Agenda

City Council Regular Meeting

Folsom City Hall | City Council Chambers, First Floor
50 Natoma Street, Folsom, CA 95630

May 26, 2026, 6:30 PM

Welcome to Your City Council Meeting

We welcome your interest and involvement in the city's legislative process. This agenda includes information about topics coming before the City Council and the action recommended by city staff. You can read about each topic in the staff reports, which are available on the city website and in the Office of the City Clerk. The City Clerk is also available to answer any questions you have about City Council meeting procedures.

Participation

If you would like to provide comments to the City Council, please:

- Fill out a blue speaker request form, located at the back table.
- Submit the form to the City Clerk before the item begins.
- When it's your turn, the City Clerk will call your name and invite you to the podium.
- Speakers generally have three minutes, unless the presiding officer (usually the mayor) changes that time.

Reasonable Accommodations

In compliance with the Americans with Disabilities Act, if you are a person with a disability and you need a disability-related modification or accommodation to participate in this meeting, please contact the City Clerk's Office at (916) 461-6035, (916) 355-7328 (fax) or CityClerkDept@folsom.ca.us. Requests must be made as early as possible and at least two full business days before the start of the meeting.

How to Watch

The City of Folsom provides three ways to watch a City Council meeting:

In Person	Online	On TV
City Council meetings take place at City Hall, 50 Natoma Street	Watch the livestream and replay past meetings on the city website, www.folsom.ca.us	Watch live and replays of meetings on Sac Metro Cable TV, Channel 14

More information about City Council meetings is available at the end of this agenda

CITY OF
FOLSOM
DISTINCTIVE BY NATURE

City Council Regular Meeting

Folsom City Hall | City Council Chambers, First Floor
50 Natoma Street, Folsom, CA 95630
www.folsom.ca.us

Tuesday, May 26, 2026 6:30 PM

Justin Raithel, Mayor

Sarah Aquino, Councilmember
Mike Kozlowski, Councilmember
Barbara Leary, Councilmember
Anna Rohrbough, Vice Mayor

AGENDA

CALL TO ORDER

ROLL CALL: Councilmembers: Rohrbough, Aquino, Kozlowski, Leary, Raithel

The City Council has adopted a policy that no new item will begin after 10:30 p.m. Therefore, if you are here for an item that has not been heard by 10:30 p.m., you may leave, as the item will be continued to a future Council meeting.

PLEDGE OF ALLEGIANCE

AGENDA UPDATE

BUSINESS FROM THE FLOOR:

Members of the public are entitled to address the City Council concerning any item within the Folsom City Council's subject matter jurisdiction. Public comments are generally limited to no more than three minutes. Except for certain specific exceptions, the City Council is prohibited from discussing or taking action on any item not appearing on the posted agenda.

CONSENT CALENDAR:

Items appearing on the Consent Calendar are considered routine and may be approved by one motion. Councilmembers may pull an item for discussion.

1. Approval of the April 28, 2026 City Council Special and Regular Meeting Minutes
2. Resolution No. 11614- A Resolution Authorizing the City Manager to Execute Amendment No. 4 to the Agreement (Contract No. 173-21 14-092) with Water Works Engineers, LLC for $49,823 from the Water Operating Fund (Fund 520) for Fixed Network and Water Consumption Database As-Needed Support

3. Resolution No. 11615 – A Resolution Authorizing the City Manager to Execute an Agreement with Electric Vehicle Conversions, LLC in the Amount of $240,400.56 from the Solid Waste Operating Fund (Fund 540) for the Purchase of an Electric Flatbed Vehicle and Apply for Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP) Funding

4. Resolution No. 11616 -A Resolution Authorizing the City Manager to Execute an Agreement with Waterproofing Associates, Inc. for $103,247 from the Water Operating Fund (Fund 520) for the Water Treatment Plant Roof Restoration Project

5. Resolution No. 11617 – A Resolution Authorizing the City Manager to Execute up to Three One-Year Extensions to the Agreement with the County of Sacramento for a Not to Exceed Annual Cost of $50,000 from the Solid Waste Operating Fund (Fund 540) for Household Hazardous Waste Collection Program Services to Folsom Residents at Sacramento County Owned Facilities

6. Resolution No. 11618 – A Resolution Authorizing the City Manager to Execute up to Two One-Year Extensions to the Agreement with the County of Sacramento for an Estimated Annual Cost of $2.6 million from the Solid Waste Operating Fund (Fund 540) for Reduced Tipping Fees for Municipal Solid Waste Disposal at Kiefer Landfill

7. Resolution No. 11619 - A Resolution Amending Resolution No. 11594 to include the City's Funding Commitment of $150,000 from the Water Impact Fund (Fund 456) for a United States Bureau of Reclamation WaterSMART Small-Scale Water Use Efficiency Program Grant

8. Resolution No. 11621 – A Resolution Authorizing the City Manager to Execute an Amendment to the Agreement (Contract No. 173-21 21-068) with Genuine Parts Company dba Napa Auto Parts for an Annual Cost of up to $1,032,600 for Vendor Managed Inventory Services in the Fleet Division, 1300 Leidesdorff Street, from all Department Funds as Required for Vehicle Maintenance and Repairs

9. Resolution No. 11623- A Resolution Authorizing the City Manager to Execute an Agreement with HydroScience Engineers, Inc. for $474,041 from the Water Operating Fund (Fund 520) for Design, Engineering Services During Construction, and Construction Management and Inspection for the Zone 4 Tank Rehabilitation Project (Phase 1) (WA2703) and Appropriation of Funds

10. Resolution No. 11624 - A Resolution Authorizing the City Manager to Execute Non-Exclusive Agreements for On-Call Engineering, Construction Inspection, and Surveying Services up to Appropriated and Available Project Specific Budgets with 4LEAF, Inc., BKF Engineers, Boswell & Associates, REY Engineers, Inc., and Unico Engineering

11. Benevento Family Park:

    i. Resolution No. 11631 – A Resolution Authorizing the City Manager to Execute a Contract Amendment (Contract No. 173-2123-027) with Helix Environmental for Benevento Family Park Environmental Consulting Services in the Amount of $42,250 from the Park Improvements Fund (412) for a New Total Contract Amount Not-To-Exceed $120,500

    ii. Resolution No. 11632 – A Resolution Authorizing the City Manager to Execute a Contract Amendment (Contract No. 173-2120-045) with Wilson Design Studios for Benevento Family Park and Prospector Park Design Services in the Amount of $277,980 from the Park Improvements Fund (Fund 412) and $2,463 from the Folsom Plan Area Specific Plan Capital Fund (Fund 472) for a New Total Contract Amount Not-To-Exceed $1,167,980

