONMENTAL MATERIALS & SUPPLIES	R	12/13/2023		584.78	045466	584.78

VENDOR	I.D.	NAME	CHECK TYPE	CHECK DATE	DISCOUNT	AMOUNT	CHECK NO#	CHECK AMOUNT
0235	I-202312071868	SUSAN SCARLETT REIMBURSEMENT/STREET REPORT	R	12/13/2023		1,342.60	045467	1,342.60
0253	I-202312071880	US BANCORP CITY CREDIT CARD CHARGES	R	12/13/2023		4,206.02	045468	4,206.02
0256	I-202312071846	USA BLUE BOOK SEWER LINE REPAIR	R	12/13/2023		561.41	045469	561.41
0258	I-202312071838	USDA FOREST SERVICE PIPELINE PIPELINE SPECIAL USE PERMIT	R	12/13/2023		708.52	045470	708.52
0260	I-202312071864	VERIZON WIRELESS CITY CELL PHONES	R	12/13/2023		442.53	045471	442.53
0260	I-202312071865	VERIZON WIRELESS CITY LANDLINES	R	12/13/2023		536.73	045472	536.73
0260	I-202312071870	VERIZON WIRELESS LDWTP DATA PLAN	R	12/13/2023		108.05	045473	108.05
0264	I-202312071845	WESTERN NEVADA SUPPLY LINE REPAIR & STREET REPAIR	R	12/13/2023		786.06	045474	786.06

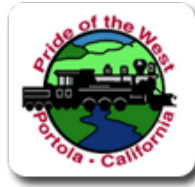
* * B A N K T O T A L S * *	NO#	DISCOUNTS	CHECK AMT	TOTAL APPLIED
REGULAR CHECKS:	53	0.00	116,809.68	116,809.68
HANDWRITTEN CHECKS:	0	0.00	0.00	0.00
PRE-WRITE CHECKS:	0	0.00	0.00	0.00
DRAFTS:	0	0.00	0.00	0.00
VOID CHECKS:	0	0.00	0.00	0.00
NON CHECKS:	0	0.00	0.00	0.00
CORRECTIONS:	0	0.00	0.00	0.00
BANK TOTALS:	53	0.00	116,809.68	116,809.68

** REGISTER GRAND TOTALS *

* * T O T A L S * *	NO#	DISCOUNTS	CHECK AMT	TOTAL APPLIED
REGULAR CHECKS:	53	0.00	116,809.68	116,809.68
HANDWRITTEN CHECKS:	0	0.00	0.00	0.00
PRE-WRITE CHECKS:	0	0.00	0.00	0.00
DRAFTS:	0	0.00	0.00	0.00
VOID CHECKS:	0	0.00	0.00	0.00
NON CHECKS:	0	0.00	0.00	0.00
CORRECTIONS:	0	0.00	0.00	0.00
REGISTER TOTALS:	53	0.00	116,809.68	116,809.68

** POSTING PERIOD RECAP **

FUND	PERIOD	AMOUNT
100	12/2023	18,812.63CR
207	12/2023	2,441.77CR
208	12/2023	8,119.09CR
211	12/2023	1,588.75CR
501	12/2023	13,663.00CR
710	12/2023	20,745.38CR
720	12/2023	23,225.20CR
730	12/2023	28,213.86CR
=====		
ALL		116,809.68CR



**City of Portola
Minutes
Regular Meeting
November 08, 2023 06:00 PM
35 Third Ave Portola, 96122
<https://www.cityofportola.com/>**

1. Call to Order

The meeting was called to order at by Mayor Bill Powers.

A. Pledge of Allegiance

Lead by Mayor Bill Powers

B. Roll Call

Present: Mayor Bill Powers, Mayor Pro Tem Pat Morton, Councilmember Stan Peiler, Councilmember Leah Turner, Councilmember Jim Murphy

Staff Present: Deputy City Clerk, Jason Shaw, City Attorney, Steve Gross (remotely)

2. Public Comments

There were no public comments.

3. CITY COMMUNICATIONS

A. City Council Communications / Committee Reports

Councilmember Leah Turner: Nothing to Report.

Councilmember Stan Peiler: Took a tour of Willow Creek with Director of Public Works Todd Roberts and was very impressed with the project. Heard that the Memorial Hall needs help. They are looking for volunteers, especially contractors, who can help repair and paint things.

Councilmember Jim Murphy: Thought the Chamber of Commerce did an excellent job with the Railroad Days Revival.

Mayor Pro Tem Pat Morton: Working on the tree angels program. Week before Thanksgiving the trees will go up. Friday, December 1st, will be the tree lighting and light parade in downtown Portola.

Mayor Bill Powers: Had senior citizens ask about if there will be a warming center this year in Portola. Had cooling centers at the Veteran's Hall before. Have had both cooling and warming centers at City Hall in the chamber room before. Will ask Director of Public Works Todd Roberts if all the outlets in the Chamber room stay live on generator power.

Mentioned that E and F both looked like they passed. Certification is on November 14th.

Though Cal Cities, may have found additional funding sources for past due utility bills.

Exploring the possibility of a having a fall festival sometime after Music in the Park.

B. Staff Communications / Fire Report / Sheriff's Report / Air Quality Report

Fire Report: There was no fire report.

Sheriff's Report: There was no Sheriff's report

Air Quality Report by Targeted Airshed Grant Specialist Mikki Brown: Curtailment started September 1st. We had 1 day in October and so far 6 days in November. Trying to work with the community on setting up a firewood bank for people in need.

Staff Report by Deputy City Clerk Jason Shaw: Still signing up people for Project Go for past due utility bills. Just about \$40,000 has been paid out to residents of Portola.

Working with FEMA and Cal OES on wrapping up our public assistance application caused by 2023 winter storms.

Preliminary results show Measure E and F passing. Unofficial results have been posted at City Hall.

4. **Consent Agenda**

A. **Claims**- Adopt Resolution No. 2562 authorizing payment of claims for the period of October 12th, 2023 through November 8th, 2023. Accounts Payable: \$152,041.60 Payroll: \$56,441.09 Total: \$208,482.69 AP Check Run #45298 - 45376 Payroll Check Run #17313 - 17318

B. Approval of the Minutes from 10-11-23, Correction to the Minutes from 9-27-23 (Item 6)

Deputy City Clerk Jason Shaw noted the minutes from September 27th, 2023 have a correction on item 6. Councilmembers were marked that they abstained when in reality they said aye (yes). The minutes are on the agenda so that they can be reapproved as corrected.

Councilmember Leah Turner asked about the details on the costs associated with code enforcement, a Rain For Rent payment, and a payment on a USDA loan.

Deputy City Clerk Jason Shaw explained the Rain for Rent payment was for pump rental costs associated with the winter storm disaster. He wasn't sure on the details on the other questions but would note them so that at the next meeting, staff could properly respond.

There were no public comments.

Councilmember Leah Turner motioned to approve. A second was made by Councilmember Jim Murphy.

The roll call vote:

Aye **Mayor Bill Powers** Aye **Mayor Pro Tem Pat Morton** Aye **Councilmember Stan Peiler** Aye **Councilmember Leah Turner** Aye **Councilmember Jim Murphy**

5. **Renew State of Emergency Proclamation**

Deputy City Clerk Jason Shaw explained that we have to do this every 60 days to keep our State of Emergency going for our public assistance application from the 2023 winter storms. Same State of Emergency document that has been approved before.

There were no public comments.

Councilmember Leah Turner motioned to approve. A second was made by Councilmember Jim Murphy.

The roll call vote:

Aye **Mayor Bill Powers** Aye **Mayor Pro Tem Pat Morton** Aye **Councilmember Stan Peiler** Aye **Councilmember Leah Turner** Aye **Councilmember Jim Murphy**

6. **Modified Council Meeting Schedule for November and December**

Deputy City Clerk Jason Shaw explained that the City traditionally removes the second meeting in November and December due to the holiday season.

Mayor Pro Tem Pat Morton pointed out that if we needed another meeting in November or December, that the City Council could call a special meeting.

There were no public comments.

Mayor Pro Tem Pat Morton motioned to approve. A second was made by Councilmember Stan Peiler.

The motion passed with the following vote:

5 **In Favor** 0 **Opposed**
0 **Abstained** 0 **Absent**

7. **Adjournment**

Mayor Bill Powers adjourned the meeting at 6:30 PM

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Jon Kennedy, Interim City Manager

MEETING: December 13, 2023

SUBJECT: 2024 Refuse Collection Rate Increase – Public Hearing for Resolution No. 2564

BACKGROUND

Under the revised and amended franchise agreement between the City of Portola and Intermountain Disposal Company, the company is entitled to an annual rate adjustment for changes in the cost of doing business, consistent with Section 5.3 of the agreement.

The adjustment for increases of the cost of doing business is based on U.S. Bureau of Labor Statistics and the U.S. Energy Information Administration data for consumer indices and fuel price changes over a one-year period (August 2022 to August 2023). Specifically, the two Federal agency statistics used to calculate the annual increase are:

- Bureau of Labor Statistics Consumer Price Index for All West Urban Consumers, Non-Seasonally Adjusted; and
- Energy Information Administration California No. 2 Diesel Retail Prices.

A year ago, the City Council approved a refuse collection services rate increase of 14.31%. That increase was the sum of 11.59% (calculated using August 2021 to August 2022 federal data) and 2.72% (which was a roll-over from the prior year).

Rate Increase for 2024

Staff calculated the refuse collection rate increase for 2024 at 2.51%, using August 2022 to August 2023 federal data. Intermountain Disposal, through its accounting firm VT Accounting Associates of Carson City, NV, agreed with the 2.51% calculation.

The 2024 rates for residential and commercial refuse collection and related services in the city of Portola are attached. These rates are the only fees IMD can assess residential and commercial customers in the city.

In compliance with state Proposition No. 218, a notice of the proposed rate increase was mailed to all property owners and IMD customers within the City (see attached notice). In accordance with noticing procedures, a public hearing was established and scheduled for December 13, 2023. Although notices were sent to property owners and customer's only one protest can be accepted from each parcel within the City.

At the time of staff report publication, the city has received 1 written protests.

Without the sufficient number of protests the rate increase may move forward by City Council approval of a resolution. Accordingly, Resolution No. 2564 has been prepared for Council review and possible action (attached).

RECOMMENDATION

Staff recommends that the City Council open the public hearing, receive public comment on the rate increase, close the public hearing and approve Resolution No. 2564 to adopt the 2024 refuse collection rates.

RESOLUTION 2564

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PORTOLA
ADOPTING WASTE COLLECTION AND RESIDENTIAL RECYCLING RATES**

WHEREAS, in accordance with the Franchise Agreement between the City of Portola and Intermountain Disposal the Portola City Council is considering an increase to waste collection and residential recycling rates billed by Intermountain Disposal to customers within the City; and,

WHEREAS, the City Council has determined that the rate increase requested by Intermountain Disposal complies with the approved Franchise Agreement; and,

WHEREAS, in accordance with Government Code section 54515, Government Code Section 54300, Part I of Division 2 of Title 5 of the Government Code and Proposition 218, a Public Hearing was held on December 13, 2023 to consider changes to waste collection and residential recycling rates billed by Intermountain Disposal to property owners within the City of Portola and at the hearing the City Council received comments from the public regarding the proposed changes; and,

WHEREAS, the City received fewer protests to the proposed increase in rates for waste collection and residential recycling than is required to prevent the City Council from increasing the fees.

NOW THEREFORE, BE IT HEREBY RESOLVED by the City Council of the City of Portola that the waste collection and recycling rates charged to customers within the City of Portola by Intermountain Disposal in accordance with its franchise agreement as shown on Exhibit “A”, which is attached hereto and incorporated herein, are hereby adopted and shall take effect on January 1, 2024.

PASSED, APPROVED AND ADOPTED this 13th day of December 2023 by the following vote:

AYES: : _____

NOES: _____

ABSTAIN: _____

ABSENT: _____

Bill Powers, Mayor

ATTEST:

Jason Shaw, Deputy City Clerk

I, Jason Shaw, Deputy City Clerk of the City of Portola, do hereby certify that the above and foregoing Resolution was duly passed and adopted by the City Council of the City of Portola at a regular meeting thereof held on December 13, 2023.

Jason Shaw, Deputy City Clerk

**AMENDED AND EXTENDED
EXCLUSIVE FRANCHISE AGREEMENT
BETWEEN
THE CITY OF PORTOLA AND
INTERMOUNTAIN DISPOSAL, INC. FOR
SOLID WASTE AND RECYCLABLE MATERIAL
COLLECTION SERVICES
AND
OPERATION OF THE ENVIRONMENTAL RECLAMATION
CENTER
AT PORTOLA LANDFILL**



**AMENDMENT NO. 1, MODIFY SECTION 5.3, EXECUTED AUGUST 25, 2021
AMENDMENT NO. 2, ADD SECTION 5.6, EXECUTED APRIL 13, 2022**

**AMENDED AND EXTENDED EXCLUSIVE FRANCHISE AGREEMENT FOR SOLID
WASTE AND RECYCLABLE MATERIALS COLLECTION SERVICES AND
OPERATION OF THE ENVIRONMENTAL RECLAMATION CENTER AT PORTOLA
LANDFILL**

This Amended and Extended Exclusive Franchise Agreement for Solid Waste Collection and Recycling Services, (“Agreement”) is entered into this ____ day of _____, 2017 by and between the City of Portola (“City”) and Intermountain Disposal, Inc., a California corporation (“Company”).

RECITALS

WHEREAS, the Legislature of the State of California, by enactment of the California Integrated Waste Management Act of 1989 (California Public Resources Code Section 40000 et. seq.) (“AB 939”), has declared that it is in the public interest to authorize and require local agencies to make adequate provisions for Solid Waste handling within their jurisdictions to meet the goals and requirements of AB 939 and its successor legislation;

WHEREAS, pursuant to California Public Resources Code Section 40059(a)(2), the City has determined that in order to protect the public health and safety of the residents and business within the City of Portola, it is appropriate to provide for solid waste collection and disposal by a private waste hauler as an alternative to providing such services through public resources; and to that end has determined that an exclusive Franchise be awarded to a qualified company for the Collection, transportation, Recycling, processing, and Disposal of Solid Waste and Recyclable Materials and other services to meet the goals and requirements of AB 939; which Franchise can be appropriately integrated into and function as part of the solid waste system provided by the City;

WHEREAS, Public Resources Code Section 40059 permits the City to impose terms and conditions on the award of a solid waste franchise if, in the opinion of the governing body, the public health, safety and well-being require the imposition of those terms and conditions;

WHEREAS, Company has represented and warranted to the City that it has the experience, responsibility, and qualifications to conduct the services detailed herein for the collection, safe transportation and disposal of Franchise Materials as described herein;

WHEREAS, the City Council of the City of Portola determines and finds that: (i) based on Company’s qualifications, technical proposal, and financial strength, as well as cost to the City, the proposal of the Company’s to provide Collection, transportation, Recycling, and Disposal of Solid Waste services for single family residences, multifamily dwellings and commercial service Customers, as described in this Franchise, is in the best interest of the City and the public health and safety; and, (ii) the public health, safety and well-being require the grant of a franchise on the terms and conditions contained in this Franchise;

WHEREAS, Chapter 8.04.031 of the City of Portola Municipal Code (City Code) requires, among other things, that a commercial collector or transporter of solid waste be properly franchised by the City;

WHEREAS, the Company agrees to and acknowledges that it shall lawfully dispose of all Solid Waste collected pursuant to this Agreement at a permitted disposal facility; and

WHEREAS, the City and the Company ("Parties") initially entered into a franchise agreement effective November 1, 2002 and hereto desire to enter into this amended and extended Agreement.

NOW, THEREFORE, in consideration of the Recitals stated above, for good and valuable consideration, and of the terms, conditions, covenants and agreements contained herein, the Parties hereby agree as follows:

ARTICLE 1. DEFINITIONS

Whenever any term used in this Agreement has been defined by the provisions of the City of Portola Municipal Code or by Division 30, Part 1, Chapter 2 of the California Public Resources Code, the definitions in the City Code shall apply first and then the Public Resources Code shall apply, unless the term is otherwise defined in this Agreement, in which case this Agreement shall control.

Except as provided in Article 1, words beginning with lower case letters are being used with their common ordinary meanings, not as defined terms. Otherwise, the following capitalized words and terms shall have the following meanings:

1.1 AB 939

"AB 939" means the California Integrated Waste Management Act of 1989 (California Public Resources Code Section 40000 et. seq.), as it may be amended from time to time.

1.2 Agreement

"Agreement" means this Franchise Agreement between the City and the Company for the Collection, transportation, Recycling, and Disposal of Solid Waste, Recyclable Materials, and other services related to meeting the goals and requirements of AB 939, including all exhibits and attachments, and any amendments thereto.

1.3 Appliances

"Appliances" means refrigerator, freezers, ovens, ranges, clothes washers and dryers, water heaters and dishwashers.

1.4 Billings

"Billings" means invoices generated by the Company for the purpose of collection of payments for the residential and commercial solid waste collection services.

1.5 Bin

“Bin” means a solid waste container possessing a lid, the top of which shall not exceed 72 inches in height from the surface of the ground and having a capacity of at least one cubic yard, but not more than eight cubic yards.

1.6 Bulky Waste

"Bulky Waste" means large, oversize items such as an appliance, furniture, mattress and box spring.

1.7 Can

“Can” means a solid waste container provided by the Customer, serviced by manual collection and not exceeding thirty-two (32) gallons in volume and not exceeding 40 pounds in weight.

1.8 Cart

"Cart" means a plastic container with a hinged lid and wheels with a capacity of thirty-two (32), sixty-four (64) and/or ninety-six (96) gallons.

1.9 City

“City” means the City of Portola, a California Public agency.

1.10 City Manager

"City Manager” means the city council appointed manager of the affairs of the city of Portola.

1.11 City Code

“City Code” means the City of Portola Municipal Code – Solid Waste Ordinance, as it may be amended from time to time.

1.12 Collect/Collection

"Collect" or "Collection" means to take physical possession, transport, and remove Solid Waste and Recyclable Materials within and from the City of Portola.

1.13 Collection Vehicle

"Collection Vehicle" means any vehicle or equipment specifically designed and manufactured for the purpose of Solid Waste and Recyclable Materials Collection.

1.14 Company

"Company" means Intermountain Disposal, and its officers, directors, employees, agents, companies owned by Company and, if the City approves a subcontractor pursuant to Section 10.4, its Subcontractors and/or, in the event of an assignment pursuant to Section 10.3, its assignees.

1.15 Company Compensation

"Company Compensation" means the revenue received by the Company from Billings in return for providing services in accordance with this Agreement and any amendments to this Agreement.

1.16 Commercial Customer

"Commercial Customer" means any person who produces commercial solid waste and uses a container, bin or debris box for accumulation thereof.

1.17 Construction and Demolition Debris

"Construction and Demolition Debris" means waste building materials and rubble resulting from construction, remodeling, repair and demolition operations on pavements, houses, commercial buildings and other structures.

1.18 Containers

"Containers" means any and all types of Solid Waste and Recycling receptacles, including Carts, Bins, and Debris Boxes.

1.19 County

"County" means the County of Plumas, California

1.20 Customer

"Customer" means the Person having the care and control of any Premises in the City of Portola who receives Solid Waste and Recyclable Material Collection services from the Company.

1.21 Debris Box

"Debris Box" means an open-top solid waste container with a capacity of at least 10 cubic yards, but not greater than 50 cubic yards.

1.22 Disposal Site

"Disposal Site" means the facility at which the City directs the Company to Dispose of Solid Waste. The Disposal Site may not be the site of ultimate disposition of Collected Solid Wastes.

1.23 Dispose or Disposal

"Dispose" or "Disposal" means the disposition of Solid Waste Collected by the Company at the Disposal Site.

1.24 Disposal Cost

"Disposal Cost" means the portion of the fee charged to the Customer that represents the cost of Disposal of the Solid Waste Collected, commonly referred to as the "gate fee."

1.25 Effective Date

"Effective Date" means the date this Agreement takes effect, as defined in Section 2.3.

1.26 "Electronic Waste" or "E-Waste"

"Electronic Waste" and "E-Waste" means discarded consumer products such as computers, televisions, monitors, cell phones, radios and stereo equipment.

1.27 End Market

"End Market" means the established destination for recyclable material that qualifies as a waste diversion credit for the purpose of compliance with AB 939.

1.28 Environmental Laws

"Environmental Laws" means all federal and state statutes, County and City ordinances concerning public health, safety and the environment including, without limitation, the Collection, transport and Disposal of Solid Waste, Hazardous Wastes and/or Recyclables, by way of example and not limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 USC §9601 et. seq.; the Resource Conservation and Recovery Act, 42 USC §6902 et. seq.; the Federal Clean Water Act, 33 USC §1251 et. seq.; the Toxic Substances Control Act, 15 USC §1601 et. seq.; the Occupational Safety and Health Act, 29 USC §651 et. seq.; the California Hazardous Waste Control Act, California Health and Safety Code §25100 et. seq.; the California Toxic Substances Control Act, California Health and Safety Code §25300 et. seq.; the Porter-Cologne Water Quality Control Act, California Water Code §13000 et. seq.; the Safe Drinking Water and Toxic Enforcement Act, California Health and Safety Code §25249.5 et. seq.; as currently in force or as hereafter amended, and all rules and regulations promulgated thereunder.

1.29 Facility

"Facility" means any plant or site, owned or leased and maintained, operated or used by the Company for purposes of performing under this Agreement.

1.30 Franchise

"Franchise" means the exclusive right granted by the City to provide Solid Waste and Recyclable Materials Collection services within the incorporated boundaries of the City of Portola.

1.31 Franchise Fee

"Franchise Fee" means the fee paid by the Company to the City for the right to hold the Franchise granted by this Agreement.

1.32 Gross Receipts

"Gross Receipts" means any and all revenues, receipts, or compensation in any form received by the Company for Solid Waste and Recyclable Materials Collection pursuant to this Agreement, in accordance with Generally Accepted Accounting Principles (GAAP), including, but not limited to, Customer fees for Collection of Solid Waste and Recyclable Materials. Sales revenue from the sale of Recyclable Materials is excluded from Gross Receipts; revenue generated by Company as the operator of a transfer station is also excluded to the extent the fees charged under this Agreement for such services are no more than the fair market value for such expenses.

1.33 Hazardous Substance

"Hazardous Substance" shall mean any of the following: (a) any substances defined, regulated or listed (directly or by reference) as "Hazardous Substances", "hazardous materials", "Hazardous wastes", "toxic waste", "pollutant" or "toxic substances" or similarly identified as hazardous to human health or the environment, in or pursuant to (i) the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 USC §9601. et. seq. (CERCLA); (ii) the Hazardous Materials Transportation Act, 49 USC §1802 et. seq.; (iii) the Resource Conservation and Recovery Act, 42 USC §6901 et. seq.; (iv) the Clean Water Act, 33 USC §1251 et. seq.; (v) California Health and Safety Code §§25115-25117, 25249.8,25281, and 25316; (vi) the Clean Air Act, 42 USC §7901; (vii) California Water Code §13050; (viii) any amendments, rules or regulations promulgated to such enumerated statutes or acts currently existing or hereafter enacted; and (c) any other hazardous or toxic substance, material, chemical, waste or pollutant identified as hazardous or toxic or regulated under any other applicable federal, state or local environmental laws currently existing or hereinafter enacted, including, without limitation, friable asbestos, polychlorinated biphenyl's ("PCBs"), petroleum, natural gas and synthetic fuel products, and by-products.

1.34 Hazardous Waste

"Hazardous Waste" means all substances defined as Hazardous Waste, acutely Hazardous Waste, or extremely Hazardous Waste by the State of California in Health and Safety Code §25110.02, §25115, and §25117 or in the future amendments to or recodifications of such statutes or identified and listed as Hazardous Waste by the US Environmental Protection Agency (EPA), pursuant to the Federal Resource Conservation and Recovery Act (42 USC §6901), all future amendments thereto, and all rules and regulations promulgated thereunder.

1.35 Holiday

“Holiday” means the days defined as holidays in City of Portola Municipal Code section 8.04.052C, which, as of the date this Agreement is executed, are New Year’s Day, Independence Day, Thanksgiving Day, and Christmas Day.

1.36 Inert Wastes

“Inert Wastes” means broken pieces of concrete and/or asphalt, free of reinforcing wire or steel bars and free of other decomposable materials.

1.37 Minimum Service

“Minimum Service” means the required minimum level of Solid Waste Collection service and includes one 32-gallon Cart collected at least once per week. Minimum Service includes Recycling service for Commercial Customers but not for Residential Customers.

1.38 Multi-Family Residential Complex

“Multi-Family Residential Complex” means complexes with three or more residential dwelling units including apartments, condominiums, triplexes, four-plexes and mobile home parks which are located on a single parcel.

1.39 Occupied

“Occupied” means to dwell in a premise on a continuous, permanent basis, be it a residence or commercial structure. A primary residence is considered “occupied,” whereas a secondary or weekend residence is not. Proof of primary residency outside of Portola City limits may be established through documentation, including tax documents, credit card statements and voter registration documents.

1.40 Owner

"Owner" means the Person or Persons holding the legal title to the real property constituting the Premises to which Solid Waste or Recyclable Materials Collection service is to be provided under this Agreement.

1.41 Party/Parties

“Party” means either the Company or the City, and “Parties” means both the Company and the City.

1.42 Pass-Through Cost

“Pass-Through Cost” means any cost controlled and/or imposed by the City, county, state or federal government, over which the Company has no control, including, for example, tipping fees, increased franchise fees by the City, or other governmental mandates which has an effect upon the costs of fulfilling this Agreement which are not fully accounted for in the change in the

Consumer Price Index. A complete list of the Pass-Through Costs is attached hereto as Exhibit A.

1.43 Person

"Person" means any individual, firm, association, organization, partnership, corporation, business trust, joint venture, the United States, the State of California, the County of Plumas, the City of Portola, or special purpose district.

1.44 Premises

"Premises" means any land or building in the City of Portola where Solid Waste and/or Recyclable Materials are generated or accumulated.

1.45 Putrescible Waste

"Putrescible Waste" means wastes that are capable of being decomposed by micro-organisms with sufficient rapidity as to cause nuisances of odors, gases or other offensive conditions, and includes materials such as food wastes, offal, and dead animals.

1.46 Rates

"Rates" mean the compensation Customers must pay Company for the Solid Waste and/or Recyclable Materials Collection Services, as detailed in Exhibit B.

1.47 Rate Year

"Rate Year" means the twelve-month period from January 1st to December 31st, for each year of the Franchise agreement, except for year one of this Agreement which shall be from November 1, 2017 to December 31, 2018.

1.48 Recycle or Recycling

"Recycle" or "Recycling" means any process by which materials which would otherwise become Solid Waste are Collected (source-separated, co-mingled, or as mixed waste), separated and/or processed and returned to the economic mainstream in the form of raw materials or products or materials which are otherwise salvaged or recovered for reuse.

1.49 Recyclable Materials

"Recyclable Materials" means those materials that are normally part of the solid waste stream which have market value and can be segregated from non-recyclable wastes.

1.50 Residential Customer

"Residential Customer" means that Customer receiving services for a residential Property.

1.51 Scrap Metal

“Scrap Metal” means discarded metallic materials, generally free wood, plastic, paper and glass, including steel, tin, iron, aluminum and copper. Scrap metal does not include wire.

1.52 Solid Waste

"Solid Waste" means putrescible and non-putrescible solid and semi-solid non-hazardous wastes generated by residential and commercial enterprises including, without limitation, garbage, refuse, trash, yard waste, construction and demolition debris, industrial wastes, and inert wastes.

1.53 Universal Waste

“Universal Waste” means waste antifreeze, vehicle batteries and waste motor oil and used oil filters.

1.54 Waste Tire

"Waste Tire" means a tire that is not on the wheel of a vehicle and is not suitable for its original intended use due to wear or damage

1.55 Yard Waste or Green Waste

“Yard Waste” or "Green Waste" means lawn cuttings, weeds, leaves, and shrub and tree pruning materials which are less than six inches in diameter and less than four feet long.

ARTICLE 2. GRANT AND ACCEPTANCE OF FRANCHISE

2.1 Grant and Acceptance of Franchise

Subject to the terms and conditions of this Agreement, and all applicable federal, state and local laws, regulations and/or ordinances, the City hereby grants to the Company an exclusive Franchise to Collect, transport, recycle, process, and Dispose of Solid Waste and Recyclable Materials accumulating in the City of Portola.

The Company hereby accepts the exclusive Franchise on the terms and conditions set forth in this Agreement. Company acknowledges and agrees that the grant of the Franchise hereunder is intended to benefit the public interest in securing appropriate Solid Waste and Recyclable Materials services. The grant of this Franchise shall not preclude the City from adopting such ordinances or regulations as the City may determine are necessary for the public interest (including, but not limited to, the protection of the public health, safety and welfare). Company shall be entitled to an increase in Rates, pursuant to Section 5.4, in the event that any such ordinance or regulation the City promulgates subsequent to the grant of this Franchise financially impacts the Company's cost(s) of performing this Agreement.

2.2 Exclusive Nature of Franchise

During the term of this Agreement, except as otherwise provided in Section 2.6 below, or as may otherwise be provided by federal or state law, the rights granted to the Company under this Agreement shall be exclusive to the Company. Except as otherwise provided for herein, the City will not enter into any agreement with any other Person for the performance of the services exclusively granted to Company pursuant to Section 2.1.

Company shall have the right to take such legal action against third parties as it deems appropriate to protect the exclusive nature of its Franchise. City shall, so long as it is at no cost to the City, cooperate with Company to protect the Company's exclusive rights.

2.3 Effective Date

The Effective Date of this Agreement shall be November 1, 2017.

2.4 Term of Agreement

The term of this Agreement shall be ten (10) years and two (2) months, commencing November 1, 2017 and ending December 31, 2027, with an option for a five (5) year extension following the ten year and two month term, upon the mutual consent and agreement of the City and Company.

2.5 Delegation of Authority

The administration of this Agreement by the City shall be under the supervision and direction of the City Manager, and the actions of the City specified in this Agreement, unless otherwise stated, shall be taken by the City Manager. The City Manager shall not have any authority to

issue any instructions to or to authorize any actions by Company that are inconsistent with this Franchise, the City Code or any federal/state law or regulation.

2.6 Limitations on Scope of Franchise

The Franchise granted to the Company shall be exclusive except as to the categories of Solid Waste and Recyclables listed in this Section. The granting of this Franchise shall not preclude the categories of Solid Waste and Recyclables listed below from being delivered to and Collected and transported by others provided that nothing in this Agreement is intended to or shall be construed to excuse any Person from obtaining any authorization from the City, which is otherwise required by law:

- (a) Solid Waste and Recyclable Materials which are removed from any Premises by the occupant and which are transported personally by the occupant of such Premises, by his relatives or friends without compensation of any type or form, or by his or her full-time employees, to a processing or Disposal Site;
- (b) Recyclable Materials which are donated to youth, civic, nonprofit, or charitable organizations and containers delivered for recycling under the California Beverage Container Recycling Litter Reduction Act, Section 14500, et. seq., California Public Resources Code;
- (c) Construction and demolition waste that is removed by a duly licensed construction or demolition company as part of a total service offered by said licensed company (provided that such construction and demolition waste is separated from Solid Waste), or by the City or by an other governmental entity;
- (d) Animal waste and remains from slaughterhouse or butcher shops for use as tallow;
- (e) By-products of sewage treatment, including sludge, sludge ash, grit and screenings;
- (f) Hazardous Waste, Hazardous Substances and radioactive waste, regardless of its source;
- (g) The Disposal, diversion, or casual Collection or removal of Solid Waste by the City, the County and/or any government entity by their officers or employees in the normal course of their employment; and,
- (h) Any public or semi-public entity removing Solid Waste from its facilities or property with any public or semi-public entity equipment.
- (i) Industrial wastes, motor vehicles and parts thereof, discarded home and industrial appliances, and dewatered, treated, or chemically fixed sewage sludge which is not hazardous waste.

This grant to the Company of an exclusive Franchise, right and privilege to Collect, transport, or process and Dispose of Solid Waste and Recyclable Materials shall be interpreted to be consistent with state, federal and local laws and regulations, now existing or hereafter enacted during the term of the Franchise, and the scope of this exclusive Franchise shall be limited by

current and any future state, federal and local laws and regulations with regard to Solid Waste handling, exclusive Franchise, control of Recyclable Materials, Solid Waste flow control, and related doctrines. In the event that future interpretations of current law, enactment or developing legal trends limit the ability of the City to lawfully provide for the scope of Franchise services as specifically set forth herein, the Company agrees that the scope of the Franchise will be limited to those services and materials which may be lawfully provided for under this Agreement.

2.7 City's Right to Direct Changes

The City may direct the Company to perform additional services (including new diversion programs, etc.) or to modify the manner in which it performs existing services. Pilot programs and innovative services which may entail new Collection methods, different kinds of services and new requirements for Customers are included among the kinds of changes which the City may direct. Pursuant to Section 5.4, the Company shall be entitled to an adjustment in its Rates for providing any additional or modified services the City may request or require pursuant to this Section 2.7. Within ninety (90) days from the date when the City first requests the Company to perform such services, the Company and the City shall, in good faith, negotiate the terms and conditions of such additional or expanded services and the additional compensation due Company for the additional or expanded services. The Company shall be allowed such retroactive adjustments to its compensation, to be reflected in the Rates, to compensate the Company for any such additional services. The City shall also have the right, upon ninety (90) day written notice, to order the reduction or elimination of such additional services and to require a corresponding reduction in the Rates.

2.8 Ownership of Solid Waste

Once Solid Waste and Recyclable Materials are placed in Containers and properly placed at the designated Collection location, ownership and the right to possession shall transfer directly from the Customer to the Company by operation of this Agreement. The Company is hereby granted the right to retain, Recycle, process, Dispose of, and otherwise use such Solid Waste, or any part thereof, in any lawful fashion or for any lawful purpose desired by the Company. Subject to the provisions of this Agreement, the Company shall have the right to retain any benefit resulting from its right to retain, Recycle, process, Dispose of, or reuse the Solid Waste and Recyclable Materials which it Collects. Solid Waste, and Recyclable Materials, or any part thereof, which is disposed of at a Disposal Site shall become the property of the Owner or operator of the Disposal Site(s) once deposited there by the Company. In no event shall Company Dispose of Recyclable Materials without first advising City, and obtaining City's consent that no viable market options then exist for the Recyclable Materials; Company shall provide City with such information as City may request with regard to any such proposed Disposal of Recyclable Materials by Company.

2.9 Company Status

The Company represents and warrants that it is duly organized, validly existing and in good standing under applicable laws. It is qualified to transact business in the State of California and has the power to provide services as required by this Agreement.

2.10 Company Authorization

The Company has the authority to enter into and perform its obligations under this Agreement. The Board of Directors or partners of the Company (or the shareholders, if necessary) have taken all actions required by law, its articles of incorporation, its bylaws or otherwise to authorize the execution of this Agreement. The Person(s) signing this Agreement on behalf of the Company have authority to do so. Company shall designate one employee as a single point of contact for the City for issues arising under this Agreement, and this employee's actions shall be conclusively presumed to be taken on behalf of and with the full approval of the Company.

2.11 Validity of Company's Information and Representations

Company warrants that the information supplied by Company and all representations made by Company and its officers, employees, agents and representatives in anticipation of the grant of this Franchise and as part of the negotiations leading to said grant are true and correct in all material respects.

2.12 Mandatory Service

All Premises within City limits which are Occupied shall subscribe to Solid Waste Collection service provided by the Company. Any Person electing not to accept such service shall be required to pay the Minimum Service charge for solid waste service. Solid Waste Collection services shall be in the name and responsibility of the property owner. Property owners or representatives of Occupied property shall make arrangements for Solid Waste Collection services directly with the Company. A current owner of an Occupied property is not responsible for a prior owner's payment of Collection fees to the Company. Failure to pay such Minimum Service charge shall constitute a violation of section 8.04.100 of the City Code.

ARTICLE 3. SERVICES

3.1 General Scope of Services

The work to be done by the Company pursuant to this Agreement shall include, but not be limited to, the furnishing of all labor, supervision, equipment, materials, supplies, and all other items necessary to perform the services required. The work to be done by the Company pursuant to this Agreement shall be accomplished in a thorough and professional manner so that the residents within the City are provided reliable, courteous and high-quality Solid Waste and Recyclable Materials Collection at all times.

3.2 Disposal Site

The City shall have the right to direct Solid Waste Collected under this Agreement to a Disposal Site. Unless and until City notifies the Company of a change, Solid Waste shall be transported for Disposal to the Delleker Transfer Station in Plumas County. If the City elects to designate an alternate disposal site, any and all additional costs, including, without limitation, additional gate fees and transportation costs, shall be deemed a Pass-Through Cost and the Rates shall be adjusted accordingly in accord with Section 5.4.

3.3 Collection Services

Customers shall receive: Solid Waste Collection services not less than one (1) time per week; curbside Recyclable Materials Collection shall be not less than once every other week; and elective curbside Yard Waste Collection services shall be once per week during the months of April through October.

Collection services shall occur Monday through Friday between the hours of 7:00 A.M. and 6:00 P.M., unless Saturday collection shall be necessary due to Holiday scheduling. If the regularly scheduled collection day falls on a Holiday, alternate collection shall be performed on the day prior to or following the Holiday, unless the alternate day falls on a Sunday; if the alternate day falls on a Sunday, then Collection shall be performed on the following Monday. Collection services are not allowed on Sundays unless explicitly directed by the City Manager. The Company shall notify Customers in advance of changes in Collection services schedules.

3.3.1 Carts

Upon request of a Customer, Company shall supply the Customer with one 32-gallon or one 64-gallon or one 96-gallon Cart (unless a Commercial Customer requests Bin service) with an option to obtain additional Carts at the Rates shown in Exhibit B. Carts shall be the property of Company during the term of this Agreement.

3.3.2 Bins

A Commercial Customer may request the Company provide Bin service. In this event, Company shall provide the Commercial Customer with the requested Bin at the Rates shown on Exhibit B. Bins shall be the property of the Company during the term of this Agreement.

3.3.3 Recyclable Materials Collection

3.3.3.1 Curbside Recyclables Collection

Company shall provide curbside Recyclable Materials Collection services. Company shall issue each Residential Customer requesting Curbside Recycling Collection services with a 64 gallon Cart and shall assess charges for the Cart at the Rates shown in Exhibit B. Recycling Carts shall be Collected by Company biweekly.

Additional 64 gallon Carts for Recycling service shall be assessed monthly charges at the Rates shown in Exhibit B. Fees shall not be assessed to Customers for delivery and/or pick-up of Recycling Carts.

Company shall Collect and remove all Recyclable Materials placed in Carts at the curbside. Recyclable Materials Collection from Carts within the City shall include, at a minimum, the following types of recyclable materials from Residential Customers: newsprint; cardboard; plastic containers (Nos. 1 to 6); glass containers; and aluminum containers

Recycling Carts shall remain the property of Company at all times during the term of this Agreement and at termination.

3.3.3.2 Curbside Green Waste Collection

Company shall provide curbside Green Waste Collection services. Company shall issue each Customer requesting Green Waste Collection services with at 96 gallon Cart and shall assess charges for the Cart at the Rates shown in Exhibit B. Green Waste Carts shall be Collected by Company weekly during the months of April through October.

Additional 96 gallon Carts for Green Waste service shall be assessed monthly charges at the Rates shown in Exhibit B. Fees shall not be assessed to Customers for delivery and/or pick-up of Green Waste Carts.

Green Waste Carts shall remain the property of Company at all times during the term of this Agreement and at termination.

3.3.4 Double-Up

Customers who forget or who are unable to put their Containers out for Collection on any given week shall be allowed to put out their previous week's Solid Waste and/or Recyclable Materials, along with the current week's Solid Waste and/or Recyclable Materials, on their next scheduled Collection day.

3.3.5 Other Services on Exhibit B

The Company shall provide additional Collection services, including, without limitation, Disposal of car and truck tires, Freon-free appliances, and mattresses. The Company shall charge the Rates stated in Exhibit B

3.3.6 Collection Location

In the event physical conditions or safety concerns prevent curbside placement of Solid Waste and/or Recyclable Materials Containers, Company shall immediately notify Customer, in writing, of the reasons for the need to change the Container(s) location. Customer and Company shall mutually agree on an alternate Container(s) location. If the parties cannot agree on the alternate Container(s) location, the City and the Company shall mutually agree on the appropriate Container(s) location.

Debris Boxes shall not be dropped or placed on a public sidewalk, street or way, except: 1) in that portion of a sidewalk, street or way that may have been temporarily closed during the course of construction of an improvement on an adjoining property by order of the city; or 2) if an encroachment permit is obtained in advance from the City of Portola.

3.3.6.1 Enclosures

Where the Collection location is within an enclosure, Company shall be responsible for the removal and replacement of all Bins or Containers placed therein that are at street level. Company shall use sufficient care in the handling of such Bins or Containers to prevent damage to the enclosure, the enclosure doors, and adjacent facilities or improvements, so long as such items do not obstruct access to the enclosure. Company shall repair, at its own expense, any damage to such enclosure or adjacent facility or improvement within thirty (30) days of receipt of notice from City.

Company shall not be responsible for repair of damage to buildings, grounds and appurtenances on Customer Premises, except for damage that was caused by Company negligence or willful misconduct.

3.4 Other Services

3.4.1 Debris Box Services

The Company shall offer Debris Box Services for the Collection of Non-Putrescible Solid Wastes and/or Construction and Demolition Debris. Putrescible Wastes shall be prohibited from disposal in Debris Boxes. The Company shall deliver and Collect Debris Boxes and shall assess Customer charges at the Rates shown in Exhibit B.

3.4.2 Free Clean-up Day

The Company operates the Delleker Transfer Station under an agreement with Plumas County. On the second Saturday of May each calendar year, Company shall allow City of Portola Residential Customers free access to the Delleker Transfer Station for Disposal of Solid Wastes the entire day the transfer station is open for trash Disposal. The quantity of free Disposal shall not exceed five (5) cubic yards (roughly equivalent to one standard size pick-up truck bed capacity) per Residential Customer. Free disposal shall not include car and truck tires and bulky items (such as appliances). Residential Customers shall be required to provide proof of City residence in a manner acceptable to Company for free clean-up day services.

3.4.3 Free Yard Waste Disposal

The Company operates the Environmental Reclamation Center at Portola Landfill under agreement with the City. Company shall, in conjunction with this Agreement, allow City of Portola Residential Customers free access for Yard Waste Disposal at the Recycling Facility at Portola Landfill during the month of May annually. Residential Customers shall be required to provide proof of City residence in a manner acceptable to Company for free Yard Waste disposal services.

3.5 Litter Abatement

The Company shall use due care to prevent Solid Waste, Recyclable Materials or fluids from leaking, being spilled and/or scattered during the Collection or transportation process. If any Solid Waste or fluids leak or are spilled during Collection, the Company shall promptly clean up all such materials. Each Collection vehicle shall carry a broom and shovel at all times for this purpose. The Company shall not transfer loads from one vehicle to another on any public street unless it is necessary to do so because of mechanical failure, accidental damage to a vehicle, or a method pre-approved by the City for Solid Waste transfer between vehicles.

3.6 Service Exceptions; Hazardous Waste Notifications

3.6.1 Contaminated Recycling and Green Waste Carts

The Company shall warn Customers who have non-recyclables and non-green wastes in their Recycling and Green Waste Carts, respectively. If, after two (2) sequential written warnings, the Recycling or Green Waste Cart continues to be contaminated, the Company may remove the Cart from the Customer's Premises. The Company shall report monthly to the City any such warning notices issued and Recycling and Green Waste Carts that have been removed from a Customer's Premises.

3.6.2 Hazardous Materials

The Company reserves the right to inspect Solid Waste and Recyclable Materials put out for Collection, the right to reject Solid Waste and Recyclable Materials observed to be contaminated with Hazardous Waste and/or Hazardous Substances, and the right to not Collect Hazardous Waste and/or Hazardous Substances put out with Solid Waste.

Further, the Company shall reasonably inspect Solid Waste and Recyclable Materials for Hazardous Waste and/or Hazardous Substances that are exposed and obvious during the normal and customary provision of the services, and shall not Collect such Hazardous Waste and/or Hazardous Substances. The Company shall notify all agencies with jurisdiction, if appropriate, including the California Department of Toxic Substances Control and Local Emergency Response Providers and the National Response Center of reportable quantities of Hazardous Waste, found or observed in Solid Waste or Recyclable Materials anywhere within the City. In addition to other required notifications, if the Company observes any substances which it or its employees reasonably believe or suspect to contain Hazardous Wastes or Hazardous Substances unlawfully disposed of or released on any City or other public property, including storm drains, streets or other public rights of way, the Company will immediately notify the City or the appropriate public entity.

3.6.3 Failure to Collect Notices

When Solid Waste or Recyclable Materials are not Collected from any Customer, the Company shall notify the Customer in writing, at the time Collection is not made, through the use of a "tag" or similar written notice, explaining the reasons why the Collection was not made.

3.7 Missed Collections; Requested Pick-ups

Under City Code, Customers shall set-out Containers by 7:00 AM on regularly scheduled Collection days. If the Customer has set-out Container by 7:00 AM and the Company misses the pick-up, the Company shall Collect the Solid Waste and/or Recyclable Materials within one (1) business day at no additional charge to Customer. If the Customer does not set-out the container by 7:00 AM, Customer is allowed to double-up on the next scheduled Collection day, in accordance with Section 3.3.4. If the Customer does not set-out the container by 7:00 AM and desires for pick-up within one (1) day, Company may assess Customer a return trip charge, in accordance with Exhibit B.

3.8 Customer Service

3.8.1 Company Office

Company shall provide an office proximately located to Portola, California, and office hours shall be, at a minimum, from 8:00 A.M. to 5:00 P.M., Monday through Friday, excluding holidays. A responsible and qualified representative of the Company shall be available during office hours for communication with the public at the office. Automated telephone answering systems with menu-driven options must provide callers with an option to connect to a live operator. Phone answering staff shall be competent to handle questions on Company's specific programs. The Company shall also maintain a telephone number for use during other than normal business hours. The Company shall have a representative, answering service, or message providing/receiving live or voice-mail service available at said after-hours telephone number. After-hours calls shall be responded to on the next business day. Company shall provide the City with the phone number of a representative who may be reached twenty-four (24) hours a day.

3.8.2 Customer Service Complaints

All service complaints shall be directed to the Company. Daily logs of complaints concerning Collection of Solid Waste shall be retained for a minimum of twenty-four (24) months and shall be available to the City at all reasonable times upon request.

The Company shall log all complaints received by telephone and said log shall include the date and time the complaint was received, name, address and telephone number of caller, description of complaint, employee recording complaint and the action taken by the Company to respond to and remedy complaint. All written Customer complaints and inquiries shall be date-stamped when received. All complaints shall be initially responded to within one (1) business day of receipt. The Company shall log action taken by the Company to respond to and remedy all complaints.

All Customer service complaint records and logs kept by the Company shall be provided to the City on a quarterly basis. Company shall supply the City, within fifteen (15) days of end of the calendar quarter, copies of all complaints, and the Company shall indicate the disposition of each complaint. The City shall, at any time during regular Company business hours, have access to the Company's Customer service department for purposes that may include monitoring the quality of Customer service or researching Customer complaints.

3.9 Education and Public Awareness

3.9.1 General

Company acknowledges and agrees that education and public awareness are critical and essential elements of any efforts to achieve AB 939 goals and subsequent legislation regarding waste reduction and diversion from landfill disposal. Accordingly, the Company agrees to implement a public education program to expand public and Customer awareness concerning the need to and methods of reducing, reusing and Recycling appropriate Recyclable materials. City shall cooperate fully with Company in this regard.

All public education materials shall be approved in advance by the City. All printed materials shall be printed on recycled paper.

City may require the Company to perform mailing services, related to Solid Waste matters, on the City's behalf. City will provide not less than thirty (30) days notice to the Company prior to the mailing date of any proposed mailing to permit the Company to make appropriate arrangements for inclusion of the City's materials. The City will provide the Company the mailers at least fifteen (15) days prior to the mailing date. The City shall bear the expense of reproduction and distribution of such additional information, including, without limitation, postage and insertion costs, only to the extent it is in excess of the Company's normal billing costs and represents services beyond the approved public education plan.

Company will provide a minimum of the following public education items to be developed and distributed at Company's expense:

- Annual Brochures – The Company shall prepare and distribute a brochure informing customers of the available services, how to use such services, rates for services, Holiday schedules, and of the Recycling programs the Company offers.
- Corrective Action Notice – For use in instances where the Customer sets out inappropriate materials.
- Public Service Announcements – Company shall produce and distribute two (2) public service announcements per year to advertise such events as, for example, Free Disposal Day. Such announcements shall be at least 1/8 of a newspaper page in size.
- Recycling information, tips, state requirements and how to instructions related to AB 341 and AB 1826 regarding commercial recycling and organic wastes diversion.

All brochures, mailings, and other educational materials shall bear the City of Portola seal, unless otherwise approved by the City. The Company shall obtain the City's approval, which shall not be unreasonably withheld, before distributing any public education materials.

3.10 Personnel

3.10.1 General

The Company shall furnish such qualified drivers, mechanical, supervisory, clerical, management and other personnel as may be necessary to provide the services required by this Agreement in a satisfactory, safe, economical and efficient manner. All drivers shall be trained and qualified in the operation of vehicles they operate and must possess a valid license, of the appropriate class, issued by the California Department of Motor Vehicles.

The Company also agrees to establish and vigorously enforce an educational program which will train the Company's employees in the identification of Hazardous Waste. The Company's employees shall not knowingly place such Hazardous Waste in the Collection vehicles.

The Company shall use its best efforts to assure that all employees present a neat appearance and conduct themselves in a courteous manner. If any employee is found to be discourteous or not to be performing services in the manner required by this Agreement, the Company shall take necessary corrective measures. If the City has notified the Company of a complaint related to discourteous or improper behavior, the Company will consider reassigning the employee to duties not entailing contact with the public while the Company is pursuing its investigation and corrective action process.

The Company shall provide suitable health and safety training for all of its employees who use or operate equipment or who are otherwise directly involved in Collection or other related operations.

3.10.2 Identification Required

The Company shall provide its employees with identification for all individuals who may make personal contact with residents or businesses in the City of Portola. The City may require the Company to notify Customers yearly of the form of said identification. Company shall require its drivers and helpers to wear clean, standardized shirts and/or safety vests bearing the name “Intermountain Disposal.”