PUBLIC HEARING:

12. Presentation by Staff in Compliance with Assembly Bill 2561/Government Code Section 3502.3 Regarding City Vacancies, Recruitment and Retention Efforts

13. City of Folsom Community Facilities District No. 24 (Alder Creek West)

    i. Resolution No. 11625- A Resolution of the City Council of the City of Folsom to Form a Community Facilities District, to Designate Improvement Areas within the District, to Designate a Future Annexation Area therein and to Levy Special Taxes therein

    ii. Resolution No. 11626- A Resolution of the City Council of the City of Folsom Deeming it Necessary to Incur Bonded Indebtedness in and for City of Folsom Community Facilities District No. 24 (Alder Creek West)

    iii. Resolution No. 11627 - A Resolution of the City Council of the City of Folsom Calling Special Mailed-Ballot Election in the City of Folsom Community Facilities District No. 24 (Alder Creek West)

    iv. Resolution No. 11628 – A Resolution of the City Council of the City of Folsom Declaring Election Results in the City of Folsom Community Facilities District No. 24 (Alder Creek West)

    v. Ordinance No. 1370 – An Uncodified Ordinance Levying Special Taxes for the Fiscal Year 2026-27 and Following Fiscal Years Solely within and Relating to the City of Folsom Community Facilities District No. 24 (Alder Creek West) (Introduction and First Reading)

OLD BUSINESS:

14. Resolution No. 11622 - A Resolution Authorizing the City Manager to Execute an Amendment to the Agreement with the Folsom Tourism Bureau Relative to the Folsom Tourism Business Improvement District (Contract No. 173-21 12-053) AND Appointing Two City Council Members to Serve on the Folsom TBID Capital Improvement Committee

15. Consideration of Potential Ballot Measure(s) Amending the City Charter and/or the Folsom Municipal Code for the 2026 General Municipal Election and Direction to Staff

NEW BUSINESS:

16. Resolution No. 11620 - A Resolution Approving the Master Development Plan for Jackrabbit Hill Park

17. Resolution No. 11629– A Resolution Authorizing the City Manager to Execute a Consultant and Professional Services Agreement with Griffin Structures, Inc. for the Corporation Yard Site Planning and Environmental Assessment in the Amount of $335,000 from the Corporation Yard Capital Fund (Fund 459) for the New Corporation Yard Project and Appropriation of Funds

18. Resolution No. 11630 - A Resolution Adopting a List of Projects for Fiscal Year 2026-27 to be Funded by Senate Bill 1: The Road Repair and Accountability Act

19. Presentation of the City Manager's FY 2026-27 Proposed Operating and Capital Budgets for the City of Folsom, the Successor Agency, the Folsom Public Financing Authority, and the Folsom Ranch Public Financing Authority

CITY MANAGER REPORTS

COUNCIL COMMENTS

ADJOURNMENT

NOTICE: Members of the public are entitled to directly address the City Council concerning any item that is described in the notice of this meeting, before or during consideration of that item. If you wish to address Council on an issue, which is on this agenda, please complete a blue speaker request card, and deliver it to a staff member at the table on the left side of the Council Chambers prior to discussion of the item. When your name is called, stand to be recognized by the Mayor and then proceed to the podium. If you wish to address the City Council on any other item of interest to the public, when the Mayor asks if there is any "Business from the Floor," follow the same procedure described above. Please limit your comments to three minutes or less.

NOTICE REGARDING CHALLENGES TO DECISIONS: Pursuant to all applicable laws and regulations, including without limitation, California Government Code Section 65009 and or California Public Resources Code Section 21177, if you wish to challenge in court any of the above decisions (regarding planning, zoning and/or environmental decisions), you may be limited to raising only those issues you or someone else raised at the public hearing(s) described in this notice/agenda, or in written correspondence delivered to the City at, or prior to, the public hearing.

As presiding officer, the Mayor has the authority to preserve order at all City Council meetings, to remove or cause the removal of any person from any such meeting for disorderly conduct, or for making personal, impertinent, or slanderous remarks, using profanity, or becoming boisterous, threatening or personally abusive while addressing said Council, and to enforce the rules of the Council.

PERSONS INTERESTED IN PROPOSING AN ITEM FOR THE CITY COUNCIL AGENDA SHOULD CONTACT A MEMBER OF THE CITY COUNCIL.

This meeting of the City Council is recorded with closed captioning. The recording will be cablecast on Metro Cable Channel 14, the local government affairs channel on the Comcast and DirecTV U-Verse cable system, and will be shown in its entirety on the Friday and Saturday following the meeting, both at 9 a.m. The recording will also be video streamed at metro14live.saccounty.gov.The City does not control scheduling of this telecast and persons interested in watching the televised meeting should confirm this schedule with Metro Cable TV, Channel 14. The City of Folsom provides live and archived webcasts of regular City Council meetings. The webcasts can be found on the online services page of the City's website www.folsom.ca.us.

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Any documents produced by the City and distributed to the City Council regarding any item on this agenda will be made available at the City Clerk's Counter at City Hall located at 50 Natoma Street, Folsom, California and at the Folsom Public Library located at 411 Stafford Street, Folsom, California during normal business hours.

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CITY OF
FOLSOM
DISTINCTIVE BY NATURE

City Council Special Meeting

MINUTES

Tuesday, April 28, 2026 6:00 PM

CALL TO ORDER

The special City Council meeting was called to order at 6:00 pm with Mayor Raithel presiding.

ROLL CALL:

Councilmembers Present: Barbara Leary, Councilmember
Sarah Aquino, Councilmember
Justin Raithel, Mayor

Councilmembers Absent: Michael Kozlowski, Councilmember *(arrived 6:02 pm)*
Anna Rohrbough, Vice Mayor *(arrived 6:02 pm)*

ADJOURNMENT TO CLOSED SESSION FOR THE FOLLOWING PURPOSES:

1. Conference with Legal Counsel – Existing Litigation – Pursuant to Government Code Section 54956.9(d)(1): Ashley Anne Baker v. City of Folsom, County of Sacramento, State of California, California Department of Public Works, and Does 1-50, inclusive, Sacramento County Superior Court Case No. 26CV009465

2. Conference with Legal Counsel – Anticipated Litigation – Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(d)(2): One Potential Case: Notice of Commencement of CEQA Litigation submitted on behalf of Robert Delp

Motion by Councilmember Aquino, second by Councilmember Leary to adjourn to closed session. Motion passed by the following roll-call vote:

AYES: **Leary, Aquino, Raithel**
NOES: **None**
ABSENT: **Kozlowski, Rohrbough**
ABSTAIN: **None**

RECONVENE

Interim City Attorney Sari Dierking announced that the City Council authorized legal counsel to defend the case identified in agenda item 1 with a unanimous vote 5-0.