3.10.3 Fees and Gratuities

Company shall not permit its employees or agents to demand or solicit, directly or indirectly, any additional compensation or gratuity from members of the public for the services under this Agreement. Notwithstanding the foregoing, Company’s employees shall be entitled to receive unsolicited de minimus gratuities including, but not limited to, Christmas tips or presents.

3.10.4 Non-Discrimination

The Company shall not discriminate in the provision of service or the employment of Persons engaged in performance of this Agreement on account of race, color, religion, sex, sexual orientation, age, physical handicap or medical condition in violation of any applicable federal or state law.

3.11 Equipment

3.11.1 Collection Vehicles

The Company shall not use any truck or other vehicle for the removal or transportation of any Solid Wastes and Recyclable Materials from any property within the City unless the same conforms to the specifications set forth in this section.

Vehicles used for the collection of any and all Solid Wastes shall be of the mechanical-compaction type, provided that in the case of an emergency such as mechanical breakdown or other cause beyond the control of the Company, the City Manager may, upon the request of the Company, approve the use of non-mechanical compaction-type equipment for a limited period of time during such emergency, as determined by the City Manager. Only enclosed covered-body-type vehicles shall be used for the collection of solid wastes.

Each collection vehicle shall be maintained in a clean and mechanically safe condition. Each collection vehicle shall be constructed and maintained in such manner that it is watertight and free from odor leakage.

All vehicles shall be painted and legibly bear the name of the Company. Said company name, colors, and size of lettering must first be approved by the City Manager. Advertising on the Company's refuse collection vehicles for companies or entities other than the Company is prohibited.

Doors and openings to collection vehicle bodies shall be kept closed at all times when said vehicles are not being loaded or unloaded of Solid Wastes and Recyclable Materials. All vehicles shall be of such type and design and shall be operated in such manner so as not to incur any damage to public or private property in their use and operation.

3.11.2 Solid Waste Containers

Except as otherwise provided in this chapter, Carts for the storage of Solid Wastes shall:

- Have tight-fitting covers for holding garbage without leakage or escape of odors;
- Have suitable handles and wheels;
- Be constructed of watertight metal or plastic materials;
- Be provided to residences in sizes of 32, 64 and 96 gallons, as specified by each Residential or Commercial Customer.

3.11.3 Bins

Bins for the collection of commercial solid wastes shall possess a tight-fitting lid, the top of which shall not exceed 72 inches in height from the surface of the ground and shall have a capacity of at least one cubic yard, but not more than eight cubic yards. Bins shall be water tight and shall not be in such a state of disrepair as to constitute an unsightly nuisance. Bins shall contain the Company name in a conspicuous place on the exterior of the bin.

3.11.4 Debris Boxes

Debris boxes for collection of dry solid wastes (non-putrescible) shall be an open-top container with a capacity of at least 10 cubic yards and not greater than 50 cubic yards. Such boxes shall be so maintained and handled as to not permit the contents placed therein to fall or be blown from to create litter. To this end, all filled or partially-filled debris boxes shall be covered during transport to prevent litter generation.

Debris Boxes shall not be in such a state of disrepair as to constitute an unsightly nuisance. Debris Boxes shall contain the Company name and phone number in a conspicuous place on the exterior of the box

3.12 Operation of the Environmental Reclamation Center at Portola Landfill

3.12.1 Scope

The Company shall operate Environmental Reclamation Center (ERC) sited at Portola Landfill. The following materials shall be accepted by the Company at the ERC:

- Yard Wastes
- Tree Stumps

Yard wastes, defined as grass, leaves, and branches, shall be accepted for disposal. Any ash generated by burning of yard wastes shall be disposed of by the Company at an approved facility, but not at Portola Landfill. Company shall be responsible for lawful Disposal of all Yard Wastes.

The Company may accept additional materials for recycling at the ERC, provided, however, that the City grants approval to do so and appropriate permit modifications are obtained from state and local environmental agencies.

3.12.2 Hours of Operation

The ERC shall be open to the public (includes both City of Portola and County of Plumas residents) on Saturday's, during the hours of 10 a.m. to 2 p.m. from the first Saturday in April through the last Saturday in October. The ERC may be closed if a national holiday, such as Independence Day, falls on a Saturday. The ERC shall be fully staffed by the Company, including personnel to inspect loads and assess and collect fees and to monitor the public for safe and proper unloading of the recyclable materials.

The Company may, at the Company's discretion, allow commercial generators access to the ERC during times and hours mutually agreed to between the Company and the commercial entity.

3.12.3 Term

Company operation of the ERC shall coincide with Section 2.4 of this Agreement.

3.12.4 Compensation for Operation of the ERC

The Company shall be compensated for operation of the ERC solely from gate fees collected during the Hours of Operation. The gate fee schedule for the ERC is included in Exhibit B. The Company may petition the City Council for modifications to the ERC fee schedule, as necessary. The City shall have access for disposal of tree trimmings and Yard Wastes at the ERC free of charge.

3.14.5 Permit Compliance

The Company shall abide by all conditions established for operation of the ERC, as enforced by the State of California, and all state and federal laws and regulations applicable to operation of the ERC. This includes, but is not limited to, those portions of the Solid Waste Facility Permit No. 32-AA-0007 and Waste Discharge Requirements Order No. R5-2015-0083 which directly affect operation of the ERC (such as storm water runoff controls), and applicable regulations enforced by the Northern Sierra Air Quality Management District.

3.14.6 Health and Safety

The Company shall ensure that all employees working at the ERC are provided appropriate health and safety equipment (such as safety vests, glasses and shoes) and have appropriate training to handle both exposure and response to hazardous materials and/or other emergency conditions. To this end, the Company shall file with the City and keep current the Company's Injury and Illness Prevention Plan prior to commencing operation of the ERC. The Company shall be responsible for the clean-up of any spills of hazardous materials associated with operation of the ERC.

3.14.7 Equipment

The Company shall provide all equipment necessary for operation of the ERC and shall maintain equipment in good working order, including compliance with all state and federal OSHA regulations

3.14.8 Records

The Company shall maintain all records of receipt of materials at the ERC and dates and disposition of all materials. The Company shall report recorded data to the City by the 15th day following the calendar quarter in which the materials were collected and/or disposed of.

3.14.9 Additional Services

The City shall be entitled to request additional services of the Company for mutually agreed to compensation regarding other needed activities at Portola Landfill.

3.14.10 Insurance for Operation of the ERC

The Company shall procure and keep in force the following insurance policies and minimum coverage amounts during the term of this agreement for operation of the ERC. The City, and its elected and appointed officers, employees, agents and assigns shall be named as additional insured on said policies. The Company shall deliver the insurance policies with endorsements to the City at least 7 days prior to commencement of operation of the ERC.

- \$1,000,000 for the death of or injury to any one person in any one accident;
- \$2,000,000 for the death of or injury to more than one person in any one accident;
and
- \$1,000,000 for property damage in any one accident.

3.14.11 Violations

Company shall be responsible for regulatory agency issued violations (and noted areas of concern) of the permits required for operation of the ERC. City shall be responsible for regulatory agency issued violations (and noted areas of concern) of the permits required for Portola Landfill.

ARTICLE 4. BILLINGS AND OTHER FEES

4.1 Billing for Services

Company shall bill Customers directly for Solid Waste, Recyclable Materials and Green Waste Collection services provided pursuant to this Agreement. Company shall design billing formats that show a composite fee reflecting the total cost of the service provided. New Customers shall be billed on a pro-rata basis based upon the date services for that Customer commence. The Franchise Fee the City may set in accord with this Agreement shall not be separately itemized on the bill unless otherwise directed by the City. Company shall bill Commercial Customers monthly in advance and Residential Customers quarterly in advance. Customers who request Debris Box services shall pay for such services in advance. Customers may also be billed for replacement of containers if damaged beyond normal wear. Company shall retain all billing records for not less than five (5) years. In the event of a billing dispute with a Customer, Company and City will mutually agree on a resolution.

4.2 Delinquencies; Termination of Service

All Company billings shall be paid in full within 30 days of the billing date. For any bills that become delinquent due to no fault of the Company, Company shall send Customer a notice of delinquency. Arrangements for collection of delinquent payments shall be made between the Company and an individual customer. Late fees for past due invoices may be assessed by the Company at an interest rate of not more than eighteen percent (18%) per annum (or 1.5% per month).

4.3 Franchise Fee

Company shall pay the City for the privilege, and as the sole and exclusive consideration of the licenses granted hereby, a ten percent (10%) Franchise Fee on all Gross Receipts generated as a result of Company providing service in the City of Portola. In no event shall Company pay the City a Franchise Fee on the receipts from the sale of Recyclable Materials the Company may Collect in the City of Portola. Company shall remit the Franchise Fee semi-annually on or before May 15th and November 15th for the prior six (6) month period. In the event that Company fails to timely pay the Franchise Fee, the City shall be entitled to make a demand on the Performance Bond required pursuant to Section 7.3 to secure payment of the fees; provided, however, that the City must first provide Company reasonable written notice of its intent to make a demand against the Performance Bond to offer the Company the opportunity to seek dispute resolution procedures pursuant to Section 9.6.

Documentation to support the Franchise Fee amount shall be included with the semi-annual payment. Documentation shall include the basis of calculation for the Franchise Fee amount and shall be certified as true and correct by an officer of the Company. Said documentation shall include revenues received under this Agreement, outstanding accounts receivable, bad debt write-offs and recoveries.

City may raise or lower the Franchise Fee above or below ten percent (10%) during the term of this Agreement. If City elects to increase the Franchise Fee percentage, such fees shall be deemed a Pass-Through Cost and Company shall be entitled to an immediate adjustment in

accordance with section 5.4 of this Agreement. If City lowers the Franchise Fee, Company and City shall negotiate an adjusted fee schedule commensurate with the lower fee.

4.4 Other Fees

The City shall reserve the right to set other fees, as it deems reasonably necessary. The amount, time and method of payment will be set as provided in Section 4.3 above. Such fees shall be deemed a Pass-Through Cost and Company shall be entitled to an immediate adjustment retroactive to the date of implementation in accordance with section 5.4 of this Agreement.

ARTICLE 5. COMPANY COMPENSATION AND RATES

5.1 Receipts from the Sale of Recyclable Materials

The City and Company agree that the Company will retain all proceeds from the sale of Recyclable Materials.

5.2 Initial Rates

Except as provided in Paragraph 5.4 below, the Rates for the first year of this amended and extended Agreement (November 1, 2017 through December 31, 2018) shall not exceed those set forth in Exhibit B. Thereafter, Rates will be adjusted annually based on the formula set forth in section 5.3.

5.3 Annual Adjustments to Rates (Amendment No. 1)

Effective January 1st of each Rate Year, commencing on the 1st day of Rate Year 2 (January 1, 2019) the Company shall automatically be entitled to increase the Rates for all services by an amount equal to the following formula:

- Annual Rate Adjustment = Current Rate x [1 + {(0.9 x Percent Change CPI Index) + (0.1 x Percent Change Fuel Index)}], where:

Percent Change CPI Index = Annual Percent Change in the ~~September~~ August Consumer Price Index for All West Urban Consumers, Non-seasonally Adjusted, for the Preceding Year (Bureau of Labor Statistics Series ID CUUR400SAO), and

Percent Change Fuel Index = Annual Percent Change in the ~~September~~ August California No. 2 Diesel Retail Sales by All Sellers, as published by the U.S. Energy Information Administration.

For Rate Year 5 (commencing January 1, 2022), the annual adjustment to Rates shall base the CPI and fuel calculations using indices from September 2020 through August 2021. For Rates which were adjusted on April 1, 2021, the CPI and fuel calculation shall use indices from April 2021 through August 2021. Thereafter, all subsequent annual Rate increases (commencing Rate Year 6) shall use August to August CPI and fuel indices.

In the event the change in the rate increase, under the above formula, is greater than five percent (5%) in any given Rate Year, then the percentage increase in excess of the five percent (5%) shall be carried over to the next Rate Year, subject to the five percent maximum annual increase.

Company may petition City for a waiver of the Rate adjustment 5% cap if the calculated increase exceeds 5% annually for two consecutive years. No Rate increase pursuant to this Section 5.3 shall be effective until, and unless, Company provides the City sixty (60) day written notice of its intent to exercise its right to an annual Rate increase and after compliance with Proposition 218, provided there has been an insufficient protest to prohibit an increase in Rates.

The City and the Company may mutually agree for the City to adopt a schedule of rates authorizing automatic adjustments for inflation for up to five (5) years in accordance with California Government Code section 53756.

5.4 Proposition 218 Compliance

Company shall prepare and issue State of California Proposition 218 compliance notices to all Customers in conjunction with any increase to Rates. City shall provide to Company written Proposition 218 notice language. For annual adjustment to Rates, all Proposition 218 notices shall be prepared and mailed to Customers no later than October 31st.

Company shall be entitled to charge Customers no more than \$0.10 per month per Customer monthly invoice for expenses related to printing and mailing of City-supplied Proposition 218 notices.

5.5 Pass-Through Costs

The Company shall be entitled to petition the Portola City Council for Rate increases based on increases in the cost of doing business for costs other than those normally associated with the Consumer Price Index and California Diesel Retail Sales costs. Those Pass-Through Costs are described in Exhibit B.

For adjustments to the Rates above and beyond the annual increases, the Company shall document the changed conditions that have caused increases in the cost of doing business and provide justification for the requested Rate increases. The Portola City Council shall consider the Company's documentation and any other relevant information prior to approving any Pass-Through Cost Rate increase. The City Council may, at its sole discretion, after compliance with Proposition 218 and provided that there has been an insufficient protest to prohibit an increase in Rates, approve all, a portion, or none of the Company's request for a Rates adjustment.

If the City Council does not approve, or the Parties cannot otherwise agree on, the Rate increase, then, within ten (10) days of the City Council denying the Rate increase, the Company may seek mediation, in which case, the Parties shall mediate the dispute pursuant to Section 9.6. If mediation is unsuccessful, then the Company may request arbitrations, in which case the Parties shall arbitrate the dispute pursuant to Section 9.6. The decision of the arbitrator shall be final and non-appealable by either Party.

5.6 Elimination of Customer-Supplied Cans (Amendment No. 2)

To facilitate Company's transition to new Residential Solid Waste Collection equipment during calendar year 2022, Company shall replace Customer-supplied Cans with a Waste Cart coincident with Company's deployment of an automated side-loader Collection vehicle.

Company shall contact each Customer who uses and are charged fees for Customer-supplied Cans at least two (2) weeks prior to the date of the anticipated change to an automated side-loader Collection vehicle. Company shall confirm with each affected Customer the size of Waste Cart to replace the Customer-supplied Can(s).

Company shall waive Waste Cart delivery charge for all affected Customers who subscribe to and pay fees for Customer-supplied Cans at the time of Company's transition to an automated side-loader Collection vehicle.

The Rates for Customer-supplied Cans in the Rates schedule shall be eliminated upon Company's commencement of Residential Solid Waste Collection using an automated side-loader Collection vehicle.

ARTICLE 6. RECORDS AND REPORTS

6.1 General

The Company shall maintain such accounting, statistical and other records related to its performance under this Agreement as shall be necessary to develop the financial statements and other reports required by this Agreement. Also, the Company agrees to conduct data collection, information and record keeping, and reporting activities needed to comply with applicable laws and regulation and to meet the reporting and Solid Waste program management needs of the City.

6.2 Records

6.2.1 General

The Company shall maintain records required to conduct its operations, to support requests it may make to the City, and to respond to requests from the City. Adequate record security shall be maintained to preserve records from events that can be reasonably anticipated such as a fire, theft and earthquake. Electronically maintained data records shall be protected and backed up. All records shall be maintained for three (3) years after the expiration of this Agreement.

The Company agrees that the records of operations addressed in the Agreement shall be provided or made available to the City during normal business hours. The City may review or utilize any of the records described in this section for any purpose whatsoever.

6.2.2 Solid Waste and Recycling Records

Records shall be maintained by the Company for the City relating to:

- (a) Customer services and billing;
- (b) Routes;
- (c) Facilities, equipment and personnel used;
- (d) Complaints;
- (e) Missed pick ups;
- (f) Number of Solid Waste and Recycling Containers; and
- (g) Tons of Solid Waste Company Collects, processes, diverts, Recycles, and Disposes; and
- (h) Any other records that City may request in order to comply with any reporting obligations under any federal, state or local law or regulation

and/or as a condition of any grant, loan or other funding agreement to which City may presently or hereinafter be a party.

6.2.3 CERCLA Defense Records

The City views the ability to defend against the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) and related litigation as a matter of great importance. For this reason, the City regards the ability to prove where Solid Waste Collected in the City was taken for Disposal, as well as where it was not taken, to be matters of concern. The Company shall maintain data retention and preservation systems which can establish where Solid Waste Collected in the City was landfilled (and therefore establish where it was not landfilled) and provide a copy of the reports required in Section 8.3 for five (5) years after the term of this Agreement, or provide copies of such records to the City.

6.2.4 Complied Financial Statements

Company shall provide City with full disclosure compiled financial statements no less than every six months. Company shall provide City with access to financial records that pertain to services performed under this Agreement. The Company shall cooperate in making financial records available to City at reasonable times. The City Manager (or designee) may inspect financial records in the Company's business office. City shall have the right to examine revenue and other related records as deemed necessary by the City. At the City's request, the Company financial statements shall be examined by an independent Certified Public Accountant, at the City's expense. If significant and/or material discrepancies are found during the examination by the Certified Public Accountant, a more comprehensive review or audit shall be conducted at the Company's expense.

6.3 Reports

6.3.1 Report Formats and Schedule

The Company shall submit quarterly and annual reports to the City in a form prescribed by the City Manager and which provides information on the Company's solid waste Solid Waste and Recyclable Materials Collection operations, within the boundaries of the City. Said reports shall be submitted to the city no later than thirty (30) days after the end of each calendar quarter. Documentation supporting the amount of Recyclable Materials Collected, delivered to appropriate End Markets, or otherwise disposed of, and any other documentation and necessary to verify the Company's Recycling operations, shall be maintained by the Company for at least three years

All reports shall be submitted to:

City Manager
City of Portola
P.O. Box 1225
Portola, CA 96122

6.3.2 Quarterly Reports

The information listed shall be the minimum reported:

- (a) Solid Waste Collected, Recycled, and Disposed of by the Company for the quarter (in tons).
- (b) Materials Recovered. Statement showing kinds of material and quantity sold (in tons).
- (c) Complaint summary for the quarter summarized by nature of complaints on a compatible computer disc.
- (d) Narrative summary of problems encountered (including scavenging) and actions taken with recommendations for the City, as appropriate.
- (e) Number of accounts by category shown for each month for Customers billed by the Company.
- (f) Copies of promotional and public education materials sent during the quarter.

6.3.4 Annual Report

The Annual Report is to be essentially in the form and content of the quarterly reports combined, but shall also include:

- (a) An account list of all commercial Customers billed by the Company, including service address, billing address, service levels (i.e. number of Containers, Container size, and frequency of service) and monthly rates.
- (b) Number of Carts in service by type of Customer (Residential, Commercial), service (Solid Waste, Recycling).
- (c) CERCLA Defense records required under Section 6.2.3.
- (d) Name, address, and phone numbers of all residential Customers.

ARTICLE 7. INDEMNIFICATION, INSURANCE AND BOND

7.1 Indemnification

The Company hereby agrees to and shall defend, indemnify and hold harmless the City, its elected and appointed officers, employees, and agents (collectively the “Indemnitees”) from and against any and all loss, liability, penalty, forfeiture, claim, demand, action, proceeding or suit in law or equity of any and every kind and description (including, but not limited to, injury to and death of any Person and damage to property, or for contribution or indemnity claimed by third parties) arising or resulting from and in any way connected with (1) the actions, omissions, negligence or willful misconduct of the Company, its officers, employees, agents, and Subcontractors in performing services under this Agreement; (2) the failure of the Company, its officers, employees, agents, and Subcontractors to comply in any and/or all respects with the provisions of this Agreement, applicable laws (including, without limitation, the Environmental Laws), ordinances and regulations, and/or applicable permits and licenses; (3) the acts of the Company, its officers, employees, and agents in performing services under this Agreement for which strict liability is imposed by law (including, without limitation, the Environmental Laws). The Company further agrees to and shall, upon demand of the City, at the Company's sole cost and expense, defend (with attorneys reasonably acceptable to the City) the Indemnitees against any claims, actions, suits in law or equity or other proceedings, whether judicial, quasi-judicial or administrative in nature, arising or resulting from any of the aforementioned events.

7.2 Insurance

The City does not, and shall not, waive any rights against the Company which it may have by reason of the aforesaid defense, indemnity and hold harmless obligations, because of acceptance by the City or the deposit with the City by the Company of the insurance policies described in this provision.

Company shall procure and maintain for the duration of this Agreement insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the Company, his agents, representatives, employees, or subcontractors. With respect to General Liability, Errors & Omissions, Contractors Pollution Liability, and/or Asbestos Pollution Liability, coverage should be maintained for a minimum of five (5) years after contract completion.

A. Minimum Scope and Limit of Insurance.

The Company shall maintain in force for the term of this Agreement insurance coverage as broad as:

1. **Commercial General Liability (CGL):** Insurance Services Office Form CG 00 01 covering CGL on an “occurrence” basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **\$2,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.

2. **Automobile Liability:** Insurance Services Office Form Number CA 0001 covering any auto (Code 1), or if Company has no owned autos, hired (Code 8) and non-owned (Code 9) autos, with limit no less than **\$1,000,000** per accident for bodily injury and property damage.
3. **Workers' Compensation** insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.
4. **Contractors Pollution Liability and/or Asbestos Pollution Liability and/or Errors & Omissions** applicable to the work being performed, with a limit no less than \$2,000,000 per claim or occurrence and \$2,000,000 aggregate per policy period of one year.

If the Company maintains broader coverage and/or higher limits than the minimums set forth above, the City requires and shall be entitled to the broader coverage and/or higher limits maintained by the Company. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

B. Self Insured Retentions

Self-insured retentions must be declared to and approved by the City. At the option of the City, the Company shall provide coverage to reduce or eliminate such self-insured retentions as respects the City, its officers, officials, employees, and volunteers; or the Company shall provide evidence satisfactory to the City guaranteeing payment of losses and related investigations, claim administration, and defense expenses. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or City.

C. Other Insurance Provisions

1. The General Liability, Automobile Liability, Contractors Pollution Liability, and/or Asbestos Pollution policies are to contain, or be endorsed to contain, the following provisions:
 - a. **The City, its officers, officials, employees, and volunteers are to be covered as additional insureds** with respect to liability arising out of work or operations performed by or on behalf of the Company including materials, parts or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Company's insurance (at least as broad as ISO Form CG 20 10, CG 11 85 or **both** CG 20 10, CG 20 26, CG 20 33, or CG 20 38; **and** CG 20 37 forms if later revisions used).
 - b. For any claims related to this project, **the Company's insurance coverage shall be primary insurance** coverage at least as broad as ISO CG 20 01 04 13 as respects the City, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials,

employees, agents, or volunteers shall be excess of the Company's insurance and shall not contribute with it.

c. Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the City.

2. The Automobile Liability policy shall be endorsed to include Transportation Pollution Liability insurance, covering materials to be transported by Company pursuant to this Agreement. This coverage may also be provided on the Contractors Pollution Liability policy.

3. If General Liability, Contractors Pollution Liability and/or Asbestos Pollution Liability and/or Errors & Omissions coverages are written on a claims-made form:

a. The retroactive date must be shown, and must be before the date of this Agreement or the beginning of contract work.

b. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract of work.

c. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the contract effective date, the Company must purchase an extended period coverage for a minimum of five (5) years after completion of contract work.

d. A copy of the claims reporting requirements must be submitted to the City for review.

e. If the services involve lead-based paint or asbestos identification / remediation, the Contractors Pollution Liability shall not contain lead-based paint or asbestos exclusions. If the services involve mold identification / remediation, the Contractors Pollution Liability shall not contain a mold exclusion and the definition of "Pollution" shall include microbial matter including mold.

D. Acceptability of Insurers

Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best rating of no less than A:VII if admitted in the State of California.

E. Verification of Coverage

Contractor shall furnish the City with original Certificates of Insurance including all required amendatory endorsements (or copies of the applicable policy language effecting coverage required by this Agreement) and a copy of the Declarations and Endorsement Page of the CGL policy listing all policy endorsements to City before work begins. However, failure to obtain the required documents prior to the work beginning shall not waive the Company's obligation to provide them. The City reserves the right

to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

F. Waiver of Subrogation

Company hereby grants to City a waiver of subrogation which any insurer may acquire against City, its officers, officials, employees, and volunteers, from Company by virtue of the payment of any loss. Company agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation but this provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer.

The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Company, its employees, agents, and subcontractors.

G. Subcontractors

Company shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Company shall ensure that City is an additional insured on insurance required from subcontractors. For CGL coverage subcontractors shall provide coverage with a format least as broad as CG 20 38 04 13.

H. Special Risks or Circumstances

City reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

I. No Limitation of Liability

The minimum amounts set forth in this Agreement for such insurance shall not be construed to limit the liability of the Company to the City under this Agreement to the amounts of such insurance

7.3 Faithful Performance Bond

The Company shall, at least fourteen (14) days prior to the commencement of operation, file with the City a performance bond in the amount of fifty thousand dollars (\$50,000) payable to the City for all losses and damages the City may sustain as a result of any act or omission of the Company, its employees and agents arising from the operation or termination of the services under this Agreement, and including any payments required to be made to the City hereunder. Such bond shall be obtained from an insurance company licensed to do business in the State of California with a Best's Guide rating of "B" or better, or, in the alternative, an unlicensed, U.S. domiciled company with a Best's Guide rating of "A", and shall be in a form approved by the City Manager. In no event shall the amount of such bond be construed to limit the liability of the Company for damages.