ADJOURNMENT

There being no further business to come before the City Council, the meeting was adjourned at 6:32 pm.

SUBMITTED BY:

_____
Christa Freemantle, City Clerk

ATTEST:

_____
Justin Raithel, Mayor

City Council Regular Meeting

MINUTES

Tuesday April 28, 2026 6:30 PM

CALL TO ORDER

The regular City Council meeting was called to order at 6:32 pm with Mayor Raithel presiding.

ROLL CALL:

Councilmembers Present:	Michael Kozlowski, Councilmember Barbara Leary, Councilmember Anna Rohrbough, Vice Mayor Sarah Aquino, Councilmember Justin Raithel, Mayor
Councilmembers Absent:	None

PLEDGE OF ALLEGIANCE

The pledge of allegiance was recited.

AGENDA UPDATE

Interim City Attorney Sari Dierking advised that there was additional information for Item No. 19.

BUSINESS FROM THE FLOOR:

None

SCHEDULED PRESENTATION:

1. Introductory Presentation of Folsom Public Library Programs and Services

Library Director Thomas Gruneisen introduced the item. Youth Services Librarian Lindsay Melhus, Senior Librarian Amanda Perez, and Library Supervisor Andrew Tweet provided a presentation.

The following individual spoke regarding this item:

- Solomon Chis

2. Presentation from California State Parks Representatives Regarding Parks Mural Project

California State Park Gold Fields District Superintendent Steve Hilton, accompanied by another California State Park representative, provided a presentation and responded to questions from the City Council. Local Artist Stan Padilla provided supplemental information.

3. Presentation from HART (Homeless Assistance Resource Team) Regarding the 2026 Winter Shelter

HART Director Bev Siess provided a presentation and responded to questions from the City Council.

The following individual spoke regarding this item:

- Miranda Pond

BUSINESS FROM THE FLOOR:

There was a late request to speak under this item.

The following individual spoke under this item:

1. Preran Maderella

CONSENT CALENDAR:

Items appearing on the Consent Calendar are considered routine and may be approved by one motion. Councilmembers may pull an item for discussion.

4. Approval of the April 14, 2026 City Council Special, Regular and Joint Meeting Minutes

5. Ordinance No. 1367 – An Ordinance of the City of Folsom Amending Chapters 13.03, 13.04, 13.08, 13.12, 13.16, 13.20, and 13.25 of the Folsom Municipal Code Concerning the Sanitary Sewer Collection System and Municipal Sewer System Regulations (Second Reading and Adoption)

6. Ordinance No. 1369 – An Ordinance of the City of Folsom Amending Chapter 13.22 of the Folsom Municipal Code Concerning Water System Cross-Connection Control (Second Reading and Adoption)

7. Community Park West Alternative Site Development Agreement Amendments (DEVA26-00028) and determination that these requests are exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3)

   i. Ordinance No. 1363 - An Uncodified Ordinance of the City of Folsom Approving Amendment No. 2 to the First Amended and Restated Tier 1 Development Agreement By and Between the City of Folsom and Alder Creek West Improvement Company, LLC,

With Respect to Property Previously Owned by Hillsborough North, LLC. (Second Reading and Adoption)

ii. Ordinance No. 1364 - An Uncodified Ordinance of the City of Folsom Approving Amendment No. 2 to the First Amended and Restated Tier 1 Development Agreement By and Between the City of Folsom and Alder Creek West Improvement Company, LLC, With Respect to Property Previously Owned by Prairie City Commercial Properties, LLC. (Second Reading and Adoption)

iii. Ordinance No. 1365 - An Uncodified Ordinance of the City of Folsom Approving Amendment No. 2 to the First Amended and Restated Tier 1 Development Agreement By and Between the City of Folsom and Alder Creek West Improvement Company, LLC, With Respect to Property Previously Owned by West Hillsborough Investors, LLC. (Second Reading and Adoption)

8. Resolution No. 11594 - A Resolution Authorizing the City Manager to Seek Grant Funds from the United States Bureau of Reclamation for WaterSMART Small-Scale Water Efficiency Projects for $100,000

9. Pulled for discussion

10. Water Treatment Plant Caustic Soda Storage and Feed System Project (WA2401)

i. Resolution No. 11598- A Resolution Authorizing the City Manager to Execute an Agreement with BWD Construction, Inc. dba BWD General Engineering Contractors for $1,311,720 from the Water Operating Fund (Fund 520) and $874,480 from the Water Capital Fund (Fund 521) for Construction of the Water Treatment Plant Caustic Soda Storage and Feed System Project (WA2401)

ii. Resolution No. 11599- A Resolution Authorizing the City Manager to Execute an Agreement with Inferrera Construction Management Group, Inc. for $225,171 from the Water Operating Fund (Fund 520) and $150,114 from the Water Capital Fund (Fund 521) for Construction Management and Inspection Services for the Water Treatment Plant Caustic Soda Storage and Feed System Project (WA2401) and Appropriation of Funds

11. Pulled for discussion

12. Resolution No. 11602 – A Resolution Authorizing the City Manager to Execute a Consultant Services Agreement with Dewberry Engineers, Inc. for Construction Management and Inspection Services in the amount of $57,376.80 from the Drainage Capital Improvement Fund (Fund 448) for the Bidwell Street Storm Drain Replacement Project, Project No. 2499, and Appropriation of Funds

13. Resolution No. 11605- A Resolution Authorizing the City Manager to Execute an Agreement with Axon Enterprise, Inc. for the Renewal of Police Camera and Technology Lease

Motion by Councilmember Aquino second by Councilmember Kozlowski to approve the Consent Calendar Item No. 4-8, 10, and 12-13. Motion passed by the following roll-call vote:

AYES: Kozlowski, Leary, Rohrbough, Aquino, Raithel
NOES: None
ABSENT: None
ABSTAIN: None

PULLED FOR DISCUSSION:

9. Resolution No. 11597 - A Resolution Authorizing Staff to Submit Grant Applications for Funding for the Folsom Boulevard Pedestrian Overcrossing (POC) Project Through the Safe Streets for All (SS4A) Grant Program Administered by the U.S. Department of Transportation and the Statewide Active Transportation Program (ATP) Cycle 8 Administered by the California Department of Transportation

Councilmember Aquino requested a separate discussion on this item to clarify project details and the use of grant funds for the public record. Following remarks from City Manager Whitemyer, Capital Projects Manager Ryan Neves and Public Works Director Rebecca Neves presented further information and addressed questions from the Council.