ARTICLE 8. FAILURE TO PERFORM

8.1 City's Right to Perform Services

In the event that Company fails, refuses, or is unable to Collect and Dispose of Solid Waste or operate the ERC at Portola Landfill, as this Agreement requires, at the time and manner provided in this Agreement, for a period of ten (10) days, then the City shall have the right, but not the obligation, upon written notice to Company, to perform, or cause to be performed, such services itself with its own personnel and/or with the services of any other person, firm, entity or corporation. In such an event, Company shall not be liable for the actions or omissions of the City or any other party with whom City engages to perform the services; provided, however, Company shall be liable to the City for the cost of providing the Solid Waste services until such time as either Company fully resumes proper and appropriate services or this Agreement is terminated pursuant to Article 9; provided, however, that Company's liability to City for the cost of providing the services pursuant to this Section 8.1 shall be limited to the cost City incurs, either directly or indirectly under a contract with a third party. Notice of Company's failure, refusal or neglect to Collect and Dispose of Solid Waste may be faxed to Company at its principal office and shall be effective immediately. Written confirmation of such faxed notification shall be sent to Company within twenty-four (24) hours of the faxed notification.

ARTICLE 9. DEFAULT, REMEDIES AND LIQUIDATED DAMAGES

9.1 Events of Default

The Company shall be deemed to be in default with respect to the performance of its obligations under its this Agreement upon the occurrence of any of the following events:

- A. The Company is in violation of the provisions of this Agreement, the Solid Waste Ordinance portion of the City Code, or any federal or state law or regulation applicable to the operation of the Company's service in the City and such violation is not corrected within thirty (30) days following receipt of written notice thereof from the City Manager specifying such violation or, if more than thirty (30) days are reasonably required to correct such violation, within such additional time as the City Manager shall consider reasonably necessary to effect such correction.
- B. The Company has failed to perform according to the specifications and standards in this Agreement, including, but not limited to, any required standards for the maintenance of collection schedules, hours of collection, vehicle and equipment maintenance and condition, collection of missed collections within a specified time, and maintenance of a business office location with specified hours of operation and procedures for responding to customer complaints.
- C. The Company has engaged in repeated violations of any of its material obligations under this Agreement, the Solid Waste Ordinance portion of the City Code or any material federal or state law or regulation applicable to the operation of the Company's service in the City, which shall be deemed to exist if the same or similar violation occurs three (3) or more times within any twelve (12) month period. In any such case, the Company shall not be entitled to notice or a period to correct the third such violation.

9.2 Remedies upon Default

Upon the occurrence of any event of default by the Company, the City Council may invoke any or all of the following remedies upon default:

- A. Assess against the Company monetary penalties not to exceed One Thousand Dollars (\$ 1,000.00) for each such event of default or series of related events of default and/or require the Company to cure each such event of default within such time, in such manner, and upon such terms and conditions as the City Council shall designate; or
- A. Implement the procedures required to exercise the City's rights under the conditions of the Performance Bond; or
- B. Revoke and terminate the Company's franchise and this Agreement.

9.3 Public Hearing

Prior to imposing any such remedy or remedies upon the Company upon the occurrence of any such event of default, the City shall do the following:

- A. The City shall provide the Company with at least fifteen (15) days prior written notice of the time and place of a public hearing to be held before the City Council for purposes of determining whether such event of default has occurred and, if it has occurred, whether such event of default was for just cause. Notice as to the time and place of such hearing shall be published at least once ten (10) days before such hearing in a newspaper of general circulation within the City;
- B. The Company shall be afforded full due process in connection with such hearing, including, but not limited to, an opportunity to introduce evidence, to require the production of evidence, and to introduce and/or question persons connected with or having knowledge of the alleged default. A transcript may be made of the hearing at the Company's expense;
- C. The City Council shall hear any persons interested therein and, based upon the evidence presented at such hearing, shall determine whether or not an event of default by the Company has occurred;
- D. If the City Council shall determine that an event of default occurred by the Company and such default was with just cause, the City Council shall direct the Company to correct or remedy the same within such additional time, in such manner, and upon such terms and conditions as the Council determines to be necessary; or
- E. If the City Council shall determine that an event of default occurred by the Company and such default was without just cause, then the City Council may, by resolution, impose any one or more of the remedies set forth in section 9.2 and 9.4 of this Agreement.

9.4 Liquidated Damages

The City finds, and the Company agrees, that as of the time of the execution of this Agreement, it is impractical, if not impossible, to reasonably ascertain the extent of damages which shall be incurred by the City as a result of a breach by the Company of its obligations under this Agreement. The parties further acknowledge that consistent, reliable Solid Waste Collection service is of utmost importance to the City and that the City has considered and relied on the Company's representations as to its quality of service commitment in awarding the Franchise to it. The parties further recognize that some quantified standards of performance are necessary and appropriate to ensure consistent and reliable service and performance. The parties further recognize that if the Company fails to achieve the performance standards, or fails to submit required documents in a timely manner, the City and its residents will suffer damages and that it is and will be impractical and extremely difficult to ascertain and determine the exact amount of damages that the City will suffer. Therefore, the parties agree that the following liquidated

damage amounts represent a reasonable estimate of the amount of such damages considering all of the circumstances existing on the date of this Agreement

A. Collection Reliability

1. For each failure to Collect Solid Waste, which has been properly set out for Collection on the scheduled Collection day and not Collected within the period described in this Agreement which exceeds ten (10) such failures annually: \$100.00
2. For each failure to Collect Solid Waste, which has been properly set out for Collection, from the same Customer on two (2) consecutive scheduled pickup days: \$100.00

B. Collection Quality

1. For each occurrence of uncompensated damage to private property which exceeds five (5) such occurrences annually: \$200.00
2. For each occurrence of excessive noise or discourteous behavior: \$200.00
3. For each failure to clean up Solid Waste spilled from Solid Waste Containers which exceeds ten (10) such failures annually: \$100.00
4. For each occurrence of Collecting Solid Waste during unauthorized hours which exceeds five (5) such occurrences annually: \$200.00
5. For each failure to clean or replace Containers in accordance with this Agreement which exceeds ten (10) such failures annually: \$50.00

C. Customer Responsiveness

1. For each failure to initially respond to a Customer complaint within one (1) business day: \$75.00
2. For each failure to process Customer complaints to the City as required by this Agreement: \$250.00

D. Timeliness of Submissions to the City

Any report shall be considered late until such time as a correct and complete report is received by the City. For each calendar day a report is late, the daily liquidated damage amount shall be:

- | | | |
|----|--------------------|---------------|
| 1. | Quarterly Reports: | \$75 per day |
| 2. | Annual Reports: | \$150 per day |

Liquidated damages will only be assessed after the Company has been given the opportunity but failed to rectify the damages as described in this Agreement.

The City may determine the occurrence of events giving rise to liquidated damages through the observation of its own employees or representative or investigation of Customer complaints.

Prior to assessing liquidated damages, the City shall follow the procedure set forth in section 9.4.1.

9.4.1 Procedure for Review of Liquidated Damages

City may assess liquidated damages pursuant to this Section 9.4 on a quarterly basis. At the end of each month during the term of this Agreement, City shall issue a written notice to Company of the liquidated damages assessed and the basis for each assessment. The assessment shall become final unless, within ten (10) days of the day Company receives such notice, Company provides a written request for a meeting with the City to present evidence that the assessment should not be made. The Parties shall meet with ten (10) days of City’s receipt of Company’s notice. City shall consider Company’s evidence in good-faith and render a written decision sustaining or reversing any disputed liquidated damages within five (5) days of the meeting. If the total assessed charges for any one (1) quarterly assessment are equal to or less than One Thousand Five Hundred Dollars and No/100 Cents (\$1,500.00), then the decision of the City shall be final and non-appealable. If the total assessed damages are greater than One Thousand Five Hundred Dollars and No/100 Cents (\$1,500.00), then, within five (5) days of receiving the City’s written decision, the Company may seek alternate dispute resolution pursuant to Section 9.6.

9.4.2 Non-Exclusive Damages

City’s assessment or collection of liquidated damages shall not preclude or prevent City from exercising or seeking any other right or remedy, including, without limitation, the assessment of any administrative penalties, termination, or seeking legal recourse in a court of equity or in law.

9.5 Excuse from Performance

The parties shall be excused from performing their respective obligations hereunder in the event they are prevented from so performing by reason of floods, earthquakes, other natural disasters, war, civil insurrection, riots, acts of any government (including judicial action), picketing at Customer Collection locations that blocks access to container pick up points, and other similar catastrophic events which are beyond the control of and not the fault of the party claiming excuse from performance hereunder. Labor unrest, including but not limited to strike, work stoppage or slowdown, sick-out, picketing, or other concerted job action conducted by the Company's

employees or directed at the Company is not an excuse from performance and the Company shall be obligated to continue to provide service notwithstanding the occurrence of any or all of such events. The party claiming excuse from performance shall, within two (2) days after such party has notice of such cause, give the other party notice of the facts constituting such cause and asserting its claim to excuse under this Section. The interruption or discontinuance of the Company's services caused by one or more of the events excused shall not constitute a default by the Company under this Agreement.

9.6 Mediation and Arbitration

Any dispute arising out of or relating to this Agreement shall first be mediated between the Parties. Within five (5) days of receiving notice from the other Party of a request to mediate a dispute, the Parties shall mutually agree on a mediator. Mediation shall occur within fifteen (15) days of receiving notice from the other Party of the request to mediate a dispute. Unless otherwise agreed at mediation, the costs of mediation shall be borne equally between the Parties. Unless agreed otherwise by the parties, mediation shall take place in Portola, California.

Upon the written request of a Party, any dispute arising out of or relating to this Agreement which was not resolved by mediation as required herein shall be submitted within five (5) days for binding arbitration in accordance with its Commercial Comprehensive Rules of the American Arbitration Association, unless the Parties agree otherwise and consent, in writing, to a different method of dispute resolution. The Parties agree to use their best efforts to arbitrate the dispute within thirty (30) days of a Party making a written request for arbitration. The arbitrator shall be vested with the power to allocate the costs of arbitration as it deems appropriate. The decision of the arbitrator shall be in writing. Unless agreed otherwise by the parties, arbitration shall take place in Portola, California.

Until the arbitrator makes its final decision, the parties shall maintain the status quo and all terms and conditions of this Agreement shall remain in full force and effect, including, without limitation, the Company's obligation to perform Solid Waste Collection services and the Company's right to bill Customers and receive Company Compensation for such services.

9.7 Assurance of Performance

The City may, at its option and in addition to all other remedies it may have, demand from the Company reasonable assurances of timely and proper performance of this Agreement, in such form and substance as the City may require. If the Company fails or refuses to provide satisfactory assurances of timely and proper performance in the form and by the date required by the City, such failure or refusal shall be an event of default.

ARTICLE 10. MISCELLANEOUS

10.1 Relationship of Parties

The parties intend that the Company shall perform the services required by this Agreement as an independent contractor engaged by the City and not as an officer or employee of the City nor as a partner of or joint venture with the City. No employee or agent of Company shall be or shall be deemed to be an employee or agent of the City. Except as expressly provided herein, the Company shall have the exclusive control over the manner and means of conducting the Solid Waste Collection services performed under this Agreement, and all Persons performing such services. The Company shall be solely responsible for the acts and omissions of its officers, employees, and agents. Neither the Company nor its officers, employees, and agents shall obtain any rights to retirement benefits, workers' compensation benefits, or any other benefits which accrue to the City employees by virtue of their employment with the City.

10.2 Compliance with Law

In providing the services required under this Agreement, the Company shall comply with all applicable laws and regulations of the United States, the State of California, the County and the City, now in force and as they may be enacted, issued or amended during the term of this Agreement. The City shall comply with all applicable regulations promulgated by federal, state, regional or local administrative and regulatory agencies, now in force and as they may be enacted, issued or amended during the term of this Agreement.

Company acknowledges and warrants that it is fully acquainted with the provisions of the City Code; Company agrees that, in performing this Agreement, it will comply with those provisions of the City Code that are applicable to the work or business in which it is herein licensed or engaged, and with any and all amendments to those provisions of said City Code during the term of this Agreement. If the City or the County should enact any law, regulation, ordinance that materially impacts the terms of this Agreement, the Company shall be entitled to increase the Rates in accord with Section 5.4.

10.3 Assignment

This Franchise is awarded based in the selection of Company, its demonstrated ability to perform, and the relationship previously established between Company's personnel and the City. Accordingly, this Franchise shall not be transferred, sold, pledged, hypothecated, leased, or assigned, nor shall any of the rights or privileges herein be transferred, sold, pledged, hypothecated, leased or assigned, either in whole or in part, without the prior written approval of the Portola City Council. Any attempt by Company to effectuate any of the foregoing without the City Council's approval shall be null and void. City may impose conditions and restrictions on any assignment or request for assignment, including, without limitation, conditions relating to payment of all of City's costs relating to such transfer and the acceptance of amendments to this Franchise.

10.4 Subcontracting

The Company shall not engage any companies or Subcontractors for Collection, transfer, Recycling or Disposal of Solid Waste without the prior written approval of the City Council.

10.5 Notice

All notices, demands, requests, proposals, approvals, consents and other communications which this Agreement requires, authorizes or contemplates shall be in writing and shall either be personally delivered to a representative of the parties at the address below or be deposited in the United States mail, first class postage prepaid, addressed as follows:

If to City: City Manager
 City of Portola
 P.O. Box 1225
 Portola, CA 96122

If to the Company: General Manager
 Intermountain Disposal, Inc.
 P.O. Box 1596
 Portola, CA 96122

Notice shall be deemed given on the day it is personally delivered or, if mailed, three (3) days from the date of the postmark.

10.6 City Free to Negotiate with Third Parties

Notwithstanding the exclusive nature of the Franchise, the City may investigate all options for the Collection, transporting, Recycling, processing and Disposal of Solid Waste and Recyclable Materials at any time prior to the expiration of the term of this Agreement. Without limiting the generality of the foregoing, the City may solicit proposals from the Company and from third parties for the provision of Collection services, Disposal services, Recycling services, and any combination thereof, and may negotiate and execute agreements for such services which will take effect upon the expiration or earlier termination of this Agreement.

10.7 Privacy

The Company shall strictly observe and protect the rights of privacy of Customers. Information identifying individual Customers or the composition or contents of a Customer's waste stream shall not be revealed to any Person, governmental unit, private agency, or company, unless upon the authority of a court of law, by statute, or upon valid authorization of the Customer. This provision shall not be construed to preclude the Company from preparing, participating in, or assisting in the preparation of waste characterization studies or waste stream analyses which may be required by AB 939. This provision shall not apply to reports or records provided to City pursuant to this Agreement.

10.8 Cooperation Following Termination

At the end of the term of this Agreement or in the event this Agreement is terminated for cause prior to the end of the term of this Agreement, the Company agrees to immediately pay all amounts due to the City, cooperate fully with the City and any subsequent company to assure a smooth transition of Solid Waste management services. The Company's cooperation shall include, but not be limited to, providing operating records needed to service all properties covered by this Agreement.

10.9 Proprietary Information, Public Records

The City acknowledges that a number of the records and reports of the Company are proprietary and confidential. Regular monthly, quarterly, and annual reports are not proprietary. The City will endeavor to maintain the confidentiality of all proprietary information provided by the Company. Notwithstanding the foregoing, any documents provided by the Company to the City that are public records may be disclosed pursuant to a proper public records request.

10.10 Waiver

The waiver by either party of any breach or violation of any provisions of this Agreement shall not be deemed to be a waiver of any breach or violation of any other provision nor of any subsequent breach or violation of the same or any other provision. The subsequent acceptance by either party of any moneys which become due hereunder shall not be deemed to be a waiver of any pre-existing or concurrent breach or violation by the other party of any provision of this Agreement.

10.11 Binding on Assigns

The provisions of this Agreement shall inure to the benefit of and be binding on the permitted assigns of the parties.

10.12 Governing Law; Jurisdiction; Attorney's Fees

This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of California. Any lawsuits, mediation, or arbitration between the parties arising out of this Agreement shall be brought and concluded in the Superior Court in and for the County of Plumas, State of California, if in state court, or in the Federal District Court for the Eastern District of California, if in federal court, which shall have exclusive jurisdiction over such lawsuits. The prevailing party in any arbitration or court action to enforce or interpret this Agreement shall be entitled to an award of reasonable attorneys' fees and costs, except if that Party did not request or participate in mediation when required to so pursuant to this Agreement.

10.13 Entire Agreement

This Agreement, including the Exhibits, represents the full and entire Agreement between the parties with respect to the matters covered herein. No verbal agreement or conversation with any office, agent, or employee of the City, either before, during, or after the execution of this Agreement, shall affect or modify any of the terms or obligations herein contained nor shall such

verbal agreement or conversation entitle the Company to any additional payment whatsoever under the terms of this Agreement.

10.14 Section Headings

The article headings and section headings in this Agreement are for convenience of reference only and are not intended to be used in the construction of this Agreement nor to alter or affect any of its provisions.

10.15 Amendment

This Agreement may be amended or modified only by written agreement duly authorized by the Portola City Council and executed by the parties hereto.

10.16 Interpretation

This Agreement, including the exhibits attached hereto, shall be interpreted and construed reasonably and neither for nor against either party, regardless of the degree to which either party participated in its drafting.

10.17 Severability

Except as may otherwise be expressly provided for herein, if any non-material provision of this Agreement is for any reason deemed to be invalid and unenforceable, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this Agreement which shall be enforced as if such invalid or unenforceable provision had not been contained herein. If any material provision of this Agreement is for any reason deemed to be invalid and unenforceable, the parties agree to negotiate, in good faith, valid and enforceable provisions to replace the invalid or unenforceable provision. If, after good faith negotiations, the Parties are not able to agree on such alternate terms, then either Party may terminate this Agreement in accord with Section 9.3; provided; however, that the parties have exhausted all dispute resolution procedures pursuant to this Agreement.

10.18 Exhibits

Each of the Exhibits identified in this Agreement is attached hereto and incorporated herein and made a part hereof by this reference.

IN WITNESS WHEREOF, the City and the Company have executed this Agreement as of the day and year first above written at the top of this Agreement.

CITY OF PORTOLA

By: ROBERT MEACHER

Its: CITY MANAGER

INTERMOUNTAIN DISPOSAL, INC.
a California corporation

By: RICKY ROSS

Its: VICE PRESIDENT/GENERAL MANAGER

ATTEST:

APPROVED AS TO FORM:

MELISSA KLUNDBY
City Clerk

STEVEN GROSS
City of Portola Counsel

Exhibit A – Pass Through Costs
Exhibit B – Rate Schedules

NOTICE OF PUBLIC HEARING ON PROPOSED 2024 INCREASES IN REFUSE COLLECTION RATES

NOTICE IS HEREBY GIVEN that the Council of the City of Portola will hold a public hearing on proposed increases to the residential and commercial refuse collection rates of the City of Portola, which are billed by Intermountain Disposal in accordance with its franchise agreement with the City. The public hearing will be held on December 13, 2023 at the hour of 6:00 p.m., or as soon thereafter as possible, in the City Council Chamber, Portola City Hall, 35 Third Avenue, Portola, California.

The purpose of the public hearing is to consider all oral and written testimony and written protests of the proposed rates. At the public hearing, any interested person may appear and be heard and/or submit written materials and protests of the proposed rates. Written comments and protests submitted to the City Clerk at the address listed below prior to December 13, 2023 and received prior to the close of the public hearing on December 13, 2023 will be presented to the City Council at the public hearing.

A copy of the proposed rates for refuse collection fees and commercial recycling rates charged by Intermountain Disposal are attached to this Notice. Additional cost data is available for inspection at the City Clerk's Office, 35 Third Avenue, Portola, California. For further information on waste collection fees, contact 832-6803.

PROPOSITION 218 – WRITTEN PROTEST

Owners of parcels, tenants and the public may comment on and protest the proposed rates in writing prior to, or orally during the public hearing. Consistent with the provisions of Proposition 218 (as implemented by Assembly Bill 1260) this Notice has been mailed to all **property owners (and/or tenants)** within the City. If you are a property owner (**and/or tenant**) and wish to protest the proposed rates as described in this Notice, then you must file a written protest with the City before the public hearing is closed. **If the party signing the protest is not shown on the last equalized assessment roll of Plumas County as the owner(s) of the parcel(s), the protest must contain, or be accompanied by, written evidence that such party is the owner, or tenant, of the parcel(s).** If protests from a majority of the affected parcels are timely submitted, the proposed rate increases will not go into effect. Only one protest per parcel will be counted. Owners of multiple properties may submit one protest for each property owned.

LEGAL CHALLENGE

Any judicial action or proceeding to attack, review, set aside, void, validate, or annul an ordinance, resolution, or motion adopting a fee or charge for residential and commercial refuse collection service, shall be commenced within 120 days of the effective date or of the date of the final passage, adoption, or approval of the ordinance, resolution, or motion, whichever is later.

Protests can be mailed or personally delivered to the City Clerk as follows:

Jason Shaw, Deputy City Clerk
City of Portola
P.O. Box 1225
35 Third Avenue
Portola, California 96122

Dated & Published: October 26, 2023

For accessible meeting information, please call (530) 832-6801



Databases, Tables & Calculators by Subject

Change Output Options:

From: 2013 To: 2023 GO

include graphs include annual averages

[More Formatting Options](#) →

Data extracted on: September 14, 2023 (4:09:23 PM)

CPI for All Urban Consumers (CPI-U)

Series Id: CUUR0400SA0

Not Seasonally Adjusted

Series Title: All items in West urban, all urban consumers, not seasonally adjusted

Area: West

Item: All items

Base Period: 1982-84=100

Download: [xlsx](#)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2013	232.759	234.595	235.511	235.488	235.979	236.227	236.341	236.591	237.146	237.000	236.153	236.096	235.824	235.093	236.555
2014	236.707	237.614	239.092	239.808	241.350	241.616	241.850	241.660	241.920	241.650	240.220	239.095	240.215	239.365	241.066
2015	238.318	239.748	241.690	242.302	244.227	244.332	245.040	244.737	244.257	244.341	243.749	243.434	243.015	241.770	244.260
2016	244.600	244.821	245.404	246.589	247.855	248.228	248.375	248.498	249.234	249.897	249.448	249.516	247.705	246.250	249.161
2017	250.814	252.252	252.949	253.806	254.380	254.469	254.708	255.282	256.504	257.223	257.126	257.347	254.738	253.112	256.365
2018	258.638	259.986	260.994	262.037	263.240	263.732	263.971	264.395	265.105	266.195	265.658	265.209	263.263	261.438	265.089
2019	265.624	266.215	267.370	269.522	270.880	270.957	271.029	271.264	272.102	273.524	273.128	272.584	270.350	268.428	272.272
2020	273.340	274.412	273.995	272.913	273.062	274.155	275.597	276.443	276.422	276.876	276.875	276.593	275.057	273.646	276.468
2021	277.238	278.702	280.625	283.507	285.793	288.263	289.863	290.393	291.053	293.397	294.986	296.102	287.494	282.355	292.632
2022	298.705	301.158	305.082	307.145	309.645	313.496	313.951	314.013	315.094	317.299	315.919	314.599	310.509	305.872	315.146
2023	317.477	319.130	320.715	322.187	323.525	324.448	324.865	326.234						321.247	

U.S. BUREAU OF LABOR STATISTICS Postal Square Building 2 Massachusetts Avenue NE Washington, DC 20212-0001

Telephone:1-202-691-5200 Telecommunications Relay Service:7-1-1 www.bls.gov [Contact Us](#)

PETROLEUM & OTHER LIQUIDS

OVERVIEW

DATA

ANALYSIS & PROJECTIONS

GLOSSARY >

FAQS >

Referring Pages:

- [California Gasoline and Diesel Retail Prices](#)
- [Retail Prices for Ultra Low Sulfur Diesel](#)

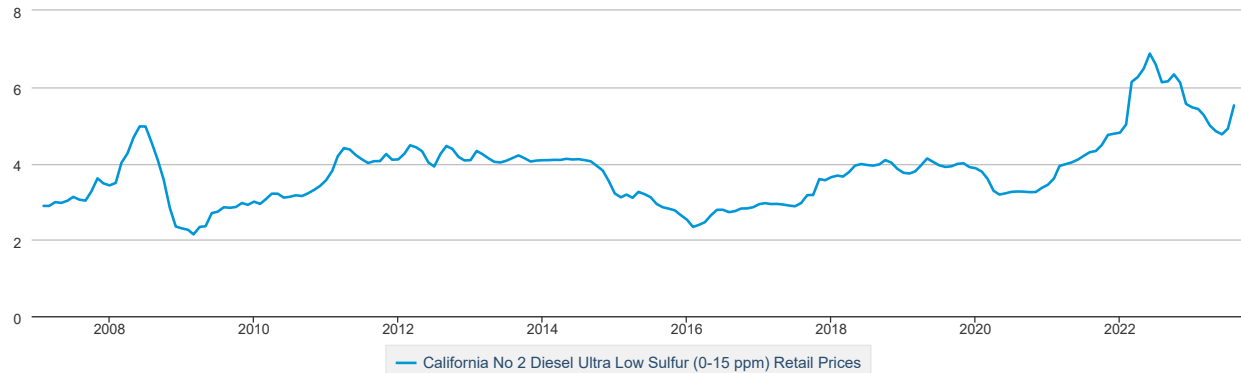
View History: Weekly Monthly Annual

[Download Data \(XLS File\)](#)

California No 2 Diesel Ultra Low Sulfur (0-15 ppm) Retail Prices

↓ DOWNLOAD

Dollars per Gallon



Data source: U.S. Energy Information Administration

Chart Tools

no analysis applied

This series is available through the EIA open data API and can be downloaded to Excel or embedded as an interactive chart or map on your website.

California No 2 Diesel Ultra Low Sulfur (0-15 ppm) Retail Prices (Dollars per Gallon)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2007		2.886	2.885	2.985	2.964	3.019	3.123	3.049	3.024	3.267	3.608	3.475
2008	3.423	3.488	4.014	4.265	4.673	4.968	4.965	4.542	4.087	3.568	2.832	2.345
2009	2.297	2.260	2.139	2.336	2.354	2.697	2.734	2.850	2.837	2.856	2.962	2.913
2010	2.997	2.938	3.058	3.206	3.205	3.102	3.124	3.164	3.144	3.214	3.305	3.408
2011	3.560	3.804	4.187	4.400	4.362	4.213	4.106	4.009	4.057	4.059	4.245	4.095
2012	4.103	4.251	4.474	4.419	4.316	4.027	3.917	4.240	4.456	4.376	4.170	4.076
2013	4.083	4.325	4.245	4.134	4.040	4.023	4.068	4.138	4.209	4.134	4.048	4.073
2014	4.082	4.084	4.092	4.089	4.119	4.101	4.110	4.085	4.054	3.938	3.813	3.542
2015	3.212	3.110	3.182	3.098	3.254	3.192	3.115	2.935	2.850	2.814	2.768	2.644
2016	2.526	2.335	2.387	2.459	2.636	2.782	2.785	2.722	2.749	2.817	2.820	2.851
2017	2.932	2.957	2.935	2.938	2.922	2.895	2.876	2.959	3.168	3.172	3.587	3.559
2018	3.639	3.680	3.654	3.773	3.941	3.982	3.957	3.940	3.973	4.086	4.018	3.858
2019	3.753	3.734	3.789	3.953	4.128	4.035	3.949	3.906	3.923	3.985	4.003	3.902
2020	3.873	3.787	3.601	3.283	3.182	3.216	3.254	3.263	3.259	3.246	3.250	3.356
2021	3.439	3.607	3.931	3.980	4.024	4.095	4.195	4.291	4.324	4.481	4.745	4.776
2022	4.803	5.018	6.133	6.260	6.479	6.874	6.587	6.123	6.149	6.330	6.121	5.558
2023	5.467	5.423	5.263	4.990	4.842	4.760	4.907	5.518				

- = No Data Reported; -- = Not Applicable; NA = Not Available; W = Withheld to avoid disclosure of individual company data.

Release Date: 9/11/2023

Next Release Date: 9/18/2023

Referring Pages:

- [California Gasoline and Diesel Retail Prices](#)
- [Retail Prices for Ultra Low Sulfur Diesel](#)

**INTERMOUNTAIN DISPOSAL COMPANY
ANNUAL ADJUSTMENT OF RATES FOR THE 2024 CALENDAR YEAR (RATE YEAR 7)**

Annual Rate Adjustment Calculated per Section 5.3 of the Franchise Agreement, as Amended August 25, 2021

Rate Adjustment Calculations

Adjust for Changes in CPI and Fuel Costs August 2022 through August 2023

% Increase = 90% Annual Change West Region CPI (Aug/Aug) + 10% Annual Change California Fuel (Aug/Aug)

August 2022 West Urban CPI: 314.013 Data Reference: <https://data.bls.gov/cgi-bin/surveymost?cu>

August 2023 West Urban CPI: 326.234

August 2022 EIA Cal Diesel Fuel: \$6.123 Date Reference: [www.eia.gov/dnav/pet/pet_pri_gnd_dcus_sca_m .htm](http://www.eia.gov/dnav/pet/pet_pri_gnd_dcus_sca_m.htm)

August 2023 EIA Cal Diesel Fuel: \$5.518

CPI/Fuel Percent Increase = 2.51%

**INTERMOUNTAIN DISPOSAL PROPOSED 2024 RATE INCREASE
RATES EFFECTIVE JANUARY 1, 2024 UPON APPROVAL FROM PORTOLA CITY COUNCIL**

**COMMERCIAL AND RESIDENTIAL CAN RATES
2024 RATE INCREASE (RATE YEAR 7)**

Item	Current 2023 Monthly Rates	CPI/Diesel Fuel Increase (2.51%)	Proposed 2024 Monthly Rates
<i>Wastecarts</i>			
32 Gallon Cart	\$15.01	\$0.38	\$15.39
64 Gallon Cart	\$20.40	\$0.51	\$20.92
96 Gallon Cart	\$25.84	\$0.65	\$26.48
<i>Replace Carts</i>			
32 Gallon Cart	\$75.94	\$1.91	\$77.84
64 Gallon Cart	\$86.07	\$2.16	\$88.23
96 Gallon Cart	\$106.32	\$2.67	\$108.99
<i>Recycling Service</i>			
64 Gallon Cart	\$5.30	\$0.13	\$5.43
<i>Green Waste Service</i>			
96 Gallon Cart	\$16.34	\$0.41	\$16.75
<i>Extra Services</i>			
New Service & Reinstatement Fee	\$8.45	\$0.21	\$8.66
Backyard Collection	\$8.45	\$0.21	\$8.67
Car Tire	\$5.36	\$0.13	\$5.50
Truck Tire	\$10.92	\$0.27	\$11.19
Appliances	\$25.71	\$0.65	\$26.36
Mattress/Box Spring	\$51.31	\$1.29	\$52.59
Waste Cart Delivery	\$15.22	\$0.38	\$15.60
One-Time Collection, Up to Four Cans	\$25.45	\$0.64	\$26.09
Returned Check Fee	\$52.97	\$1.33	\$54.30

INTERMOUNTAIN DISPOSAL PROPOSED 2024 RATE INCREASE
RATES EFFECTIVE JANUARY 1, 2024 UPON APPROVAL FROM PORTOLA CITY COUNCIL

COMMERCIAL BIN SERVICE RATES
2024 RATE INCREASE (RATE YEAR 7)

Item	Pick-ups Per Week	Current 2023 Monthly Rates	CPI/Diesel Fuel Increase (2.51%)	Proposed 2024 Monthly Rates
<i>Bin Size</i>				
1 CY	1x	\$66.21	\$1.66	\$67.87
	2x	\$132.31	\$3.32	\$135.63
	3x	\$198.31	\$4.98	\$203.29
1.5 Cy	1x	\$99.66	\$2.50	\$102.16
	2x	\$199.18	\$5.00	\$204.18
	3x	\$298.72	\$7.50	\$306.21
2 CY	1x	\$147.10	\$3.69	\$150.80
	2x	\$294.09	\$7.38	\$301.47
	3x	\$441.04	\$11.07	\$452.11
3 CY	1x	\$248.43	\$6.24	\$254.66
	2x	\$496.70	\$12.47	\$509.17
4 CY	1x	\$264.42	\$6.64	\$271.06
	2x	\$528.73	\$13.27	\$542.01
5 CY	1x	\$330.49	\$8.30	\$338.78
	2x	\$660.81	\$16.59	\$677.40
6 CY	1x	\$411.38	\$10.33	\$421.70
	2x	\$822.62	\$20.65	\$843.27
8 CY	1x	\$578.75	\$14.53	\$593.28
	2x	\$1,157.34	\$29.05	\$1,186.39
<i>Extra Services</i>				
New Service & Reinstatement Fee		\$8.45	\$0.21	\$8.66
Extra Yardage		\$17.12	\$0.43	\$17.55
Extra Cans		\$6.53	\$0.16	\$6.69
Container Delivery		\$57.38	\$1.44	\$58.82
Container Relocation		\$28.67	\$0.72	\$29.39
Weekly Rental Charge				
1 CY		\$10.56	\$0.27	\$10.83
1.5 CY		\$15.88	\$0.40	\$16.28
2 CY		\$23.38	\$0.59	\$23.97
3 Cy		\$39.57	\$0.99	\$40.57
4 CY		\$41.96	\$1.05	\$43.02
5 Cy		\$52.67	\$1.32	\$53.99
Car Tire		\$5.36	\$0.13	\$5.50
Truck Tire		\$10.92	\$0.27	\$11.19
Return Charge		\$12.67	\$0.32	\$12.99
Off-Day Collection		\$25.32	\$0.64	\$25.96
Bear-Resistant Bin		\$21.67	\$0.54	\$22.21
Bin Unlock/Lock		\$41.20	\$1.03	\$42.23
Bin Repair Per Hour		\$76.51	\$1.92	\$78.43

**INTERMOUNTAIN DISPOSAL PROPOSED 2024 RATE INCREASE
RATES EFFECTIVE JANUARY 1, 2024 UPON APPROVAL FROM PORTOLA CITY COUNCIL**

**ROLL-OFF BOX RATES
2024 RATE INCREASE (RATE YEAR 7)**

	ROLL-OFF BOXES			Delivery Charge		
	Current 2023 Rates	CPI/Diesel Fuel Increase (2.51%)	Proposed 2024 Rates	Current 2023 Rates	CPI/Diesel Fuel Increase (2.51%)	Proposed 2024 Rates
<i>Box Size</i>						
10 CY	\$320.24	\$8.04	\$328.28	\$55.99	\$1.41	\$57.39
12 CY	\$399.55	\$10.03	\$409.58	\$55.99	\$1.41	\$57.39
20 CY	\$555.11	\$13.93	\$569.04	\$55.99	\$1.41	\$57.39
25 CY	\$668.88	\$16.79	\$685.67	\$55.99	\$1.41	\$57.39
30 CY	\$815.19	\$20.46	\$835.65	\$55.99	\$1.41	\$57.39
40 CY	\$1,107.42	\$27.80	\$1,135.21	\$55.99	\$1.41	\$57.39
<i>Demurrage Charge</i>						
Daily	\$16.95	\$0.43	\$17.37			
Weekly	\$49.45	\$1.24	\$50.69			
<i>Extra Services</i>						
Off-Day Relocation, Per Hour	\$110.77	\$2.78	\$113.55			
Overweight Per ton (>8Tons)	\$98.35	\$2.47	\$100.82			
Standby Monday- Friday, Per Hour	\$107.24	\$2.69	\$109.93			
Standby Off Hours, Per Hour	\$166.16	\$4.17	\$170.33			

October 30, 2023

To whom it may concern:

I, **Vincent R. Juan**, with residence at **227 W. Loyalton Ave., Portola, CA 96122**, would like to protest the rate increase in refuse collection rates. I am a seasonal resident and I rarely use my trash bin.

Thanks.



Vincent Juan



City of Portola

35 Third Avenue - PO. Box 1225

Portola, California 96122

Fax: (530) 832-5418

(530) 832-4216

www.ci.portola.ca.us

December 4, 2023

Jim Graham, Executive Director
Plumas County Transportation Commission
1953 E Main St, Quincy, CA 95971
jimgraham@countyofplumas.com
(530) 283-6268

Subject: Plumas County Electric Vehicle Charging Infrastructure Master Plan

Dear Mr. Graham,

On behalf of the City of Portola, I am writing to express our strong support for the Plumas County Transportation Commission's application for the Caltrans Sustainable Transportation Planning Grant to develop the Plumas County Electric Vehicle Charging Infrastructure Master Plan.

The proposed Master Plan is a critical step forward in advancing our county's commitment to sustainable transportation and environmental stewardship. By focusing on the development of a robust electric vehicle (EV) charging infrastructure, this initiative will significantly contribute to reducing greenhouse gas emissions, promoting energy efficiency, and enhancing the quality of life for residents and visitors of Plumas County.

Our support for this project stems from its potential to address the current gap in publicly accessible EV charging stations in the county. The Master Plan aligns with the state's goals for greenhouse gas reduction and supports the growing demand for EVs by ensuring accessible and equitable charging options. The comprehensive approach of assessing current infrastructure, community engagement, and strategic site analysis will provide a blueprint for a phased implementation of EV charging stations, enhancing the county's economic vitality and environmental sustainability.

We believe that the Plumas County Electric Vehicle Charging Infrastructure Master Plan will serve as a model for rural communities in embracing clean transportation solutions. This project not only aligns with the state's environmental goals but also demonstrates a proactive approach to meeting the future transportation needs of our community.

In closing, the City of Portola enthusiastically supports the Plumas County Transportation Commission's application for the Caltrans Sustainable Transportation Planning Grant. The funding received will play a pivotal role in realizing a greener, economically resilient, and more sustainable future for Plumas County.

Sincerely,

Bill Powers
Mayor, City of Portola

CITY COUNCIL AGENDA STAFF REPORT

DATE: December 6, 2023

TO: Honorable Mayor and Members of the City Council

FROM: Susan Scarlett, Finance Officer

MEETING: December 13, 2023

SUBJECT: Audit 22-23 Fiscal Year

Attached is an electronic copy of the 2022-2023 Audit that was issued on October 18, 2023. A hard copy of the audit is available.

The Audit has been posted to the website with the agenda. I am unable to attend the December 13th meeting but wanted to get the audit out. We will put it on the January 10th meeting for review and acceptance by the Council.

Recommendation: There is no action at this time

CITY OF PORTOLA
FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2023



CPAs | CONSULTANTS | WEALTH ADVISORS

CLAcconnect.com

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INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Council Members
City of Portola, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Portola (City), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of proportionate share of the net pension liability/(asset) and related ratios, schedule of pension plan contributions, and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

Honorable Mayor and Council Members
City of Portola

We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining nonmajor financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 18, 2023, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Roseville, California
October 18, 2023

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**MANAGEMENT'S DISCUSSION
AND ANALYSIS (MD&A)**

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**CITY OF PORTOLA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED JUNE 30, 2023**

This section of the City of Portola (City) annual financial report, presents a discussion and analysis of the City's financial performance during the fiscal year ended June 30, 2023. It should be read in conjunction with the City's basic financial statements following this section.

I. FINANCIAL HIGHLIGHTS

A. Government-Wide Financial Analysis

The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$17,866,066:

- \$10,282,191 represents the City's investment in capital assets, less any related outstanding debt used to acquire those assets (net investment in capital assets).
- \$1,160,702 is available for the City's ongoing obligations related to programs with external restrictions (restricted net position).
- \$6,423,173 is available to fund City programs for citizens and debt obligations to creditors (unrestricted net position).

The City's total net position decreased by \$615,081 from the prior year:

- The \$823,453 decrease in net investment in capital assets represents infrastructure and other additions of \$383,744 less depreciation of \$1,027,889, and the retirement of related long-term debt of \$33,000.
- The \$51,191 increase in restricted net position represents the change in resources that are subject to external restrictions on their use, and is detailed in the government-wide financial analysis section on page 6.

B. Financial Analysis of the City's Funds

The City's governmental funds combined ending fund balance of \$2,717,828 was a decrease of \$96,616 from the prior year ending fund balance. Amounts available for spending include restricted, assigned, and unassigned fund balances; these totaled \$2,714,579, or 99.88% of ending fund balance. Of this amount, \$259,297 is restricted by law or externally imposed requirements.

II. OVERVIEW OF THE FINANCIAL STATEMENTS

A. Government-Wide Financial Statements

The government-wide financial statements provide an overview of the City's finances in a manner similar to a private sector business that is using the accrual basis of accounting. They demonstrate accountability of the City of Portola by showing the extent to which it has met operating objectives efficiently and effectively, using all resources available, and whether it can continue to do so.

**CITY OF PORTOLA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED JUNE 30, 2023**

The **statement of net position** presents information on all of the City's assets, deferred outflows, and deferred inflows, liabilities, with the difference reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The **statement of activities** presents information on expenses and revenues to show how the government's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues are reported as soon as earned and expenses are reported as soon as incurred even though the related cash flows may not have taken place until future fiscal periods (e.g., earned but unused vacation leave).

Both of these government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, planning and community development, public safety, streets and roads, public works and parks and recreation. The business type activities of the City include water, sewer, and solid waste services.

B. Fund Financial Statements

The fund financial statements provide evidence of accountability by demonstrating compliance with budgetary decisions made in a public forum. A fund is a group of related accounts that are used to maintain control over resources that have been segregated for specific activities or purposes stipulated by laws, regulations or policies. The funds of the City are divided into two categories: governmental and proprietary.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near term inflows and outflows of spending resources, as well as on balances of spending available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

The City maintains 6 individual governmental funds. On the financial statements for governmental funds, information is presented separately for the General Fund and for the Gas Tax, Snow Removal and State Transportation Improvement Plan funds. Data from nonmajor governmental funds are aggregated into a single column.

Proprietary funds consist of three enterprise funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water, sewer, and solid waste services.

The Notes to Financial Statements provide additional information that is essential to a full understanding of the information provided in the financial statements.

C. Required Supplementary Information

In addition to the basic financial statements, this report presents actuarial information related to the City's pension plans as well as budgetary comparisons for the General Fund and major special revenue funds as required supplementary information.

**CITY OF PORTOLA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED JUNE 30, 2023**

III. GOVERNMENT-WIDE FINANCIAL ANALYSIS

The City presents its financial statements under the reporting model required by the Governmental and Accounting Standards Board Statement No. 34.

**Condensed Statement of Net Position
June 30, 2023 and 2022**

	Governmental Activities		Business-Type Activities		Total		Total	
	2023	2022	2023	2022	2023	2022	Dollar Change	Percent Change
Current and Other Assets	\$ 3,300,156	\$ 3,244,411	\$ 6,404,790	\$ 5,826,241	\$ 9,704,946	\$ 9,070,652	\$ 634,294	7%
Capital Assets	6,707,888	7,120,634	4,459,702	4,695,839	11,167,590	11,816,473	(648,883)	-5%
Total Assets	<u>10,008,044</u>	<u>10,365,045</u>	<u>10,864,492</u>	<u>10,522,080</u>	<u>20,872,536</u>	<u>20,887,125</u>	<u>(14,589)</u>	<u>0%</u>
Deferred Outflows of Resources	189,928	97,988	362,678	175,720	552,606	273,708	278,898	102%
Current and Other Liabilities	557,769	302,840	132,616	66,818	690,385	369,658	320,727	87%
Long-Term Liabilities	252,603	26,115	2,519,970	2,137,446	2,772,573	2,163,561	609,012	28%
Total Liabilities	<u>810,372</u>	<u>328,955</u>	<u>2,652,586</u>	<u>2,204,264</u>	<u>3,462,958</u>	<u>2,533,219</u>	<u>929,739</u>	<u>37%</u>
Deferred Inflows of Resources	33,035	52,436	63,083	94,031	96,118	268,695	(172,577)	-64%
Net Invested in Capital Assets	6,500,318	7,120,634	3,781,873	3,985,010	10,282,191	11,105,644	(823,453)	-7%
Restricted:								
General Government	107,052	222,188	-	-	107,052	222,188	(115,136)	-52%
Community Development	43,525	43,525	-	-	43,525	43,525	-	0%
Capital Improvements	133,279	85,625	218,667	211,716	351,946	297,341	54,605	18%
Debt Service	-	-	68,362	68,362	68,362	68,362	-	0%
Facility Fees	-	-	589,817	580,477	589,817	580,477	9,340	2%
Unrestricted	2,570,391	2,609,670	3,852,782	3,553,940	6,423,173	6,163,610	259,563	4%
Total Net Position	<u>\$ 9,354,565</u>	<u>\$ 10,081,642</u>	<u>\$ 8,511,501</u>	<u>\$ 8,399,505</u>	<u>17,866,066</u>	<u>18,481,147</u>	<u>(615,081)</u>	<u>-3%</u>

Net investment in capital assets reflects the City's investment in capital assets (i.e. its land, structures and improvements, infrastructure and equipment). The City uses the capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Restricted net position represents 6.50% of the total net position and are resources subject to external restrictions on how they may be used.

Unrestricted net position represents 35.95% of the total net position and may be used to meet the City's ongoing obligations to citizens and creditors.

**CITY OF PORTOLA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED JUNE 30, 2023**

The following highlights significant factors that affected the governmental and business-type activities and contributed to the change in net position:

**Statement of Activities
For the Years Ended June 30, 2023 and 2022**

	Governmental Activities		Business-Type Activities		Total		Total	
	2023	2022	2023	2022	2023	2022	Dollar Change	Percent Change
Program Revenues:								
Charges for Services	\$ 103,914	\$ 104,152	\$ 2,037,705	\$ 1,976,068	\$ 2,141,619	\$ 2,080,220	\$ 61,399	3%
Operating Grants and Contributions	810,575	707,150	20,000	-	830,575	707,150	123,425	17%
Capital Grants and Contributions	332,310	157,744	-	-	332,310	157,744	174,566	111%
General Revenues:								
Property Taxes	294,992	255,100	-	-	294,992	255,100	39,892	16%
Other Taxes	404,569	411,965	-	-	404,569	411,965	(7,396)	-2%
Other Revenue	61,272	79,624	123,566	17,006	184,838	96,630	88,208	91%
Total Revenues	2,007,632	1,715,735	2,181,271	1,993,074	4,188,903	3,708,809	480,094	13%
Expenses:								
General Government	287,155	136,625	-	-	287,155	136,625	150,530	110%
Planning and Community Development	133,190	192,129	-	-	133,190	192,129	(58,939)	-31%
Public Safety	481,570	468,585	-	-	481,570	468,585	12,985	3%
Streets and Roads	1,168,552	984,828	-	-	1,168,552	984,828	183,724	19%
Public Works	381,014	111,633	-	-	381,014	111,633	269,381	241%
Parks and Recreation	283,228	277,252	-	-	283,228	277,252	5,976	2%
Water Service	-	-	1,075,877	741,423	1,075,877	741,423	334,454	45%
Sewer Service	-	-	862,500	535,179	862,500	535,179	327,321	61%
Solid Waste	-	-	130,898	167,335	130,898	167,335	(36,437)	-22%
Total Expenses	2,734,709	2,171,052	2,069,275	1,443,937	4,803,984	3,614,989	1,188,995	33%
Change in Net Position	(727,077)	(455,317)	111,996	549,137	(615,081)	93,820	(708,901)	-756%
Net Position - July 1	10,081,642	10,536,959	8,399,505	7,850,368	18,481,147	18,387,327	93,820	1%
Net Position - June 30	\$ 9,354,565	\$ 10,081,642	\$ 8,511,501	\$ 8,399,505	\$ 17,866,066	\$ 18,481,147	\$ (615,081)	-3%

- Governmental activities reported a \$727,077 decrease in net position, and business-type activities reported an increase of \$111,996, for a net decrease of \$615,081.

IV. FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The City uses fund accounting to ensure and demonstrate compliance with budgetary and legal requirements.

Governmental funds. The general government functions are included in the General and Special Revenue Funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and spendable resources. Such information is useful in assessing the City's financing requirements. In particular, total fund balance less the nonspendable portion is a useful measure of the City's resources available for spending at the end of the fiscal year.

At June 30, 2023, the City's governmental funds reported combined ending fund balances of \$2,717,828, 99.88% of which is available to meet the City's ongoing general obligation to citizens and creditors.

**CITY OF PORTOLA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED JUNE 30, 2023**

The General Fund is the main operating fund of the City. At June 30, 2023, total fund balance was \$2,515,613, 100% of which was available for spending. As measures of the general fund's liquidity, it is useful to note that available fund balance represents 196% of total fund expenditures. It is the City's goal to maintain a minimum level of fund balance sufficient to preserve the City's credit rating in the event that the City needs financing and to maintain sufficient working capital. It is also the City's goal to maintain a comfortable margin of safety to address emergencies and unexpected declines in revenue without borrowing. The City therefore adopted a policy that directs management to maintain a minimum level of unassigned fund balance in the City's General Fund as follows:

The City will strive to maintain an unassigned fund balance in the General Fund of 100% of budgeted general fund operating expenditures each fiscal year. In the event that the balance drops below the established minimum level, the City's governing body will develop a plan to replenish the fund balance.

The following table presents the revenues from various sources as well as increases or decreases from the prior year in the governmental funds.

<u>Revenue Sources</u>	Revenues Classified by Source Governmental Funds					
	2023		2022		Change	
	Amount	% of Total	Amount	% of Total	Amount	% of Change
Taxes	\$ 699,561	33%	\$ 667,065	40%	\$ 32,496	5%
Licenses and Permits	69,134	3%	62,473	4%	6,661	11%
Fines and Forfeitures	190	0%	200	0%	(10)	-5%
Use of Money and Property	54,414	3%	10,830	1%	43,584	402%
Intergovernmental	1,245,453	59%	813,796	49%	431,657	53%
Charges for Services	34,590	2%	41,479	2%	(6,889)	-17%
Other	6,858	0%	68,794	4%	(61,936)	-90%
Total	\$ 2,110,200	100%	\$ 1,664,637	100%	\$ 445,563	27%

Significant changes for major revenue sources are explained below.

- Secured Property tax increased \$39,892, Sales Tax increased \$7,979, and Other Taxes decreased \$15,375.
- Building permits increased \$5,264 from the prior year amount and business licenses increased by \$899 due to an increase in new business licenses and timing of payments.
- There was an increase in the Use of Money and Property due to increased interest rates.
- Intergovernmental includes an increase in Snow Removal Funds based on the expenses from the prior year, an increase in Coronavirus Relief Funds used and an increase in reimbursements from the State for STIP projects based on work completed by the Contractor.
- Charges for Services decreased due to the City Pool being open fewer days a week and the local swim club doing concessions for the summer.