Motion by Mayor Raithel, second by Councilmember Kozlowski to approve Resolution No. 11597. Motion passed by the following roll-call vote:

AYES: Kozlowski, Leary, Aquino, Raithel
NOES: Rohrbough
ABSENT: None
ABSTAIN: None

11. Resolution No. 11600- A Resolution Authorizing Applications for Grant Funding from the Sacramento Area Council of Governments (SACOG) 2026 Federal Funding Programs, Authorizing the City Manager to Submit City of Folsom SACOG 2026 Federal Funding Program Application Priorities, and Authorizing the City Manager to Execute All Grant Documents and Timely Project Delivery Requirements

Vice Mayor Rohrbough pulled this item to request additional details regarding the grant programs. Senior Civil Engineer Zach Bosch provided a staff presentation and addressed inquiries from the City Council.

Motion by Vice Mayor Rohrbough, second by Councilmember Kozlowski to approve Resolution No. 11600. Motion passed by the following roll-call vote:

AYES: Kozlowski, Leary, Rohrbough, Aquino, Raithel
NOES: None
ABSENT: None
ABSTAIN: None

PUBLIC HEARING:

14. Natoma Station Maintenance Assessment District No. 2025-2 Public/Protest Hearing and Ballot Proceedings; Direction to Staff to Tally Ballots and Return with Results at the Next City Council Meeting

Municipal Landscape Services Manager Derik Perez provided a staff presentation and addressed inquiries from the City Council.

Mayor Raithel opened the public hearing at 8:08 p.m. There being no public testimony or further Council discussion, the Mayor noted that all assessment ballots must be submitted to the City Clerk prior to the close of the hearing. The public hearing was closed at 8:09 p.m.

Manager Perez advised that the ballot tabulation is scheduled for April 29, 2026, at 9:00 a.m. in the City Hall Large Public Works conference room; this process is open to the public. Certified results will be posted online on April 29, 2026, and formally presented at the May 12, 2026, City Council meeting.

15. Resolution No. 11539 - A Resolution of the City Council of the City of Folsom Declaring Results of Majority Protest Proceedings and Modifying the Assessment Rate of the Folsom Tourism Business Improvement District (Continued from February 24, 2026)

City Manager Bryan Whitemyer presented the item, noting that all previously submitted protests from hotel owners had been rescinded, contingent upon the approval of the proposed TBID governance structure. Choose Folsom CEO Joe Gagliardi provided additional comments.

Mayor Raithel opened the public hearing at 8:13 p.m. Eileen Reynolds addressed the Council. There being no further testimony, the public hearing was closed at 8:14 p.m.

Motion by Mayor Raithel, second by Councilmember Kozlowski to approve Resolution No. 11539.

During the ensuing discussion, the Interim City Attorney addressed Council inquiries and requested the City Clerk to read the protest status into the record. City Clerk Christa Freemantle confirmed that a majority protest did not exist, as all previously submitted protests had been formally withdrawn. Following further deliberation, Councilmembers Aquino and Leary expressed interest in serving on the TBID governance committee.

Motion passed by the following roll-call vote:

AYES: Kozlowski, Leary, Rohrbough, Aquino, Raithel
NOES: None
ABSENT: None
ABSTAIN: None

Choose Folsom CEO Joe Galliardi made an additional comment.

16. Resolution No. 11601- A Resolution Replacing Resolution No. 11366 and Approving the Updated City Impact and Connection Fee Schedule for Law Enforcement, Fire Suppression, General Facilities, Vehicles and Equipment, Park Improvement, Humbug-Willow Creek, Housing Trust, Water, Sanitary Sewer, Solid Waste, Transportation Improvement, Drainage, and Light Rail Impact Fees

17. Resolution No. 11604- A Resolution Replacing Resolution No. 11364, 11365 and 11371 and Enacting the Annual Inflationary Adjustment for City User Fees

Revenue Services Manager Elizabeth Hanna provided a joint staff presentation for Item Nos. 16 and 17.

Mayor Raithel opened the public hearing at 8:19 p.m. Jack Coplen addressed the Council. The public hearing was closed at 8:20 p.m.

Motion by Councilmember Aquino, second by Councilmember Leary to approve Resolution No. 11601. Motion passed by the following roll-call vote:

AYES: Kozlowski, Leary, Rohrbough, Aquino, Raithel
NOES: None
ABSENT: None
ABSTAIN: None

Motion by Councilmember Aquino, second by Mayor Raithel to approve Resolution No. 11604. Motion passed by the following roll-call vote:

AYES: Kozlowski, Leary, Rohrbough, Aquino, Raithel
NOES: None
ABSENT: None
ABSTAIN: None

OLD BUSINESS:

18. Resolution No. 11596 - A Resolution Approving the Parks & Recreation Commission's Recommendation to Approve the Benevento Family Park Master Development Plan

Park Planning Manager Brad Nelson delivered a staff presentation. Supplemental information was provided by City Manager Bryan Whitemyer and Parks and Recreation Director Kelly Gonzalez.

The following individuals provided public comment:

1. Andrew Silcox
2. Teri Isaacs
3. Karen Gifford
4. Stephanie Parsons

5. Frank Mukhtar
6. Wendy Campbell

Motion by Councilmember Aquino, second by Councilmember Kozlowski to approve Resolution No. 11596 for Master Development Plan No. 2, including all three additional options as add alternates.

Interim City Attorney Sari Dierking requested the City Council to clarify the motion. Park Planning Manager Brad Nelson and City Manager provided further information, noting that once a bid is received, staff can then evaluate (and submit for Council consideration) any add alternate items that fall within the allocated budget.

Motion passed by the following roll-call vote:

AYES: Kozlowski, Leary, Rohrbough, Aquino, Raithel
NOES: None
ABSENT: None
ABSTAIN: None

19. Resolution No. 11603 – A Resolution Authorizing the City Manager to Execute Contract Amendment #1 with R.E.Y. Engineers, Inc. for the Riley Street Safety Improvement Project, Project No. PW2101, in the Amount of $1,616,074 using $1,430,710 from a Federal Grant and $185,364 from the Transportation Improvement Fund (Fund 446) and Appropriation of Funds in the Transportation Improvement Fund (Fund 446)

Capital Projects Manager Ryan Neves provided a presentation and responded to Council questions.

Loretta Hettinger spoke under this item.

Motion by Councilmember Kozlowski, second by Councilmember Leary to approve Resolution No. 11603. Motion passed by the following roll-call vote:

AYES: Kozlowski, Leary, Rohrbough, Aquino, Raithel
NOES: None
ABSENT: None
ABSTAIN: None

CITY MANAGER REPORTS

City Manager Bryan Whitemyer provided an update regarding the upcoming 2025 Urban Water Management Plan meeting and extended commendations to the Folsom Police Department's Special Investigation Unit for their efforts regarding a recent theft arrest. He further highlighted the City of Folsom's upcoming 80th anniversary milestone and concluded his report with announcements concerning summer zoo hours and the release of the Summer Activity Guide.

COUNCIL COMMENTS

Councilmember Aquino discussed Historic District shuttle funding and noted the upcoming Fire Department swearing-in ceremony. She requested that Chief McGee extend her congratulations to Chief Solak and a welcome to Battalion Chief Shawn Luce, as she will be unable to attend the event.

Councilmember Leary had no report.

Councilmember Kozlowski provided comments regarding AB 2415.

Vice Mayor Rohrbough expressed gratitude to SacRT for sponsoring her attendance at the CAP-to-CAP program and shared highlights regarding local family celebrations for her mother's birthday.

Mayor Raithel reported on his participation in CAP-to-CAP, the upcoming FCUSD meeting, and the Ad Hoc Committee meeting.

ADJOURNMENT

There being no further business to come before the City Council, the meeting was adjourned at 9:51 p.m.

SUBMITTED BY:

_____
Christa Freemantle, City Clerk

ATTEST:

_____
Justin Raithel, Mayor

Folsom City Council
Staff Report

MEETING DATE:	5/26/2026
AGENDA SECTION:	Consent Calendar
ITEM TITLE:	Resolution No. 11614 - A Resolution Authorizing the City Manager to Execute Amendment No. 4 to the Agreement (Contract No. 173-21 14-092) with Water Works Engineers, LLC for $49,823 from the Water Operating Fund (Fund 520) for Fixed Network and Water Consumption Database As-Needed Support
FROM:	Utilities Department

RECOMMENDATION / CITY COUNCIL ACTION

The Utilities Department recommends that the City Council pass and adopt Resolution No. 11614 - A Resolution Authorizing the City Manager to Execute Amendment No. 4 to the Agreement (Contract No. 173-21 14-092) with Water Works Engineers, LLC for $49,823 from the Water Operating Fund (Fund 520) for Fixed Network and Water Consumption Database As-Needed Support.

BACKGROUND / ISSUE

Since 2014, Water Works Engineers, LLC (Water Works) has provided support to the City of Folsom on an as-needed basis, with ongoing development and modifications to its fixed network and water meter database (WMDB). Water Works has assisted the City with monthly data transfer to the WMDB from Badger meters installed south of Highway 50, and from the fixed network system north of Highway 50 administered mostly by Zenner. Water Works has also helped improve workflow through developing an automated process for transferring meter data from the WMDB to the billing software.

The scope of work for Amendment No. 3, executed in January 2025 is nearing completion and the City desires to execute an amendment to the agreement with Water Works for continued support. As with any equipment or operations system, the City's fixed network system and water consumption database requires maintenance and upgrades to be compatible with the water facility's system improvements, technology upgrades and general operational requirements.

Water Works Engineers, LLC has the expertise for continuing this support. As the water meter database is critical in facilitating accurate, timely billing, water conservation and maintenance of the meter infrastructure, the City would like a comprehensive and updated documentation effort of the system which has evolved since its inception based on as-needed changes.

This resolution will authorize the City Manager to execute Amendment No. 4 to the Agreement (Contract No. 173-21 14-092) with Water Works Engineers, LLC for Fixed Network and Water Consumption Database As-Needed Support.

POLICY / RULE

Section 2.36.120 of the Folsom Municipal Code states, in part, that contracts for supplies, equipment, services, and construction with an estimated value of $77,426 or greater shall be awarded by the City Council.

ANALYSIS

Fixed network systems have complex software and hardware components that require management and modifications periodically. These upgrades and modifications require specially trained personnel to perform these functions. Rather than hire additional staff to perform these periodic specialty functions, the City proposes to continue to use Water Works Engineers, LLC for this as-needed support.

In order to maintain the fixed network system and provide the necessary expertise, Water Works Engineers, LLC will provide the following services:

- Review, update and documentation of WMDB programming.
- On-call technical support related to the Zenner and Badger fixed network systems and the WMDB.

The Utilities Department recommends amending the current agreement with Water Works Engineers, LLC. The amendment will allow Water Works to continue providing as-needed support for two more years and be in the amount of $49,823 increasing the total contract not-to-exceed amount to $231,771.

This resolution will authorize the City Manager to execute Amendment No. 4 to the Agreement (Contract No. 173-21 14-092) with Water Works Engineers, LLC for Fixed Network and Water Consumption Database As-Needed Support.

FINANCIAL IMPACT

In August 2014, the City executed an agreement with Water Works Engineers, LLC for Fixed Network and Water Consumption Database As-Needed Support for a total amount not to exceed $38,900. Amendment No. 1 to the agreement was executed in November 2016 increasing the total compensation by $49,976 for a new not-to-exceed amount of $88,876. Amendment No. 2 to the agreement was executed in April 2022 increasing the total compensation by $43,123 for a new

not-to-exceed amount of $131,999. Amendment No. 3 to the agreement was executed in January 2025 increasing the total compensation by $49,949 for a new not-to-exceed amount of $181,948.

This amendment will cover the two-year period including the remainder of FY 2025-26, through FY 2026-27 and into FY 2027-28. Funding for this agreement is included in the Fiscal Year 2025-26 Operating Budget under the Water Operating Fund (Fund 520). It is also planned to be included in the Water Operating Fund (Fund 520) budgets for FY2026-27 through FY2029-30 as part of the annual budgeting process.

The Utilities Department recommends the City Manager executes Amendment No. 4 to the Agreement (Contract No. 173-21 14-092) with Water Works Engineers, LLC to increase the total compensation by $49,823 for a new not-to-exceed total amount of $231,771.

ENVIRONMENTAL REVIEW

This project is an operations and maintenance based project pertaining to existing infrastructure; and therefore, is categorically exempt from environmental review under the California Environmental Quality Act as noted in Title 14 – California Code of Regulations, Chapter 3 – Guidelines for Implementation of the California Environmental Quality Act, Article 19 – Categorical Exemptions, Section 15301 – Existing Facilities.