**CITY OF PORTOLA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED JUNE 30, 2023**

- The following table presents expenditures by function compared to prior year's amounts in the governmental funds.

	Expenditures by Function Governmental Funds					
	2023		2022		Change	
	Amount	% of Total	Amount	% of Total	Amount	% of Change
General Government	\$ 215,290	10%	\$ 210,199	12%	\$ 5,091	2%
Planning and Community Development	112,812	5%	205,386	11%	(92,574)	-45%
Public Safety	448,508	20%	447,123	25%	1,385	0%
Streets and Roads	867,162	39%	574,212	32%	292,950	51%
Public Works	324,841	15%	144,862	8%	179,979	124%
Parks and Recreation	238,203	11%	205,205	11%	32,998	16%
Total Expenditures	\$ 2,206,816	100%	\$ 1,786,987	100%	\$ 419,829	23%

Significant changes for major functions are explained below:

- General government had a slight increase overall. There was a decrease in the City Manager payroll due to having more time in other funds, a decrease in City attorney billing, and increases due to the addition of an account to track staff time on Public Records Requests and the cost of election supplies.
- Planning and Community Development had a decrease in Grant expenditures. The Grant is the continuation of the SB2 Planning grant and expenses for the LEAP Grant. The Grant work reduced during the 22-23 Fiscal year as the Grants were winding down.
- Public safety increase has a number of changes that make up this \$1,385 change. The Fire department had an increase due to expenditures from the use of the PG&E settlement funds, Law enforcement had a decrease due to the code enforcement contractor doing work under the ARPA Funds and Building had an increase in code enforcement and a decrease in personnel.
- Streets and Roads increased in the Snow Removal Fund due to a number of heavy snow storms and in the STIP Fund the construction phase for the North Loop project began.
- Public Works increased due to the work on the Community Cleanup State and Local Fiscal Recovery project.
- Parks and Recreation increased as there were additional costs for damages to the City parks due to the heavy winter, more water use at the parks and a paving project at the Riverwalk. There was also repair work done to the Williams House.
- Proprietary funds.** The City's proprietary funds provide the same type of information found in the government wide financial statements, but in more detail. These funds include the following enterprise funds: Water Service Fund, Sewer Service Fund, and Solid Waste Fund. As of June 30, 2023, the proprietary (enterprise) funds net position was a combined \$8,511,501 with a net investment in capital assets of \$3,781,873 and an unrestricted net position of \$3,852,782.

**CITY OF PORTOLA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED JUNE 30, 2023**

V. BUDGETARY HIGHLIGHTS

The budget documents normally represent a financial plan for the City with four central goals in mind: (1) sustaining the level and quality of basic municipal services currently being provided our residents (2) maintaining the City's infrastructure while implementing scheduled and unscheduled improvements determined at the time of the budget process; (3) providing for some opportunity for investment in additional tools, equipment and programs that foster improvement in the overall aesthetics of the City as well as investment in social activities; and (4) developing plans for improved municipal services with a vision that will lead our community toward growth and tourism. This year's budget, while keeping all four goals in mind, addressed mainly goals number (1) sustaining the level and quality of services currently being provided to our residents and (2) maintaining the City's infrastructure. In addition to the past goals, there is a renewed emphasis on economic development, blight reduction, and code compliance.

Differences between the original budget and the final amended budget are mainly due to the revenue and expenditures from Grant funds and from Capital projects that are "reimbursed" and in many cases are not reflected in the original budget figures.

The 2022-2023 budget had projected the use of \$157,796 of the General Fund's fund balance to eliminate a shortfall of revenues over expenditures.

After amending the budget for the fiscal year 2022/2023 General Fund revenues were more than budget by \$60,937 and General Fund expenditures were \$15,288 less than budgeted. While the City had originally budgeted a decrease of \$157,796 in fund balance the final fund balance was a decrease of \$128,578. The City received additional revenue but also had additional expenses in Snow removal from the winter storms which made for an increase in the amount that was transferred to the Snow removal fund to cover those expenses.

The major special revenue funds include Streets, Snow removal, and the North Loop STIP project. It is difficult to budget the North Loop project ahead of time as these projects can be programmed and go on for years. Snow removal budgeting is also difficult with the main reason being the use of contract snow removal in heavy storm years.

VI. CAPITAL ASSETS AND DEBT ADMINISTRATION

A. Capital Assets

The change in capital assets for the Governmental Activities totaled \$(412,746), net of depreciation for an ending balance of \$6,707,888.

Business-type capital assets for the fiscal year ending June 30, 2023, were \$4,459,702, net of depreciation. This is a decrease in capital assets of \$236,137. More detailed information about the City's capital assets is presented in Note 5 of the basic financial statements.

**CITY OF PORTOLA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED JUNE 30, 2023**

B. Long-Term Debt

At June 30, 2023, the City had long-term debt outstanding of \$677,829. This is a decrease over June 30, 2022 of \$33,000. The entire long-term debt was attributable to Business-type activities. There is no long-term debt in the Governmental Activities.

More detailed information about the City's long-term liabilities is presented in Note 6 of the basic financial statements.

VII. ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Management presented a budget document that attempted to address the current national, state, and local economic conditions and to serve as the City's *policy document*, as an *operations guide*, as a *financial plan* and as a *communication document* to guide the City staff and Portola residents on how the City of Portola conducts its financial business. The challenges of economic conditions, the need to comply with state regulations and the desire to be conservative with the fiscal position of the City are reflected.

For the 2023-2024 budget the process began as usual with City staff preparing draft level of services budgets for each area of the City. The budget process began in February and continued through March, April and May with revisions to the level of services budgets, additions of "add-ons" and discussion of what would be needed to provide a balanced budget. A new salary range had been implemented in the prior year that included all full-time employees starting over on step increases. Due to that there were no step increases, however, the budget included a 7.125% cost of living increase. The Water Fund has funding for a soft excavation trailer and work on Willow Springs and the Sewer budget includes funding for sewer pond cleanout. The critical need to maintain healthy cash balances is always in the forefront of finance discussions. The City has been able to fund major projects in advance of reimbursements because of the balances that it currently maintains. This has been evident with the construction phase of the North Loop project.

While the City always pays close attention to budget amendments and to the use of additional fund balance, some purchases are critical and the Council has an understanding of when those are one-time expenditures. The Council is always aware of the expenses that are reimbursable by another entity including grant funding and the Caltrans reimbursement of the North Loop project.

Even with no increase in staffing the General Fund supports the services necessary for the residents of Portola, including fire, parks, planning, building, streets, snow removal, animal control and law enforcement through a Sheriff's contract for services. The City currently contracts with neighboring Beckwourth Fire Protection District to perform fire and emergency medical related services. Through a Council approved Memorandum of Understanding with adjacent fire districts, the City has explored the reorganization of fire and emergency services to strengthen and improve upon these services to the area. As a result of the efforts of the Local Emergency Services Study Group a feasibility study was conducted and a new Fire District is on the ballot for November 2023.

In the 2023-2024 budget the City continues to utilize contract services for code enforcement and abandoned vehicle abatement. The use of City staff has increased in this area due to the use of State and Local Fiscal Recovery Funds to do a blight reduction community clean-up project. The project started in 2021-2022 and continues. Council is considering other uses of the remaining State and Local Fiscal Recovery Funds.

**CITY OF PORTOLA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED JUNE 30, 2023**

Over the last few years an SB2 Planning Grant, and a related Local Early Action Planning Grant were used to improve and streamline the permit process in an attempt to attract growth. A housing development package was part of the grant as was the implementation of Mango Maps which can be found on the City Website. This grant work may also make other services the City provides more efficient as well, including easier acquisition of public records and parcel information. The City completed the implementation of new software that provides utility customers the ability to pay online as well as see their bills and usage and will allow payment of building permits and licenses online. These kinds of improvements are important to the overall functioning of the City and communication with the citizens.

With regard to the City Enterprise Funds the effects and impacts of changing state and federal government regulation is a constant challenge, but the major challenge the Enterprise Funds face is the aging infrastructure in the City. This was never more evident than after the major storms. In the 2023-2024 budget Water and Sewer rates were not increased. While the Council has been able to reduce the Solid Waste Administration fees over the past few years it was not able to do so in the upcoming budget due to challenges with administering the Solid Waste Franchise agreement. The Landfill closure fee is reserved for future needs at the landfill. City staff recommended the reduction of the landfill closure fee by \$1.00 a month and the hope is that can continue. The Enterprise Funds are "business-type" activities whose expenses need to be covered by the rate payers. The City Council will continue to review the need for any future rate increases each year during the budget process. Staff and the City Council are always looking for funding opportunities for infrastructure and have been working for quite some time toward that goal.

It is important to remember that in November 2018 the Council voted to pay down \$400,000 of the unfunded liability which has the potential to save over \$500,000 in interest over time. While CalPERS unfunded liability is a moving target, this was a major and proactive step for the City to try and manage the annual payments going forward.

Staff keeps a watchful eye on state and federal issues as well as on the financial health of the City and continually reviews these issues and the possibility of budget adjustments with the City Council.

VIII. REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the financial activity and condition of the City of Portola to all having such an interest in the City of Portola. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Portola Finance Department, 35 Third Avenue, P.O. Box 1225, Portola, California, 96122.

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**BASIC FINANCIAL STATEMENTS –
GOVERNMENT-WIDE FINANCIAL STATEMENTS**

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**CITY OF PORTOLA
STATEMENT OF NET POSITION
JUNE 30, 2023**

	Primary Government		
	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Cash and Investments	\$ 2,436,759	\$ 5,012,452	\$ 7,449,211
Restricted Assets:			
Restricted Cash	-	876,846	876,846
Imprest Cash	375	-	375
Prepaid Expense	3,249	-	3,249
Accounts Receivable	23,109	472,987	496,096
Interest Receivable	17,375	42,505	59,880
Due From Other Governments	671,121	-	671,121
Loans and Notes Receivable, Net	148,168	-	148,168
Capital Assets:			
Nondepreciable	1,551,776	251,925	1,803,701
Depreciable, Net	5,156,112	4,207,777	9,363,889
Total Assets	<u>10,008,044</u>	<u>10,864,492</u>	<u>20,872,536</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Pensions	189,928	362,678	552,606
LIABILITIES			
Accounts Payable	293,886	79,398	373,284
Accrued Salaries and Benefits Payable	16,264	22,059	38,323
Deposits	10,080	31,159	41,239
Unearned Revenue	237,539	-	237,539
Long-Term Liabilities:			
Portion Due or Payable Within One Year:			
Compensated Absences	8,113	11,990	20,103
Notes Payable	-	35,000	35,000
Portion Due or Payable After One Year:			
Compensated Absences	20,067	29,658	49,725
Notes Payable	-	642,829	642,829
Liability for Landfill Postclosure	-	1,371,944	1,371,944
Net Pension Liability	224,423	428,549	652,972
Total Liabilities	<u>810,372</u>	<u>2,652,586</u>	<u>3,462,958</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Pensions	33,035	63,083	96,118
NET POSITION			
Net Investment in Capital Assets	6,500,318	3,781,873	10,282,191
Restricted:			
General Government	107,052	-	107,052
Community Development	43,525	-	43,525
Capital Improvements	133,279	218,667	351,946
Facility Fees	-	589,817	589,817
Debt Service	-	68,362	68,362
Unrestricted	2,570,391	3,852,782	6,423,173
Total Net Position	<u>\$ 9,354,565</u>	<u>\$ 8,511,501</u>	<u>\$ 17,866,066</u>

See accompanying Notes to Financial Statements.

**CITY OF PORTOLA
STATEMENT OF ACTIVITIES
FISCAL YEAR ENDED JUNE 30, 2023**

Functions/Programs	Program Revenues					Net (Expense) Revenue and Changes in Net Position		
	Expenses	Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Primary Government		
						Business-Type Activities	Business-Type Activities	Total
Primary Government								
Governmental Activities:								
General Government	\$ 287,155	\$ 40,617	\$ 301,401	\$ -	\$ 54,863	\$ -	\$ -	\$ 54,863
Planning and Community Development	133,190	-	146,669	-	13,479	-	-	13,479
Public Safety	481,570	28,707	123,849	-	(329,014)	-	-	(329,014)
Streets and Roads	1,168,552	-	-	-	(1,168,552)	-	-	(1,168,552)
Public Works	381,014	-	238,656	332,310	189,952	-	-	189,952
Parks and Recreation	283,228	34,590	-	-	(248,638)	-	-	(248,638)
Total Governmental Activities	2,734,709	103,914	810,575	332,310	(1,487,910)	-	-	(1,487,910)
Business-Type Activities:								
Water Service	1,075,877	1,029,020	-	-	-	(46,857)	-	(46,857)
Sewer Service	862,500	733,793	-	-	-	(128,707)	-	(128,707)
Solid Waste	130,898	274,892	20,000	-	-	163,994	-	163,994
Total Business-Type Activities	2,069,275	2,037,705	20,000	-	-	(11,570)	-	(11,570)
Total City of Portola	\$ 4,803,984	\$ 2,141,619	\$ 830,575	\$ 332,310	(1,487,910)	(11,570)	(1,499,480)	(1,499,480)
General Revenues								
Taxes:								
Property Taxes					294,992	-	-	294,992
Sales and Use Taxes					330,511	-	-	330,511
Other					74,058	-	-	74,058
Unrestricted Interest and Investment Earnings					54,414	123,566	-	177,980
Miscellaneous					6,858	-	-	6,858
Total General Revenues					760,833	123,566	-	884,399
Change in Net Position					(727,077)	111,996	-	(615,081)
Net Position - Beginning of Year					10,081,642	8,399,505	-	18,481,147
Net Position - End of Year					\$ 9,354,565	\$ 8,511,501	-	\$ 17,866,066

See accompanying Notes to Financial Statements.

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**BASIC FINANCIAL STATEMENTS –
FUND FINANCIAL STATEMENTS**

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**CITY OF PORTOLA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023**

	General	State Transportation Improvement Plan	Gas Tax 2107	Snow Removal	Other Governmental Funds	Total
ASSETS						
Cash and Investments	\$ 2,285,760	\$ -	\$ -	\$ 1,348	\$ 149,651	\$ 2,436,759
Imprest Cash	375	-	-	-	-	375
Notes Receivable	104,643	-	-	-	43,525	148,168
Accounts Receivable	23,109	-	-	-	-	23,109
Interest Receivable	16,298	-	-	-	1,077	17,375
Prepaid Expenses	-	3,249	-	-	-	3,249
Due From Other Funds	97,376	-	-	-	-	97,376
Due From Other Governmental Agencies	342,801	315,332	4,776	-	8,212	671,121
Total Assets	\$ 2,870,362	\$ 318,581	\$ 4,776	\$ 1,348	\$ 202,465	\$ 3,397,532
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE						
Liabilities:						
Accounts Payable	\$ 69,754	\$ 221,835	\$ 1,586	\$ 517	\$ 194	\$ 293,886
Accrued Salaries and Benefits Payable	12,817	-	2,271	831	345	16,264
Unearned Revenue	237,539	-	-	-	-	237,539
Deposits From Others	10,080	-	-	-	-	10,080
Due to Other Funds	-	96,457	919	-	-	97,376
Total Liabilities	330,190	318,292	4,776	1,348	539	655,145
Deferred Inflows of Resources:						
Unavailable Revenue	24,559	-	-	-	-	24,559
Total Deferred Inflows of Resources	24,559	-	-	-	-	24,559
Fund Balance:						
Nonspendable	-	3,249	-	-	-	3,249
Restricted	82,493	-	-	-	176,804	259,297
Assigned	-	-	-	-	25,122	25,122
Unassigned	2,433,120	(2,960)	-	-	-	2,430,160
Total Fund Balance	2,515,613	289	-	-	201,926	2,717,828
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 2,870,362	\$ 318,581	\$ 4,776	\$ 1,348	\$ 202,465	\$ 3,397,532

See accompanying Notes to Financial Statements.

**CITY OF PORTOLA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
JUNE 30, 2023**

Fund Balance - Total Governmental Funds (From Previous Page) **\$ 2,717,828**

Amounts Reported for Governmental Activities in the Statement
of Net Position are Different Because:

Capital Assets Used in Governmental Activities are not Financial Resources and,
therefore, are not Reported in the Governmental Funds. 6,707,888

Deferred Outflows of Resources as Reported in the Statement of Net Position 189,928
Deferred Inflows of Resources as Reported in the Statement of Net Position (33,035)

Unavailable Revenues and Long-Term Assets Represent Amounts That are not Available
to Fund Current Expenditures and, Therefore, are not Reported in the Governmental Funds:
 Unavailable Revenues 24,559

Some Liabilities are not Due and Payable in the Current Period, and Therefore, are not
Reported in the Governmental Funds:
 Compensated Absences (28,180)
 Net Pension Liability (224,423)

Net Position of Governmental Activities **\$ 9,354,565**

CITY OF PORTOLA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FISCAL YEAR ENDED JUNE 30, 2023

	General	State Transportation Improvement Plan	Gas Tax 2107	Snow Removal	Other Governmental Funds	Total
REVENUES						
Taxes	\$ 699,561	\$ -	\$ -	\$ -	\$ -	\$ 699,561
Licenses and Permits	69,134	-	-	-	-	69,134
Fines, Forfeitures and Penalties	190	-	-	-	-	190
Use of Money and Property	51,418	-	-	-	2,996	54,414
Intergovernmental	674,487	332,310	55,458	136,331	46,867	1,245,453
Charges for Services	34,590	-	-	-	-	34,590
Other Revenues	6,858	-	-	-	-	6,858
Total Revenues	<u>1,536,238</u>	<u>332,310</u>	<u>55,458</u>	<u>136,331</u>	<u>49,863</u>	<u>2,110,200</u>
EXPENDITURES						
Current:						
General Government	215,290	-	-	-	-	215,290
Planning and Community Development	96,491	-	-	-	16,321	112,812
Public Safety	409,801	-	38,707	-	-	448,508
Streets and Roads	-	333,786	119,115	412,681	1,580	867,162
Public Works	324,841	-	-	-	-	324,841
Parks and Recreation	238,203	-	-	-	-	238,203
Total Expenditures	<u>1,284,626</u>	<u>333,786</u>	<u>157,822</u>	<u>412,681</u>	<u>17,901</u>	<u>2,206,816</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	251,612	(1,476)	(102,364)	(276,350)	31,962	(96,616)
OTHER FINANCING SOURCES (USES)						
Transfers In	-	1,476	102,364	276,350	-	380,190
Transfers Out	(380,190)	-	-	-	-	(380,190)
Total Other Financing Sources (Uses)	<u>(380,190)</u>	<u>1,476</u>	<u>102,364</u>	<u>276,350</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(128,578)	-	-	-	31,962	(96,616)
Fund Balances - Beginning of Year	<u>2,644,191</u>	<u>289</u>	<u>-</u>	<u>-</u>	<u>169,964</u>	<u>2,814,444</u>
Fund Balances - End of Year	<u>\$ 2,515,613</u>	<u>\$ 289</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 201,926</u>	<u>\$ 2,717,828</u>

See accompanying Notes to Financial Statements.

**CITY OF PORTOLA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS
FISCAL YEAR ENDED JUNE 30, 2023**

Net Change to Fund Balance - Total Governmental Funds **\$ (96,616)**

Amounts Reported for Governmental Activities in the
Statement of Activities are Different Because:

Governmental Funds Report Capital Outlay as Expenditures. However,
in the Statement of Activities, the Cost of Those Assets is Allocated
Over Their Estimated Useful Lives and Reported as Depreciation
Expense.

Expenditures for General Capital Assets, Infrastructure, and Other Related Capital Assets Adjustments	\$ 360,067	
Less: Current Year Depreciation	<u>(772,813)</u>	(412,746)

Revenues in the Statement of Activities That do not Provide Current Financial Resources are not Reported as Revenues in the Governmental Funds.	(102,568)
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Some Expenses Reported in the Statement of Activities do not Require the Use of Current Financial Resources and, Therefore, are not Reported as Expenditures in Governmental Funds:	
Change in Compensated Absences	(10,037)
Change in Accrued Net Pension Liability	<u>(105,110)</u>

Change in Net Position of Governmental Activities	<u>\$ (727,077)</u>
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**CITY OF PORTOLA
STATEMENT OF FUND NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2023**

	Business-Type Activities - Enterprise Funds			Total
	Water Service	Sewer Service	Solid Waste	
ASSETS				
Current Assets:				
Cash and Investments	\$ 2,490,492	\$ 1,782,831	\$ 739,129	\$ 5,012,452
Interest Receivable	20,672	16,499	5,334	42,505
Accounts Receivable	240,632	185,030	47,325	472,987
Restricted Assets:				
Restricted Cash	379,098	497,748	-	876,846
Total Current Assets	<u>3,130,894</u>	<u>2,482,108</u>	<u>791,788</u>	<u>6,404,790</u>
Noncurrent Assets:				
Capital Assets:				
Nondepreciable	170,057	50,446	31,422	251,925
Depreciable, Net	2,220,309	1,985,263	2,205	4,207,777
Total Noncurrent Assets	<u>2,390,366</u>	<u>2,035,709</u>	<u>33,627</u>	<u>4,459,702</u>
Total Assets	5,521,260	4,517,817	825,415	10,864,492
DEFERRED OUTFLOWS OF RESOURCES	191,812	153,073	17,793	362,678
LIABILITIES				
Current Liabilities:				
Accounts Payable	36,051	39,436	3,911	79,398
Accrued Salaries and Benefits Payable	14,256	6,826	977	22,059
Deposits	31,159	-	-	31,159
Liability for Compensated Absences	6,383	5,009	598	11,990
Notes Payable - Current Portion	35,000	-	-	35,000
Total Current Liabilities	<u>122,849</u>	<u>51,271</u>	<u>5,486</u>	<u>179,606</u>
Noncurrent Liabilities				
Liability for Compensated Absences	15,788	12,390	1,480	29,658
Landfill Closure and Postclosure	-	-	1,371,944	1,371,944
Notes Payable	642,829	-	-	642,829
Net Pension Liability	226,650	180,874	21,025	428,549
Total Noncurrent Liabilities	<u>885,267</u>	<u>193,264</u>	<u>1,394,449</u>	<u>2,472,980</u>
Total Liabilities	1,008,116	244,535	1,399,935	2,652,586
DEFERRED INFLOWS OF RESOURCES	33,363	26,625	3,095	63,083
NET POSITION				
Net Investment in Capital Assets	1,712,537	2,035,709	33,627	3,781,873
Restricted:				
Debt Service	68,362	-	-	68,362
Facility Fees	310,736	279,081	-	589,817
Capital Improvements	-	218,667	-	218,667
Unrestricted	2,579,958	1,866,273	(593,449)	3,852,782
Total Net Position	<u>\$ 4,671,593</u>	<u>\$ 4,399,730</u>	<u>\$ (559,822)</u>	<u>\$ 8,511,501</u>

See accompanying Notes to Financial Statements.

CITY OF PORTOLA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FISCAL YEAR ENDED JUNE 30, 2023

	Business-Type Activities - Enterprise Funds			Total
	Water Service	Sewer Service	Solid Waste	
OPERATING REVENUES				
Charges for Services	\$ 1,029,020	\$ 733,793	\$ 274,892	\$ 2,037,705
Total Operating Revenues	<u>1,029,020</u>	<u>733,793</u>	<u>274,892</u>	<u>2,037,705</u>
OPERATING EXPENSES				
Salaries and Wages	443,813	344,835	44,879	833,527
Services and Supplies	456,811	405,408	34,687	896,906
Landfill Closure Costs	-	-	48,225	48,225
Depreciation	139,712	112,257	3,107	255,076
Total Operating Expenses	<u>1,040,336</u>	<u>862,500</u>	<u>130,898</u>	<u>2,033,734</u>
Operating Income (Loss)	(11,316)	(128,707)	143,994	3,971
NONOPERATING REVENUE (EXPENSE)				
Interest Income (Loss)	60,751	48,315	14,500	123,566
Intergovernmental Revenues	-	-	20,000	20,000
Debt Service Interest and Fiscal Charges	(35,541)	-	-	(35,541)
Total Nonoperating Revenue (Expense)	<u>25,210</u>	<u>48,315</u>	<u>34,500</u>	<u>108,025</u>
Changes in Net Position	13,894	(80,392)	178,494	111,996
Net Position - Beginning of Year	<u>4,657,699</u>	<u>4,480,122</u>	<u>(738,316)</u>	<u>8,399,505</u>
Net Position - End of Year	<u>\$ 4,671,593</u>	<u>\$ 4,399,730</u>	<u>\$ (559,822)</u>	<u>\$ 8,511,501</u>

See accompanying Notes to Financial Statements.