ATTACHMENTS

1. Resolution No. 11614 - A Resolution Authorizing the City Manager to Execute Amendment No. 4 to the Agreement (Contract No. 173-21 14-092) with Water Works Engineers, LLC for $49,823 from the Water Operating Fund (Fund 520) for Fixed Network and Water Consumption Database As-Needed Support

2. Scope of Work for Fixed Network and Water Consumption Database As Needed Support - Amendment No 4

Submitted,

_____

Marcus Yasutake, Director
UTILITIES DEPARTMENT

Attachment 1

RESOLUTION NO. 11614

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AMENDMENT NO. 4 TO THE AGREEMENT (CONTRACT NO. 173-21 14-092) WITH WATER WORKS ENGINEERS, LLC FOR $49,823 FROM THE WATER OPERATING FUND (FUND 520) FOR FIXED NETWORK AND WATER CONSUMPTION DATABASE AS-NEEDED SUPPORT

WHEREAS, the Utilities Department currently utilizes a fixed network system (remote tower meter reading) to comply with California Water Code Section 526; and

WHEREAS, the City's overall fixed network and database system needs to be maintained and upgraded to meet with technology and general operational requirements; and

WHEREAS, Water Works Engineers, LLC by reason of their past experience with performing these services for the City, and abilities for performing these types of services, is uniquely qualified and recommended to continue to perform the required services; and

WHEREAS, this amendment will increase the Fixed Network and Water Consumption Database As-Needed Support project by $49,823, bringing the total contract amount to $231,771; and

WHEREAS, Amendment No. 4 will cover a period of two years including the remainder of FY 2025-26, through FY 2026-27 and into FY 2027-28; and

WHEREAS, sufficient funds are budgeted and available in the Water Operating Fund (Fund 520) for agreement in FY 2025-26, and will be included during the respective budget process in FY 2026-27 and FY 2027-28; and

WHEREAS, the agreement will be in a form acceptable to the City Attorney:

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom authorizes the City Manager to Execute Amendment No.4 to the Agreement (Contract No. 173-21 14-092) with Water Works Engineers, LLC for Fixed Network and Water Consumption Database As-Needed Support for a not-to-exceed amount of $49,823, increasing the total contract not-to-exceed amount to $231,771.

PASSED AND ADOPTED this 26th day of May 2026, by the following roll-call vote:

AYES: Councilmember(s):
NOES: Councilmember(s):
ABSENT: Councilmember(s):
ABSTAIN: Councilmember(s):

_____
Justin Raithel, MAYOR

ATTEST:

_____
Christa Freemantle, CITY CLERK

Attachment 2

Scope of Engineering Services
Water Works Engineers, LLC (ENGINEER) and City of Folsom (CLIENT)
Water Meter Fixed Network and Water Consumption Database As-Needed Support

This Scope of Engineering Services is issued by the City of Folsom (herein referred to as CLIENT) and accepted by Water Works Engineers (herein referred to as ENGINEER) pursuant to the mutual promises, covenants and conditions contained in the most current Engineering Services Agreement between the City of Folsom (City) and Water Works Engineers.

Project Description

The project specifics are as follows:

Location	Folsom, California
Facility Name	Folsom Water Meter Fixed Network System
Project	As-Needed Database Management Support
Existing Documentation	• Folsom Water Meter QA/QC Database (WMDB) • Zenner Fixed Network System (Zenner) • Badger Fixed Network System (Beacon) • Financial Billing Software (Central Square)
Project Background	Water Works has continued to support the City of Folsom on an as-needed basis with ongoing development and modifications to its fixed network water meter data collection and billing system. The previous scope of work dating back to 2024 (Amendment 3 - XP2651) is nearing completion and the City desires to execute a new contract for ongoing support. The City has a fixed network system on the North side of Route 50 that is administrated mostly by Zenner. With the new development South of Route 50, the City has begun utilizing Badger Meters and Badger's Beacon Web Services to host this data, which is separate from Zenner. The City is also slowly replacing Zenner meters with Badger Meters when their batteries die. The City's water meter database currently intakes data from both data sources and acts as the City's main interface for viewing and utilizing all data. Within the previous scope of work, Water Works and Rob Talavera completed the following updates to the system: ➢ Supported transition from DropCountr to Badger Eye On Water for customer facing water meter data viewing ➢ Developed automated process for transferring WMSO data from Water Meter Database to Central Square

Scope of Services

To meet the general project objectives, ENGINEER will provide services on an "on-call" or "as-needed" extension of staff basis in support of the City's WMDB. Services will be split into subtasks as follows.

Subtask	Title
1	Document Water Meter Database Back-End and Front-End
2	Miscellaneous As-Needed Services

Subtask 1: Document Water Meter Database Back-End and Front-End

A comprehensive and updated documentation effort for the programming behind the database functionality has not been completed, and its functionality has evolved and changed over many years of as-needed changes requested by the City. For a system as critical as this water meter database is for the City's operations, updated documentation is recommended in the case that the original/current programmer is unavailable to provide updates or fixes at any time in the future. This task would include a review and update of all in-program notation and documentation (i.e. programming comments), and an update to a text version user-guide that describes the current screens, program modules, and functions.

Subtask 2: WMDB Miscellaneous As-Needed Services

ENGINEER will provide on-call as-needed phone, email, office and on-site technical support for issues related to the Zenner and Badger fixed network systems and the WMDB. Given the somewhat undefined nature of these as-needed services, support will be provided up to the defined number of hours and budget, and if the budget is exceeded, additional scope and fee will be required.

Project Schedule

WWE will work with the City in order to determine an agreed-upon schedule for each task and sub-task as the work progresses and will commit to and meet those schedules as they are developed. The anticipated overall timeline for this project is 2026-2027.

Payment

Given the "on-call / as-needed" nature of this work, these services will be on a Time and Expense basis not to exceed $49,823 without written consent from CLIENT and invoiced in accordance with the Hourly Billing Rates in the following table. Individual tasks, hours, not-to-exceed budgets by task, schedules and notices to proceed will be mutually agreed upon via email correspondence with City Project Manager prior to commencement.

Billing Rates (2026)

Billing Categories		
Classification	Title	Hourly Rate
AA1	Administrative	$88.00
AA2	Senior Administrative	$124.00
E0	Jr Engineer / Jr Field Engineer	$124.00
E1	Staff Engineer	$156.00
E1A	Staff Engineer II	$175.00
E2	Associate Engineer	$191.00
E2A	Associate Engineer II	$203.00
E3	Project Engineer	$215.00
E3A	Project Engineer II	$230.00
E4	Senior Project Engineer	$249.00
E4A	Senior Project Engineer II	$268.00
E5	Principal Engineer	$289.00
E5A	Principal Engineer II	$311.00
P	Programmer	$170.00

Notes:
1. A markup of 10% will be applied to all project related Direct Costs and Expenses.
2. An additional premium of 25% will be added to the above rates for Expert Witness and Testimony Services.
3. These rates are effective through December 31, 2026. A 3% mark-up will be added for any services performed in each year thereafter.

The total budget for each task will be as follows:

Subtask	Title	Budget
1	Document Water Meter Database Back-End and Front-End	$17,776
2	Miscellaneous As-Needed Services	$32,047

Note: Budget may be shifted between tasks as needed, fee estimate by task is for fee estimating purposes only.

Attachments

Water Works Engineers Fee Basis Work Plan spreadsheet is attached as reference to the Scope of Services described herein.

Water Works Engineers Fee Estimate

Client	City of Folsom
Project	Folsom WMDB As-Needed Support
Prepared by	Joe Ziemann
Date	2/23/2026

			Hours and Fee			
			Subtask 1		Subtask 2	
		Year	2026		2027	
			Document Water Meter Database		Miscellaneous As-Needed Services	
Water Works Engineers		**2026**	hrs	fee	hrs	fee
Classification	**Title**	**Hourly Rate**				
AA2	Administrative Assist.	$124	1	$124	3	$383
E4A	Senior Project Engineer II	$268	24	$6,432	24	$6,625
Subconsultants						
Rob Talavera						
Classification	**Title**	**Hourly Rate**				
P	Programmer	$170	60	$10,200	130	$22,763
Subconsultant Markup		10%		$1,020		$2,276
Annual Increase for WWE rates of		3%			*Included Above*	
		Subtask Totals	*85*	*$17,776*	*157*	*$32,047*

Project Total	
Hours	**Fee**
242	**$49,823**

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CITY OF
FOLSOM
DISTINCTIVE BY NATURE

Folsom City Council
Staff Report

MEETING DATE:	5/26/2026
AGENDA SECTION:	Consent Calendar
SUBJECT:	Resolution No. 11615 – A Resolution Authorizing the City Manager to Execute an Agreement with Electric Vehicle Conversions, LLC in the Amount of $240,400.56 from the Solid Waste Operating Fund (Fund 540) for the Purchase of an Electric Flatbed Vehicle and Apply for Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP) Funding
FROM:	Utilities Department

RECOMMENDATION / CITY COUNCIL ACTION

The Utilities Department recommends that the City Council pass and adopt Resolution No. 11615 – A Resolution Authorizing the City Manager to Execute an Agreement with Electric Vehicle Conversions, LLC in the Amount of $240,400.56 from the Solid Waste Operating Fund (Fund 540) for the Purchase of an Electric Flatbed Vehicle and Apply for Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP) Funding.

BACKGROUND / ISSUE

The Folsom 2035 General Plan, adopted by the City Council, establishes a clear goal of reducing the city's consumption of carbon-intensive fuels. In 2025, operations at the City of Folsom corporation yard utilized approximately 250,000 gallons of diesel fuel. This demand comes from medium- and heavy-duty work vehicles used across the city's field operations, however approximately 90% is associated with waste collection activities. As operational needs continue to grow, diesel fuel consumption has increased correspondingly.

Diesel powered vehicles contribute significantly to greenhouse gas emissions and expose the community to harmful exhaust pollutants. Transitioning portions of the municipal fleet to electric alternatives offers the potential for substantial emissions reductions, reduced noise,

and lower long-term operating costs. While the upfront cost of an electric work truck exceeds that of a diesel equivalent, electric platforms typically provide lower maintenance and fuel costs over the life of the vehicle.

To evaluate the operational feasibility of electric vehicles within the Utilities department, and to maintain compliance with California Air Resources Board (CARB) fleet electrification requirements, staff is seeking authorization to purchase one electric flatbed truck from Electric Vehicle Conversions, LLC, DBA Electric Vehicle Choice (EVC).

Understanding the capabilities and limitations of electric technology in daily field operations is necessary for future fleet planning and regulatory compliance. CARB regulations require a progressive increase in the share of medium-duty electric vehicle sales in California, including Class 4–5 trucks such as the proposed flatbed. Manufacturers must meet increasing zero-emission sales targets through 2035. Deploying this technology incrementally where practical uses are identified will position the City of Folsom for smoother long-term transition and more informed capital planning.

Available funding through the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP) provides incentives to offset the cost of purchasing zero-emission vehicles. This funding program is currently available to support public agencies transitioning to zero emission fleets, and the Utilities department continues to pursue all eligible opportunities to reduce city costs. Funding availability varies by vehicle type, manufacturer, and duty cycle. Staff has identified an applicable program for this purchase, and the vendor will apply on behalf of the city for eligible incentives upon Council authorization.

POLICY / RULE

Section 2.36.120 of the Folsom Municipal Code states, in part, that contracts for supplies, equipment, services, and construction with an estimated value of $77,426 or greater shall be awarded by the City Council.

Section 2.36.170 of the Folsom Municipal Code permits cooperative purchasing agreements for the procurement of any supplies, equipment, service, or construction with one or more public procurement units in accordance with an agreement entered into or between the participants.

2035 General Plan Natural and Cultural Resources Goal 3.2.2. – Reduce municipal greenhouse gas emissions by 15 percent below 2005 baseline levels by 2020, and further reduce municipal emissions by:

- 40 percent below the 2020 target by 2030;
- 51 percent below the 2020 target by 2040, and
- 80 percent below the 2020 target by 2050

ANALYSIS

Staff has evaluated the operational needs of the city's fleet and determined that the proposed electric flatbed truck represents an appropriate addition to the Waste and Recycling division fleet. The proposed vehicle, manufactured by Rizon and procured through Electric Vehicle Conversions, LLC, meets current service demands while advancing the city's broader goals related to sustainability, regulatory compliance, and operational efficiency.

EVC specializes in the conversion and configuration of existing truck chassis into fully electric platforms. The proposed electric flatbed truck will be used to support Waste and Recycling operations by collecting bulky waste like appliances and tires from City of Folsom residents.

The vehicle will be equipped with a lift gate and tilt bed, maintaining all critical functionality of the Waste and Recycling division's other flatbed while improving usability and safety for staff. Additionally, the proposed unit features a larger bed capacity, which will enhance productivity by allowing crews to transport more materials and equipment per trip, reducing the need for multiple trips and improving overall efficiency.