**CITY OF PORTOLA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FISCAL YEAR ENDED JUNE 30, 2023**

	Business-Type Activities - Enterprise Funds			Total
	Water Service	Sewer Service	Solid Waste	
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Receipts From Customers	\$ 1,013,596	\$ 712,470	\$ 276,623	\$ 2,002,689
Cash Paid to Suppliers for Goods and Services	(428,488)	(375,155)	(91,485)	(895,128)
Cash Paid to Employees for Services	(328,923)	(256,455)	(33,530)	(618,908)
Net Cash Provided by Operating Activities	<u>256,185</u>	<u>80,860</u>	<u>151,608</u>	<u>488,653</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Principal Repayments on Long-Term Debt	(33,000)	-	-	(33,000)
Interest Repayments Related to Capital Purposes	(35,541)	-	-	(35,541)
Payments Related to the Acquisition of Capital Assets	(8,581)	(10,358)	-	(18,939)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(77,122)</u>	<u>(10,358)</u>	<u>-</u>	<u>(87,480)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest Received or Paid	44,293	34,921	10,047	89,261
Net Cash Provided by Investing Activities	<u>44,293</u>	<u>34,921</u>	<u>10,047</u>	<u>89,261</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	223,356	105,423	181,655	510,434
Cash and Cash Equivalents - Beginning of Year	<u>2,646,234</u>	<u>2,175,156</u>	<u>557,474</u>	<u>5,378,864</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 2,869,590</u>	<u>\$ 2,280,579</u>	<u>\$ 739,129</u>	<u>\$ 5,889,298</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION				
Cash and Cash Equivalents in Current Assets	\$ 2,490,492	\$ 1,782,831	\$ 739,129	\$ 5,012,452
Cash and Cash Equivalents in Restricted Assets	<u>379,098</u>	<u>497,748</u>	<u>-</u>	<u>876,846</u>
Total Cash and Cash Equivalents	<u>\$ 2,869,590</u>	<u>\$ 2,280,579</u>	<u>\$ 739,129</u>	<u>\$ 5,889,298</u>

See accompanying Notes to Financial Statements.

**CITY OF PORTOLA
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
FISCAL YEAR ENDED JUNE 30, 2023**

	Business-Type Activities - Enterprise Funds			Total
	Water Service	Sewer Service	Solid Waste	
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating Income (Loss)	\$ (11,316)	\$ (128,707)	\$ 143,994	\$ 3,971
Adjustments to Reconcile Operating Income (Loss) to Cash Flows From Operating Activities:				
Depreciation	139,712	112,257	3,107	255,076
Changes in Assets and Liabilities:				
(Increase) Decrease in:				
Utilities Receivable	(19,312)	(21,323)	1,731	(38,904)
Customer Deposits	3,888	-	-	3,888
Prepaid Expenses	5,094	-	-	5,094
Deferred Outflows	(103,404)	(77,530)	(6,024)	(186,958)
Increase (Decrease) in:				
Accounts Payable	26,875	30,757	1,286	58,918
Accrued Expenses	2,122	620	250	2,992
Liability for Compensated Absences	7,015	3,857	259	11,131
Closure/Postclosure Liability	-	-	(9,859)	(9,859)
Net Pension Liability	219,457	174,728	20,067	414,252
Deferred Inflows	(13,946)	(13,799)	(3,203)	(30,948)
 Net Cash Provided (Used) by Operating Activities	 <u>\$ 256,185</u>	 <u>\$ 80,860</u>	 <u>\$ 151,608</u>	 <u>\$ 488,653</u>

See accompanying Notes to Financial Statements.

NOTES TO FINANCIAL STATEMENTS

The notes provided in the Financial Section of this report are considered an integral and essential part of adequate disclosure and fair presentation of this report. The notes include a Summary of Significant Accounting Policies for the City, and other necessary disclosures of pertinent matter relating to the financial position of the City. The notes express significant insight to the financial statements and are conjunctive to understanding the rationale for presentation of the financial statements and information contained in this document.

**CITY OF PORTOLA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Portola is governed by an appointed City Manager and elected five-member Council, from which a mayor is elected annually.

A. Description of Reporting Entity

The accounting methods and procedures adopted by the City conform to generally accepted accounting principles as applied to governmental entities. These financial statements present the government and its component units, entities for which the government is considered to be financially accountable.

Reporting for component units on the City's financial statements can be blended or discretely presented. Blended component units, although legally separate entities, are, in substance, part of the government's operations. Blended component units are an extension of the City and so data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the combined financial statements to emphasize they are legally separate from the City.

The City had no blended or discretely presented component units as of June 30, 2023.

B. Basis of Financial Presentation

1. Government-Wide Financial Statements

The statement of net position and statement of activities display information about the City and its components. These statements include the financial activities of the overall government. These statements distinguish between the governmental and business-type activities of the City. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which are primarily supported by fees charged to external parties.

The statement of activities presents a comparison between direct and indirect expenses and program revenues for each segment of the business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or a function and; therefore, are clearly identifiable to a particular function. Indirect expenses are those that are allocated to a program or a function from the City's centralized general service function based on the cost allocation principles established by the Federal Office of Management and Budget (OMB). Program revenues include 1) charges paid by the recipients of goods or services offered by the programs, 2) fines and penalties ordered by the courts, 3) licenses and permits charged by the programs, and 4) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues.

When both restricted and unrestricted net positions are available, restricted resources are used first then the unrestricted resources are depleted.

CITY OF PORTOLA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

2. Fund Financial Statements

The fund financial statements provide information about the City's funds. Separate statements for each fund category – governmental and proprietary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. The City reports all enterprise funds as major funds. All remaining governmental funds are separately aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

The City reports the following major governmental funds:

- The *General Fund* is the primary operating fund of the City. It is used to account for all financial resources and transactions except those required to be accounted for in another fund.
- The *State Transportation Improvement Plan (STIP) Fund* is used to account for projects that are funded using State Transportation Improvement Program monies.
- The *Gas Tax 2107 Fund* is used to account for State Gas Tax Funds and transactions associated with street maintenance and repair.
- The *Snow Removal Fund* is used to account for State Funds for Snow Removal and all associated costs to the City.

The City reports all of its enterprise funds as major funds:

- The *Water Service Fund* is used to account for water services provided to the residents of the City and for a small number of residents directly outside the City.
- The *Sewer Service Fund* is used to account for sewer services.
- The *Solid Waste Fund* is used to account for the franchised curbside refuse and recycling collection provided to residences and businesses within the City and for the landfill postclosure maintenance costs.

C. Basis of Accounting

The government-wide and proprietary financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the City gives (or receives) values without directly receiving (or giving) equal value in exchange, include property and sales taxes, grants, entitlements, and donation. On the accrual basis, property tax revenues are recognized in the fiscal year for which the taxes are levied. Sales taxes are recognized when the underlying transactions take place. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligible requirements have been satisfied.

**CITY OF PORTOLA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, expenditures are recorded when the related liability is incurred except the unmatured interest on long-term debt, and expenses related to compensated absences and claims and judgments are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and capital leases are reported as other financial sources. Revenues are recorded when they are both measurable and available to finance expenditures during the fiscal period.

Property and sales taxes, interest, state and federal grants, and charges for services are accrued when their receipt occurs within sixty days after the end of the accounting period so as to be both measurable and available. Revenues earned but not received within sixty days after the end of the accounting period, on the other hand, are recorded as receivables and deferred inflows.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

D. Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the general purpose financial statements and the reported amount of revenue and expenditures or expenses during the reporting period. Actual results could differ from those estimates.

E. Interfund Transactions and Balances

Interfund transactions are either reflected as loans, services provided, reimbursements, or transfers. Loans are reported as receivable and payables as appropriate, are subject to elimination upon consolidation and are referred to as either "due to/due from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances".

Advances between funds, are reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not available financial resources.

Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide presentation.

**CITY OF PORTOLA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

F. Capital Assets

Capital assets (including infrastructure) are recorded at historical cost or estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their acquisition value. Capital assets include public domain (infrastructure) consisting of certain improvements including roads, bridges and water/sewer systems. The City is not required to retroactively report infrastructure and therefore has elected not to do so. The City defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Capital assets used in operations are depreciated or amortized (right to use assets under leases) using the straight-line method over the lesser of the lease period or their estimated useful lives in the government-wide statements.

The estimated useful lives are as follows:

Buildings	50 years
Infrastructure	15 to 30 years
Building improvements	10 to 30 years
Equipment	3 to 20 years

G. Property Tax

Plumas County assesses properties, bills, collects, and distributes property taxes to the City. For this service, the County charges the City an administration fee.

Property taxes attach as an enforceable lien on property as of March 1. Taxes are levied on July 1, and are payable in two installments on December 10 and April 10. The County bills and collects property taxes and remits them to the City in installments during the year.

H. Cash and Investments

For purposes of the Statement of Cash Flows – Proprietary Funds, the City considers all short-term highly liquid investments, including restricted cash and investments, to be cash and cash equivalents. Amounts held in the City’s investment pool are available on demand; thus, they are considered highly liquid and cash equivalents for purposes of the Statement of Cash Flows – Proprietary Funds.

I. Fair Value Measurements

Certain assets and liabilities are required to be reported at fair value. The fair value framework provides a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of fair value hierarchy are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

**CITY OF PORTOLA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly and fair value is determined through the use of models or other valuation methodologies including:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in markets that are inactive;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement. These unobservable input reflect the City's own assumptions about the inputs market participants would use in pricing the asset or liability (including assumptions about risk). These unobservable inputs are developed based on the best information available in the circumstances and may include the City's own data.

J. Receivables

Receivables consist of property taxes, sales taxes and grants from other governmental agencies. As of June 30, 2023, no balance has been provided as an allowance for doubtful accounts because in the opinion of management all receivables are considered collectible.

K. Compensated Absences

The following is the City's policy on compensated absences upon discontinuation of services:

<u>Employee Status</u>	<u>Percent of Sick Hours Received</u>	<u>Percent of Vacation Hours Received</u>
Part-time	25	100
Full-time	25	100

The annual leave includes vacation and sick leave. City employees have vested interests in the amount of annual leave accrued and are paid on termination.

The city accrues accumulated unpaid compensated absences when earned (or estimated to be earned) by the employee. The noncurrent (the amount estimated to be used in subsequent fiscal years) for governmental funds is maintained separately and represents a reconciling item between the fund and government-wide presentation.

In accordance with the provisions of the GASB No. 16, *Accounting for Compensated Absences*, no liability is recorded for nonvesting accumulated rights to receive sick pay benefits.

**CITY OF PORTOLA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

L. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's California Public Employees' Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

M. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The City has two items which qualify for reporting in this category. See pension disclosure Footnote 9.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period and so will *not* be recognized as an inflow of resources (revenue) until that time. The City has two items which qualify for reporting in this category. See pension disclosure Footnote 9. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from intergovernmental revenues. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

NOTE 2 NET POSITION/FUND BALANCE

Net Position

The government-wide activities financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

Net Investment in Capital Assets – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of these assets reduce the balance in this category.

Restricted Net Position – This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position – This category represents net position of the City, not restricted for any project or other purpose.

**CITY OF PORTOLA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

Fund Equity

In the fund financial statements, governmental funds report fund balance as nonspendable, restricted, committed, assigned, or unassigned based primarily on the extent to which the City is bound to honor constraints on how specific amounts can be spent.

Nonspendable fund balance – amounts that cannot be spent because they are either (a) not spendable in form or (b) legally or contractually required to be maintained intact.

Restricted fund balance – amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance – amounts that can only be used for specific purposes determined by formal action of the highest level of decision-making authority and that remain binding unless removed in the same manner.

The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.

Assigned fund balance – amounts that are constrained by the *intent* to be used for specific purposes. The intent can be established at either the highest level of decision-making, or by a body or an official designated for that purpose. This is also the classification for residual funds in the special revenue funds.

Unassigned fund balance – the residual classification for the General Fund that includes amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

The City Council establishes, modifies, or rescinds fund balance commitments and assignments by passage of an ordinance or resolution. This is done through adoption of the budget and subsequent budget amendments that occur throughout the year. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, followed by the unrestricted, committed, assigned and unassigned resources as they are needed.

NOTE 3 CASH AND INVESTMENTS

At June 30, 2023, total City cash and investments at fair value were as follows:

Petty Cash	\$ 375
Cash in Bank	699,416
LAIF	7,626,641
Total	\$ 8,326,432

**CITY OF PORTOLA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

Total cash and investments at June 30, 2023 were presented on the City's financial statements as follows:

Cash and Investments	\$ 7,449,211
Imprest Cash	375
Restricted Assets:	
Cash	876,846
Total	<u>\$ 8,326,432</u>

Restricted cash and investments in the enterprise fund are comprised of funds held for debt service, facility fees, and wastewater treatment capital improvements.

Investments

At June 30, 2023, the City had the following investments:

	<u>Par</u>	<u>Cost</u>	<u>Amortized Cost</u>
Investments:			
Local Agency Investment Fund (LAIF)	<u>\$ 7,626,641</u>	<u>\$ 7,626,641</u>	<u>\$ 7,626,641</u>
Total Investments	<u>\$ 7,626,641</u>	<u>\$ 7,626,641</u>	<u>\$ 7,626,641</u>

Interest Rate Risk

The City manages its exposure to declines in fair values by investing excess cash in the State's Local Agency Investment Fund. Funds held in this account are available on demand.

Credit Risk

The City authorizes participation in the following types of investments: FDIC Insured Accounts, Local Agency Investment Fund, and United States Government Securities. The following is a summary of the credit quality distribution and concentration of credit risk by investment type as a percentage of the City's Investment Pool at June 30, 2023.

	<u>Moody's</u>	<u>Percent of Portfolio</u>
Local Agency Investment Fund (LAIF)	Unrated	<u>100.00%</u>
Total Pooled Investments		<u>100.00%</u>

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of a failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. As of June 30, 2023, the recorded amount of the City's deposits was \$699,416 and the bank balance was \$795,702. Of the bank statement balance, \$250,000 was covered by federal depository insurance and \$545,702 was subject to collateralization.

**CITY OF PORTOLA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

Local Agency Investment Fund

The City maintains an investment in the state of California Local Agency Investment Fund (LAIF). LAIF is part of the Pooled Money Investment Account (PMIA), an investment pool consisting of funds held by the state in addition to those deposited in LAIF. All PMIA funds are managed by the Investment Division of the State Treasurer's Office. This fund is not registered with the Securities and Exchange Commission as an investment company, but is required to invest according to California Government Code.

The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute. At June 30, 2023, the City's investment position in LAIF was \$7,626,641 which approximates fair value and is the same as value of the pool shares. The total amount invested by all public agencies in PMIA on that day was \$178,382,808,290. Of that amount, 2.78% was invested in structured notes and asset-backed securities with the remaining 97.22% invested in other nonderivatives financial reports.

Fair Value Measurement

The City categorizes its fair value investments within the fair value hierarchy established by generally accepted accounting principles. LAIF is the City's only investment and it is measured on amortized cost basis as of June 30, 2023.

NOTE 4 LOANS AND NOTES RECEIVABLE

During the fiscal year ended June 30, 2012, the City extended a loan to Eastern Plumas Health Care District in the amount of \$348,000. The loan bears initial interest of 1.48% per year to be adjusted annually to reflect LAIF interest rate plus 1%. The term of the loan is 168 months. As of June 30, 2023, the outstanding balance was \$104,643. The City also issued Community Development Block Grant (CDBG) loans in the amount of \$43,525. The total loans and notes receivable at June 30, 2023 is \$148,168.

**CITY OF PORTOLA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 5 CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023 was as follows:

<u>Governmental Activities</u>	Balance July 01, 2022	Additions	Transfers and Retirements	Balance June 30, 2023
Capital Assets, Not Being Depreciated:				
Land	\$ 746,277	\$ -	\$ -	\$ 746,277
Construction in Progress	477,927	332,310	(4,738)	805,499
Total Capital Assets, Not Being Depreciated	1,224,204	332,310	(4,738)	1,551,776
Capital Assets, Being Depreciated:				
Infrastructure	13,681,298	32,495	-	13,713,793
Buildings and Improvements	1,711,614	-	-	1,711,614
Machinery and Equipment	1,608,138	-	-	1,608,138
Intangible Assets	58,297	-	-	58,297
Total Capital Assets, Being Depreciated	17,059,347	32,495	-	17,091,842
Less: Accumulated Depreciation for:				
Infrastructure	(8,480,541)	(616,124)	-	(9,096,665)
Buildings and Improvements	(1,364,242)	(58,053)	-	(1,422,295)
Machinery and Equipment	(1,316,515)	(79,204)	-	(1,395,719)
Intangible Assets	(1,619)	(19,432)	-	(21,051)
Total Accumulated Depreciation	(11,162,917)	(772,813)	-	(11,935,730)
Total Capital Assets, Being Depreciated, Net	5,896,430	(740,318)	-	5,156,112
Governmental Activities Capital Assets, Net	<u>\$ 7,120,634</u>	<u>\$ (408,008)</u>	<u>\$ (4,738)</u>	<u>\$ 6,707,888</u>

**CITY OF PORTOLA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

Business-Type Activities	Balance July 01, 2022	Additions	Transfers and Retirements	Balance June 30, 2023
Capital Assets, Not Being Depreciated:				
Land	\$ 62,844	\$ -	\$ -	\$ 62,844
Construction in Progress	189,081	-	-	189,081
Total Capital Assets, Not Being Depreciated	251,925	-	-	251,925
Capital Assets, Being Depreciated:				
Buildings and Improvements	8,593,575	-	-	8,593,575
Machinery and Equipment	1,311,896	18,939	(24,003)	1,306,832
Total Capital Assets, Being Depreciated	9,905,471	18,939	(24,003)	9,900,407
Less: Accumulated Depreciation for:				
Buildings and Improvements	(4,308,715)	(204,589)	-	(4,513,304)
Machinery and Equipment	(1,152,842)	(50,487)	24,003	(1,179,326)
Total Accumulated Depreciation	(5,461,557)	(255,076)	24,003	(5,692,630)
Total Capital Assets, Being Depreciated, Net	4,443,914	(236,137)	-	4,207,777
Business-Type Activities, Net	\$ 4,695,839	\$ (236,137)	\$ -	\$ 4,459,702

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities:	
General Government	\$ 41,448
Public Protection	30,005
Public Ways and Facilities	1,124
Streets and Roads	622,716
Recreation and Culture	77,520
Total Depreciation Expense - Governmental Activities	<u>\$ 772,813</u>
Business-Type Activities:	
Water Fund	\$ 139,712
Sewer Fund	112,257
Solid Waste Fund	3,107
Total Depreciation Expense - Business-Type Activities	<u>\$ 255,076</u>

**CITY OF PORTOLA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 6 LONG-TERM LIABILITIES

Long-term liabilities at June 30, 2023 consisted of the following:

Business-Type Activities	Date of Issue	Date of Maturity	Interest Rates	Annual Principal Installments	Original Issue Amount	Outstanding at June 30, 2023
1997 Special Assessment Water Improvement						
Note Payable from Direct Borrowing <i>(to Finance Improvements to the City's Water System)</i>	1997	5/1/2037	5.00%	\$5,000-\$25,000	\$ 1,173,000	\$ 677,829
Total Business-Type Activities					<u>\$ 1,173,000</u>	<u>\$ 677,829</u>

The following is a summary of long-term liabilities transactions for the year ended June 30, 2023:

	Balance July 1, 2022	Additions	Deletions	Adjustment	Balance June 30, 2023	Amounts Due Within One Year
Governmental Activities:						
Compensated Absences	\$ 18,143	\$ 10,037	\$ -	\$ -	\$ 28,180	\$ 8,113
Total	<u>\$ 23,243</u>	<u>\$ 10,037</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,180</u>	<u>\$ 8,113</u>
Business-Type Activities:						
Notes Payable from						
Direct Borrowing	\$ 710,829	\$ -	\$(33,000)	\$ -	\$ 677,829	\$ 35,000
Postclosure Costs	1,381,803	48,225	(58,084)	-	1,371,944	-
Compensated Absences	30,517	11,131	-	-	41,648	11,990
Total	<u>\$2,093,918</u>	<u>\$ 59,356</u>	<u>\$(91,084)</u>	<u>\$ -</u>	<u>\$2,091,421</u>	<u>\$ 46,990</u>

**CITY OF PORTOLA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

The City's outstanding note payable for business-type activities is secured by water service revenue. As of June 30, 2023, annual debt service requirements of business-type activities to maturity are as follows:

Year Ending June 30,	Business-Type Activities	
	Notes Payable from Direct Borrowing	
	Principal	Interest
2023	\$ 35,000	\$ 33,900
2024	37,000	32,150
2025	38,000	30,300
2026	40,000	28,400
2027	42,000	26,400
2028-2032	245,000	98,200
2033-2037	240,829	30,800
Total	<u>\$ 677,829</u>	<u>\$ 280,150</u>

NOTE 7 INTERFUND TRANSACTIONS AND BALANCES

The composition of interfund balances as of June 30, 2023 is as follows:

Due To/From Other Funds:

Receivable Fund	Payable Fund	Amount	Purpose
General Fund	STIP	\$ 96,457	To cover cash deficit expected to be recovered through future revenues.
General Fund	Gas Tax 2107	919	To cover cash deficit expected to be recovered through future revenues.
		<u>\$ 97,376</u>	

Tra

nsfers:

Transfers are used to subsidize various City operations. The following schedule briefly summarizes the City's transfer activity for the fiscal year ended June 30, 2023:

Transfer From	Transfer to	Amount
General Fund	Gas Tax 2107	\$ 102,364
	Snow Removal	276,350
	STIP	1,476
		<u>\$ 380,190</u>

**CITY OF PORTOLA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 8 FUND DISCLOSURES

The following funds had a net position/fund balance deficit at the end of the fiscal year:

Enterprise Funds:

Solid Waste Fund	<u>\$ (559,822)</u>
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The Solid Waste Fund has incurred a deficit net position balance as a result of recognition of the estimated liability for the landfill postclosure care costs. The City has established a solid waste surcharge included in its utility billings to reduce the deficit in this fund.

NOTE 9 DEFINED BENEFIT PENSION PLANS

A. General Information about the Pension Plans

1. Plan Description

The City of Portola provides pension benefits to eligible employees through cost sharing multiple-employer defined benefit pension plans (pension plans) administered by the California Public Employees Retirement System (PERS), a public employee retirement system which acts as a common investment and administrative agent for participating public entities within the state of California. All qualified permanent and probationary employees are eligible to participate in the City's pension plans. The City's Miscellaneous Plans (Tier I and Tier II) and PEPRM Miscellaneous Plan are cost-sharing multiple-employer defined benefit plans. Benefit provisions and other requirements are established by state statute and City resolution. The City's defined benefit pension plans provide retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and their beneficiaries. The City selects optional benefit provisions by contract with PERS and adopts those benefits through City ordinance. Copies of PERS annual financial reports which include required supplementary information (RSI) for each plan may be obtained from PERS Executive Offices, Lincoln Plaza North, 400 Q Street, Sacramento, CA 95811.

2. Benefits Provided

All pension plans provide benefits, upon retirement, disability, or death of members. Retirement benefits are based on years of service, final average compensation, and retirement age. Employees terminating before accruing five years of retirement service credit forfeit the right to receive retirement benefits unless they establish reciprocity with another public agency within a prescribed time period. Nonvested employees who terminate service are entitled to withdraw their accumulated contributions plus accrued interest. Employees who terminate service after earning five years of retirement service credit may leave their contributions on deposit and elect to take a deferred retirement. Differences between expected and actual experience for vested and nonvested benefits may result in an increase or decrease to pension expense and net pension liability.

**CITY OF PORTOLA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

Nonservice related disability benefits are provided to miscellaneous members. The benefit is based on final compensation, multiplied by *service*, which is determined as follows:

- *Service* is CalPERS credited service, for members with less than 10 years or service or greater than 18.518 years of service; or
- *Service* is CalPERS credited service plus the additional number of years that the member would have worked until age 60, for members with at least 10 years but not more than 18.518 years of service. Death benefits are based upon a variety of factors including whether the participant was retired or not.

Annual cost-of-living adjustments (COLAs) after retirement are provided in all plans. COLAs are granted to retired members each May based upon the Bureau of Labor Statistics Average Consumer Price Index for All Urban Consumers for the previous calendar year and is subject to a maximum of 2% per annum.

The Plans' provisions and benefits in effect at June 30, 2023, are summarized as follows:

	Miscellaneous Tier I	Miscellaneous Tier II	PEPRA
Hire Date	Prior to July 1, 2012	On or after July 1, 2012	On or after January 2, 2013
Benefit Formula	2.7% at 55	2.0% at 60	2.0% at 62
Benefit Vesting Schedule	5 Years of Credited Service	5 Years of Credited Service	5 Years of Credited Service
Benefit Payments	Monthly for Life	Monthly for Life	Monthly for Life
Retirement Age	50	50	52
Monthly Benefits, as % of Eligible Compensation	2.0%-2.7%	1.1%-2.4%	1.0%-2.5%
Required Employee Contribution Rates	8.0%	6.93%	6.75%
Required Employer Contribution Rates	13.350%	8.630%	7.470%
Status	Open	Open	Open

**CITY OF PORTOLA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

3. Employees Covered

Information regarding the number of employees covered by the benefit terms for the Miscellaneous Plans is not available for cost-sharing multiple-employer defined benefit pension plans.

4. Contributions

Section 20814 of the California Public Employees' Retirement Law requires the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. During the year ended June 30, 2023, the City made contributions totaling \$118,141 to the Plan.

B. Net Pension Liability

The City's net pension liability for the Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2022, using an annual actuarial valuation as of June 30, 2021 rolled forward to June 30, 2022 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

1. Actuarial Assumptions

The total pension liabilities in the June 30, 2021 actuarial valuations were determined using the following actuarial assumptions:

	Miscellaneous	PEPRA
Valuation Date	June 30, 2021	June 30, 2021
Measurement Date	June 30, 2022	June 30, 2022
Actuarial Cost Method	Entry-Age Normal	
Actuarial Assumptions:		
Discount Rate	6.90%	6.90%
Inflation	2.50%	2.50%
Payroll Growth	2.75%	2.75%
Projected Salary Increase	Varies by Entry Age and Service	
Investment Rate of Return	7.00%	7.00%
Mortality	Derived Using CalPERS' Membership Data for All Funds	

(1) Net of Pension Plan Investment Expenses, Including Inflation.

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2021 valuation were based on the results of a 2021 actuarial experience study for the period 2000 to 2019. Further details of the Experience Study can be found on the CalPERS website.

**CITY OF PORTOLA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

2. Change of Assumption

Demographic assumptions and the inflation rate assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions.

3. Discount Rate

Effective with the June 30, 2021 valuation date (2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated, combined with risk estimates, and are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return.

Any changes to the discount rate will require Board action and proper stakeholder outreach. CalPERS will continue to check the materiality of the difference in calculation until there is a change in methodology.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension investment expense and inflation) are developed for each major asset class.

The long-term expected rate of return includes both short-term and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of 1%.

The long-term expected real rates by asset class can be found in CalPERS' Annual Comprehensive Financial Report for the fiscal year ended June 30, 2022.

**CITY OF PORTOLA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

4. Proportionate Share of the Net Pension Liability

The Miscellaneous plans are part of a Risk Pool, which is part of the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan. The City's net pension liability for the Miscellaneous Plan was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all plan participants, actuarially determined. The City's net pension liability and related Plan proportion for the Miscellaneous Plan is as follows:

	Miscellaneous
Proportion - June 30, 2022	0.00117%
Proportion - June 30, 2023	0.01395%
Change - Increase/(Decrease)	0.01278%

C. Changes in the Net Pension Liability

1. Sensitivity of the Net Pension Liability to Change in the Discount Rate

The following presents the net pension liability of the City for each Plan, calculated using the discount rate for each Plan, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage points lower or 1-percentage point higher than the current rate:

	1% Decrease 5.90%	Current Discount Rate 6.90%	1% Increase 7.90%
Net Pension Liability	\$ 1,223,446	\$ 652,972	\$ 183,613

2. Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

D. Pension Revenue and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended June 30, 2023, the City recognized pension expense of \$419,595. Pension expense represents the change in the net pension liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions or method, and plan benefits.

**CITY OF PORTOLA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 13,113	\$ 8,782
Changes in Assumptions	66,911	-
Change in Employer's Proportion and Differences Between the Employer's Contributions and the Employer's Proportionate Share of Contributions	-	87,336
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	119,607	-
Change in Employer's Proportion	234,834	-
City Contribution Subsequent to the Measurement Date	118,141	
Total	\$ 552,606	\$ 96,118

\$118,141 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	Deferred Outflows/(Inflows) of Resources
2024	\$ 108,428
2025	98,090
2026	58,674
2027	73,155
Total	\$ 338,347

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS

The City does not offer health insurance benefits to its retirees. By resolution number 2071 the City has confirmed that retirees are only eligible to receive those benefits offered to them by participation in the state of California Public Employees Retirement System (PERS), as well as those that they may be eligible for under the federal Medicare program.

**CITY OF PORTOLA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 11 LANDFILL CLOSURE AND POSTCLOSURE CARE COST

The City is responsible for one closed landfill site. State and federal laws and regulations require the City to place a final cover on its landfill site when it stops accepting waste and perform certain maintenance and monitoring functions at the site for thirty years after closure. GASB Statement No. 18 requires a portion of these closure and postclosure care costs be reported as an operating expense in each period based on landfill capacity used as of each statement of net position date. Since the landfill is no longer accepting waste, the entire estimated expense and related liability have been reported.

As of June 30, 2023, the City's estimated liability for postclosure maintenance costs for the landfill was \$1,371,944. This estimate is based on the amount that would be paid if all equipment, facilities, and services required to close and/or monitor the landfills were acquired as of the balance sheet date. The costs for landfill postclosure maintenance costs are based on yearly estimates, reviewed by the California Integrated Waste Management Board, as prepared by TGV Solid Waste, Inc. Actual costs may be higher due to inflation, change in technology, or changes in regulations. The City has applied the annual inflation factor to the liability each year and has reduced the liability by actual expenses incurred.

The City is required by the California Code of Regulations to demonstrate financial responsibility for postclosure maintenance costs. The City has met this requirement for the Portola landfill through a pledge of revenue.

NOTE 12 RISK MANAGEMENT

The City of Portola is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; error and omissions; injuries to employees; and natural disasters. The City participates in joint powers agreements through the Small Cities Organized Risk Effort (SCORE) and California Joint Powers Risk Management Authority (CJPRMA). The relationship between the City and the JPAs is such that the JPAs are not considered a component unit of the City for financial reporting purposes.

The JPAs arrange for and provide liability coverage for members. Each JPA is governed by a board consisting of a representative from each member. The Board controls the operations of the JPA including selection of management and approval of operating budgets, independent of any influence by the members beyond their representation on the board. Each member pays a premium commensurate with the level of coverage requested and shares surpluses and deficits proportionate to their participation in the JPA.

The City participates in a Banking Plan for the first \$25,000 of loss. The portion of loss greater than \$25,000 but less than \$500,000 is shared among the Member Cities in the Shared Risk Pool. The City participates in the CJPRMA for the portion of losses greater than \$500,000 to a maximum of \$10,000,000. The liability related to the Banking Plan was deemed immaterial.

**CITY OF PORTOLA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

The Authority establishes claims liabilities based on estimates of the ultimate cost of claims (including future claim adjustment expenses that have been reported but not settled, and of claims that have been incurred but not reported (IBNR)). The length of time for which such costs must be estimated varies in the coverage involved. Estimated amounts of salvage and subrogation and excess-insurance recoverable on unpaid claims are deducted from the liability for unpaid claims.

NOTE 13 COMMITMENTS AND CONTINGENCIES

A. Construction Commitments

At June 30, 2023, the City has commitments of approximately \$2.8 million for construction contracts, awarded but not completed. The major contract outstanding is for the completion of the STIP North Loop Project. All costs on this project are 100% reimbursable by the State.

B. Litigation

The City is subject to various lawsuits, inverse condemnation cases, personnel actions, and other actions incidental to the ordinary course of City operations. In the opinion of the City attorney, the total potential claims against the City covered by insurance resulting from litigation would not materially affect the financial statements of the City at June 30, 2023.

NOTE 14 EXCESS EXPENDITURES OVER BUDGET

The City had expenditures that exceeded its budget in the Snow Removal Fund by \$65,292.

REQUIRED SUPPLEMENTARY INFORMATION

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CITY OF PORTOLA
**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY/
 (ASSET) AND RELATED RATIOS**
FISCAL YEAR ENDED JUNE 30, 2023

Miscellaneous Plans – Cost-sharing Multiple-Employer Defined Benefit Pension Plans

Last 10 Fiscal Years*

	Reporting Date																	
	6/30/2023		6/30/2022		6/30/2021		6/30/2020		6/30/2019		6/30/2018		6/30/2017		6/30/2016		6/30/2015	
Proportionate Share of the Net Pension Liability	\$	652,972	\$	22,269	\$	483,829	\$	391,142	\$	709,707	\$	708,789	\$	577,890	\$	394,917	\$	237,694
Proportion of the Net Pension Liability		0.014%		0.001%		0.011%		0.010%		0.019%		0.018%		0.017%		0.014%		0.010%
Covered Payroll	\$	164,599	\$	152,062	\$	167,300	\$	194,362	\$	181,423	\$	259,958	\$	317,876	\$	337,555	\$	580,058
Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll		396.7%		14.6%		289.2%		201.2%		391.2%		272.7%		181.8%		117.0%		41.0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		78.19%		90.49%		77.71%		77.73%		77.69%		75.39%		75.87%		79.89%		81.15%

*Amounts presented above were determined as of June 30. Additional years will be presented as they become available.

CITY OF PORTOLA
SCHEDULE OF PENSION PLAN CONTRIBUTIONS
FISCAL YEAR ENDED JUNE 30, 2023

Miscellaneous Plans – Cost-sharing Multiple-Employer Defined Benefit Pension Plans

Last 10 Fiscal Years*

	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015
Actuarially Determined Contribution Contributions in Relation to the Actuarially Determined Contributions	\$ 56,192	\$ 41,694	\$ 46,122	\$ 39,456	\$ 34,427	\$ 48,061	\$ 48,041	\$ 52,222	\$ 24,089
	118,141	112,052	97,709	94,059	471,085	64,595	45,970	43,236	41,882
Contributions Deficiency (Excess)	\$ (61,949)	\$ (70,358)	\$ (51,587)	\$ (54,603)	\$ (436,658)	\$ (16,534)	\$ 2,071	\$ 8,986	\$ (17,793)
Covered Payroll	\$ 169,537	\$ 164,599	\$ 152,062	\$ 167,300	\$ 194,362	\$ 181,423	\$ 259,958	\$ 317,876	\$ 337,555
Contributions as a Percentage of Covered Payroll	69.68%	68.08%	64.26%	56.22%	242.37%	35.60%	17.68%	13.60%	12.41%

*Amounts presented above were determined as of June 30. Additional years will be presented as they become available.

CITY OF PORTOLA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL
GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 615,800	\$ 615,800	\$ 699,561	\$ 83,761
Licenses and Permits	67,700	67,700	69,134	1,434
Fines, Forfeitures and Penalties	200	200	190	(10)
Use of Money and Property	7,500	52,500	51,418	(1,082)
Intergovernmental	337,700	702,369	674,487	(27,882)
Charges for Services	16,500	28,500	34,590	6,090
Other Revenues	-	8,232	6,858	(1,374)
Total Revenues	1,045,400	1,475,301	1,536,238	60,937
EXPENDITURES				
Current:				
General Government	244,329	244,329	215,290	29,039
Planning and Community Development	79,804	104,804	96,491	8,313
Public Safety	346,962	414,530	409,801	4,729
Public Works	93,894	312,894	324,841	(11,947)
Parks and Recreation	196,357	223,357	238,203	(14,846)
Total Expenditures	961,346	1,299,914	1,284,626	15,288
Excess (Deficiency) of Revenues Over Expenditures	84,054	175,387	251,612	76,225
OTHER FINANCING SOURCES (USES)				
Transfers Out	(241,850)	(358,656)	(380,190)	(21,534)
Total Other Financing Sources (Uses)	(241,850)	(358,656)	(380,190)	(21,534)
Net Change in Fund Balances	(157,796)	(183,269)	(128,578)	54,691
Fund Balances - Beginning of Year	2,644,191	2,644,191	2,644,191	-
Fund Balances - End of Year	\$ 2,486,395	\$ 2,460,922	\$ 2,515,613	\$ 54,691

**CITY OF PORTOLA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL
STATE TRANSPORTATION IMPROVEMENT FUND
FISCAL YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ 332,300	\$ 332,310	\$ 10
Total Revenues	-	332,300	332,310	10
EXPENDITURES				
Current:				
Streets and Roads	10,000	342,300	333,786	8,514
Total Expenditures	10,000	342,300	333,786	8,514
Excess (Deficiency) of Revenues Over Expenditures	(10,000)	(10,000)	(1,476)	(8,504)
OTHER FINANCING SOURCES (USES)				
Transfers In	10,000	10,000	1,476	(8,524)
Total Other Financing Sources (Uses)	10,000	10,000	1,476	(8,524)
Net Change in Fund Balances	-	-	-	-
Fund Balances - Beginning of Year	289	289	289	-
Fund Balances - End of Year	\$ 289	\$ 289	\$ 289	\$ -

**CITY OF PORTOLA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL
GAS TAX 2107 FUND
FISCAL YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 55,053	\$ 55,053	\$ 55,458	\$ 405
Total Revenues	<u>55,053</u>	<u>55,053</u>	<u>55,458</u>	<u>405</u>
EXPENDITURES				
Current:				
Public Safety	39,000	39,000	38,707	293
Streets and Roads	137,320	137,320	119,115	18,205
Total Expenditures	<u>176,320</u>	<u>176,320</u>	<u>157,822</u>	<u>18,498</u>
Excess (Deficiency) of Revenues Over Expenditures	(121,267)	(121,267)	(102,364)	18,903
OTHER FINANCING SOURCES (USES)				
Transfers In	121,267	121,267	102,364	(18,903)
Total Other Financing Sources (Uses)	<u>121,267</u>	<u>121,267</u>	<u>102,364</u>	<u>(18,903)</u>
Net Change in Fund Balances	-	-	-	-
Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF PORTOLA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL
SNOW REMOVAL FUND
FISCAL YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 120,000	\$ 120,000	\$ 136,331	\$ 16,331
Total Revenues	<u>120,000</u>	<u>120,000</u>	<u>136,331</u>	<u>16,331</u>
EXPENDITURES				
Current:				
Streets and Roads	230,584	347,389	412,681	(65,292)
Total Expenditures	<u>230,584</u>	<u>347,389</u>	<u>412,681</u>	<u>(65,292)</u>
Excess (Deficiency) of Revenues Over Expenditures	(110,584)	(227,389)	(276,350)	(48,961)
OTHER FINANCING SOURCES (USES)				
Transfers In	110,584	227,389	276,350	48,961
Total Other Financing Sources (Uses)	<u>110,584</u>	<u>227,389</u>	<u>276,350</u>	<u>48,961</u>
Net Change in Fund Balances	-	-	-	-
Fund Balances - Beginning of Year	-	-	-	-
Fund Balances - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF PORTOLA
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2023**

BUDGETS AND BUDGETARY ACCOUNTING

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. The budget is legally enacted through passage of a resolution.
4. Budget adjustments from reserves and between funds are approved by the City Council and budget transfers within fund or department are approved by the City Manager. Expenditures may not legally exceed budgeted appropriations at the fund level for all funds without the City Council's approval.
5. Budgets are adopted for the General Fund and Special Revenue Funds.
6. Formal budgetary integration is employed as a management control device during the year in all funds.

Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for all funds.

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SUPPLEMENTARY INFORMATION

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NONMAJOR SPECIAL REVENUE FUNDS

**CITY OF PORTOLA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2023**

	Road Maintenance and Rehabilitation Account	Community Development Block Grant	Total
ASSETS			
Cash and Investments	\$ 124,366	\$ 25,285	\$ 149,651
Due from Other Governments	8,212	-	8,212
Interest Receivable	895	182	1,077
Notes Receivable, Net	-	43,525	43,525
Total Assets	\$ 133,473	\$ 68,992	\$ 202,465
LIABILITIES AND FUND BALANCE			
Liabilities:			
Accounts Payable	\$ 194	\$ -	\$ 194
Accrued Salaries and Benefits Payable	-	345	345
Total Liabilities	194	345	539
Fund Balance:			
Restricted	133,279	43,525	176,804
Assigned	-	25,122	25,122
Total Fund Balance	133,279	68,647	201,926
Total Liabilities and Fund Balance	\$ 133,473	\$ 68,992	\$ 202,465

**CITY OF PORTOLA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FISCAL YEAR ENDED JUNE 30, 2023**

	Road Maintenance and Rehabilitation Account	Community Development Block Grant	Total
REVENUES			
Use of Money and Property	\$ 2,367	\$ 629	\$ 2,996
Intergovernmental	46,867	-	46,867
Total Revenues	<u>49,234</u>	<u>629</u>	<u>49,863</u>
EXPENDITURES			
Current:			
Streets and Roads	1,580	-	1,580
Planning and Community Development	-	16,321	16,321
Total Expenditures	<u>1,580</u>	<u>16,321</u>	<u>17,901</u>
Net Change in Fund Balances	47,654	(15,692)	31,962
Fund Balances - Beginning of Year	<u>85,625</u>	<u>84,339</u>	<u>169,964</u>
Fund Balances - End of Year	<u>\$ 133,279</u>	<u>\$ 68,647</u>	<u>\$ 201,926</u>

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OTHER REPORTS

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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Honorable Mayor and Council Members
Portola, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Portola (City), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated October 18, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City's internal control. Accordingly, we do not express an opinion on the effectiveness of City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Honorable Mayor and Council Members
City of Portola

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Roseville, California
October 18, 2023



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CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Jon Kennedy, Interim City Manager

MEETING: December 13, 2023

SUBJECT: City Website

BACKGROUND

The City was informed that the CivicPlus website annual subscription was due to increase next year, which caused a need to consider the city's future website needs. Recently staff attended a quarterly SCORE meeting where the concern of website accessibility was discussed and strongly encouraged to get assessed and addressed.

The standard CivicPlus subscription does not include ADA monitoring and compliance, but for an additional fee, we can be guaranteed ADA compliance and limit our liability. The bundled package to do this, ranged between \$6,520 and \$7,000 per year, with an undetermined set-up fee for the ADA compliance element. This caused a need to seek other options.

Staff reached out to Streamline for a demo and quote. Streamline is a California based company that serves Special Districts and small cities. Streamline's standard subscription includes hosting the city's website, unlimited technical assistance, which should be limited due to Streamline's much more "streamline" content management system, full ADA compliance monitoring and repair, and public alert systems. Streamline's quote was \$4,260 or \$445 per month, with a one-time \$2,500 set-up fee. There will be no down time for our website if we transition to Streamline.

RECOMMENDATION

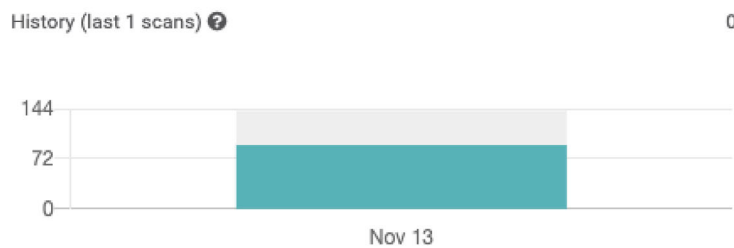
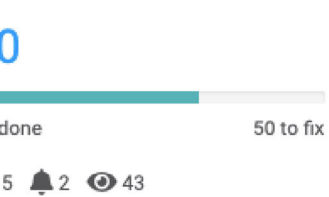
Approve signing an agreement with Streamline and begin the process of transitioning over.

Accessibility

Monitor your website's compliance levels (WCAG 2.1) and fix issues that are making it difficult for people with disabilities to use your website

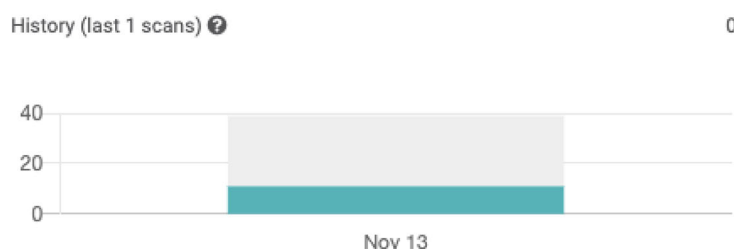
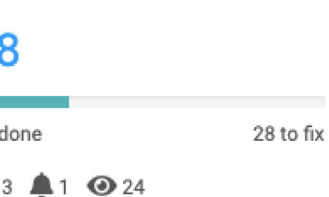
Level A compliance

91 of 141 checks passed



Level AA compliance

11 of 39 checks passed

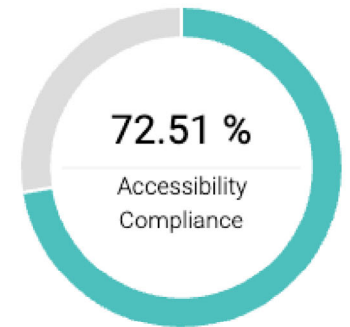


Accessibility checks compliance by level



Accessibility Diagnostics

Percentage shows number of pages that are compliant with all Accessibility checks



Failing accessibility checks 

78 /180

↑ 100%

Pages with failing checks

385

1

Checks

0



CivicPlus

302 South 4th St. Suite 500
Manhattan, KS 66502
US

Quote #:

Q-51850-1

Date:

10/4/2023 12:01 PM

Customer:

PORTOLA, CALIFORNIA

QTY	Product Name	DESCRIPTION	TOTAL
1.00	Web Open Platform Migration	Web Open Platform Migration	USD 385.00
1.00	Standard Annual - CivicEngage Open Renewal	CivicCMS Standard Annual	USD 2,415.00

Annual Recurring Services - Initial Term	USD 2,800.00
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1. This renewal Statement of Work ("SOW") is between city of Portola ("Customer") and CivicPlus, LLC and shall be subject to the terms and conditions of the original services agreement signed by Customer and CivicPlus and each applicable statement of work signed by the parties for the services listed herein (collectively, referred to as the "Agreement"). The terms of this SOW shall control and supersede any conflicting terms of the Agreement with respect to the services listed herein (the "Services").

2. This SOW shall remain in effect for an initial term starting at the Customer's next renewal date of 2/26/2024 and running for twelve months ("Initial Term"). In the event that neither party gives 60 days' notice to terminate prior to the end of the Initial Term, or any subsequent Renewal Term, this SOW will automatically renew for additional 1-year renewal terms ("Renewal Term"). The Initial Term and all Renewal Terms are collectively referred to as the "Term".

3. Unless terminated, Customer shall be invoiced for the Annual Recurring Services on each Renewal Date of each calendar year subject to an annual increase of 5% each Renewal Term.

4. Except as set forth in in this SOW, all terms in the Agreement shall remain in full force and effect and no modification thereto shall be valid unless in writing and agreed upon by CivicPlus and Customer. This SOW embodies the entire agreement between the Parties with respect to this Amendment.

Acceptance

By signing below, the parties are agreeing to be bound by the covenants and obligations specified in this SOW. For CivicPlus Billing Information, please visit <https://www.civicplus.com/verify/>.

IN WITNESS WHEREOF, the parties have caused this SOW to be executed by their duly authorized representatives as of the dates below.

Client

CivicPlus

By:

By:



Name:

Name:

Amy Vikander

Title:

Title:

Senior Vice President of Customer Success

Date:

Date:



Streamline Platform - Subscription Agreement

CUSTOMER: **City of Portola**

ORDER DATE: **11 / 16 / 2023**

This Software as a Service Agreement (“Agreement”) is entered into on the start date listed below, between Streamline (DBA of Digital Deployment, Inc.) with a place of business at 3301 C St, Sacramento, CA 95816 (“Company”), and the Customer listed above (“Customer”). This Agreement incorporates the [Streamline Terms of Service](#). W9 is available online. **Most customers prefer annual billing for convenience, but all subscriptions are cancellable anytime with a written 30-day notice.**

DESCRIPTION OF SERVICES: See Page 2 for an overview of what Streamline Web includes, and for more information please review our [subscription-based website toolkit for local government](#) .

SUBSCRIPTION ORDER:

Name	Price
Streamline Web	\$4,260.00

One-Time Migration Costs: **\$2500**
 Invoice Frequency: **Annual**
 Additional Billing Details: **N/A**

Order #: **16092277518**
 Original Order? **Original**
01/01/2024
 Billing Start Date:

Billing Person:
 Billing Address:
 City, State, Zip:

Phone:
 Email:

Streamline:

Name:
 Title:
 Date:
 Signature:

Customer:

Name:
 Title:
 Date:
 Signature:



What Your Subscription Includes



Technology

- **Easy-to-use website tool allows you to control your content** - no more waiting on a vendor or IT.
- **Built-in ADA compliance** (the platform is fully accessible out of the “box”).
- **State-specific transparency dashboard** with checkpoints for all posting requirements.
- **Meeting dashboard with agenda reminders**, one-click agenda and minute upload that takes seconds.
- **Ongoing improvements** to existing features included at no cost - your software will never be out of date.



Setup and Training

- **Multiple options** for initial site build and migrating existing content.
- **Introduction to your state requirements** so you know what needs to be posted.
- **Training** for anyone on your staff via remote meeting to help you learn the system.
- **Free domain** included (acmemud.specialdistrict.org) or connect your own custom domain / web address.
- **Free SSL security certificate** so that your site is served over https and visitors are protected.



Ongoing Support

- **Unlimited support** is included for anyone on your staff responsible for updating the website.
- **Support system is built into your website** - get help with the click of a button.
- **Unlimited hosting** of content and files so you never have to “upgrade” your account.
- **Extensive knowledge base** of how-to articles and getting started guides are available 24/7.
- **Can't figure out how to send your question? That's ok, you'll have our technical support number, too.**

And if (when) your state passes additional website mandates, Streamline Web will be updated to help you comply as effortlessly as possible.



Your Onboarding Process

4 simple steps to get your team up and running



Streamline Migration Options

	Core	Classic	Complete+
Description	Baseline option, perfect for customers with no existing website or a site with less than 50 pages/documents to migrate	This onboarding includes site migration of up to 199 pages/documents and more collaboration on design changes	For customers looking to migrate anything over 200 pages
Pages/Docs	<50	<200	200+
Web Design	STR Best Practices	STR Best Practices	Custom

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Jon Kennedy, Interim City Manager

MEETING: December 13, 2023

SUBJECT: Community Engagement Position

BACKGROUND

The City has historically maintained a Community Service / Code Enforcement Officer position, but recently eliminated this position for budget reasons. In 2021 the City decided to contract out for these services with CSG. Councilmembers Murphy and Turner met with Interim City Manager, Jon Kennedy and Finance Officer, Susan Scarlett to discuss needs going forward. It was recommended that a 32-hour internal position should be established, with more of an emphasis on community engagement, rather than law enforcement, but will still have "code enforcement" duties and authority.

RECOMMENDATION

To approve a new position for Community Engagement, develop a job description and advertise for the position.