From a performance standpoint, electric medium-duty trucks such as the Rizon flatbed are designed for predictable, route-based municipal operations. The Waste and Recycling division uses local travel, routine stop and go activity, and local operations which align well with the capabilities of electric vehicle technology. This makes the proposed unit a practical and reliable fleet expansion for operations that are currently completed using only internal combustion engine vehicles.

The transition to an electric flatbed also provides significant environmental and regulatory benefits. Adoption of zero emission vehicles supports the State of California's ongoing efforts to reduce greenhouse gas emissions and aligns with regulatory frameworks such as the Advanced Clean Fleets requirements. Early adoption positions the city to remain compliant with evolving mandates while avoiding potential future procurement constraints.

Financially, the request for HVIP funding significantly improves the cost-effectiveness of this purchase. HVIP incentives help offset the higher upfront cost associated with electric vehicles, narrowing the gap between traditional and zero-emission technologies. In addition, the electric vehicle is expected to reduce long-term operating costs through lower fuel expenses, decreased maintenance requirements, and reduced wear on braking systems due to regenerative braking.

Maintaining control over fleet assets and transitioning to zero-emission technology supports the city's ability to continue delivering essential services reliably and efficiently. The proposed electric flatbed ensures continuity of operations while modernizing the fleet with equipment that is cleaner, quieter, and better aligned with the city's long-term service and sustainability objectives.

Sourcewell is a national cooperative purchasing entity of which the City of Folsom is a member. The city has purchased numerous items through Sourcewell. EVC has a current contract with Sourcewell for electric flatbed trucks at a price that has been assessed to be fair,

reasonable, and competitive. Sourcewell contract number #032824 ELV will be utilized for the purchase of the electric flatbed truck.

EVC is also an HVIP approved dealer. EVC will seek a voucher in the amount of $60,000 to support this purchase. HVIP vouchers are received directly by the vendor and if approved will reduce the amount of the invoice received by the city. Should the city secure HVIP funding, funding will directly reduce the total purchase cost to minimize Enterprise Fund impacts.

FINANCIAL IMPACT

Sufficient funds are budgeted and available in the Fiscal Year 2025-26 Solid Waste Operating Fund (Fund 540) for the purchase for a total of $240,400.56. If HVIP funding of $60,000 is awarded, it will apply to the purchase price when the vehicle is ordered so the net purchase price would be $180,400.56.

ENVIRONMENTAL REVIEW

This action is exempt from environmental review under the California Environmental Quality Act (CEQA).

ATTACHMENTS

1. Resolution No. 11615 – A Resolution Authorizing the City Manager to Execute an Agreement with Electric Vehicle Conversions, LLC in the Amount of $240,400.56, from the Solid Waste Operating Fund (Fund 540) for the Purchase of an Electric Flatbed Vehicle and Apply for Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP) Funding

2. Quote and Specifications from Electric Vehicle Conversions, LLC, for the Electric Flatbed Vehicle

Submitted,

_____

Marcus Yasutake, Director
UTILITIES DEPARTMENT

Attachment 1

RESOLUTION NO. 11615

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH ELECTRIC VEHICLE CONVERSIONS, LLC IN THE AMOUNT OF $240,400.56 FROM THE SOLID WASTE OPERATING FUND (FUND 540) FOR THE PURCHASE OF AN ELECTRIC FLATBED VEHICLE AND APPLY FOR HYBRID AND ZERO-EMISSION TRUCK AND BUS VOUCHER INCENTIVE PROJECT (HVIP) FUNDING

WHEREAS, the Utilities Department's Waste and Recycling division desires to purchase one electric flatbed vehicle to expand the fleet dedicated to the bulky waste collection program; and

WHEREAS, the Folsom 2035 General Plan commits to reducing the consumption of carbon-intensive fuels through the purchase of more efficient vehicles; and

WHEREAS, the California Air Resources Board (CARB), through the Advanced Clean Fleets Regulations requires that fifty percent of medium and heavy-duty vehicles purchased by jurisdictions to be zero emission vehicles; and

WHEREAS, an electric flatbed vehicle is suitable for city operational needs while meeting performance, safety, and payload requirements; and

WHEREAS, the Waste and Recycling division has selected Electric Vehicle Conversions, LLC (EVC) to supply an electric flatbed collection vehicle; and

WHEREAS, the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP) provides incentives to help offset the cost of zero-emission vehicles; and

WHEREAS, participation in the program requires authorization for the vendor to apply for and receive such funding on behalf of the city; and

WHEREAS, this purchase will be made through Sourcewell, which used its recognized cooperative purchasing agreement to award a contract to Electric Vehicle Conversions, LLC in an amount not to exceed $240,400.56; and

WHEREAS, sufficient funds are available in the Solid Waste Operating Fund (Fund 540); and

WHEREAS, the agreement will be in a form acceptable to the City Attorney:

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom hereby authorizes the City Manager to Execute an Agreement with Electric Vehicle Conversions, LLC in the amount of $240,400.56 from the Solid Waste Operating Fund (Fund 540) for the Purchase of an Electric Flatbed Vehicle; and

BE IT FURTHER RESOLVED that the City Manager is authorized to Apply for Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP) Funding through Electric Vehicle Conversions, LLC.

PASSED AND ADOPTED this 26th day of May 2026, by the following roll call vote:

AYES: Councilmember(s):
NOES: Councilmember(s):
ABSENT: Councilmember(s):
ABSTAIN: Councilmember(s):

_____
Justin Raithel, MAYOR

ATTEST:

_____
Christa Freemantle, CITY CLERK

Attachment 2

SCELZI ENTERPRISES, INC.
Premium Truck Bodies

2286 E. Date Ave.
Fresno, CA 93706
Phone: 559-237-5541
Fax: 559-237-5554
www.SEINC.com

Quotation

06/09/2026 Item No.3.

296605

Date: *4/7/2026, 3:14:43 PM*

User: *Padilla, Leslie*

Bill To: SACRAMENTO TRUCK
End User: CITY OF FOLSOM
Attn: LICHTENBERGER, GREG
.
FOLSOM, CA 95630
.

Ship To: Fresno Will Call
End User: CITY OF FOLSOM
Attn: Scelzi Enterprises
2664 S Cherry Ave.
Fresno, CA 93706

Quote Date:	03/03/2025	**Salesman:**	Diaz, Richard
Expiration Date:	04/02/2025	**Ship Via:**	WILL CALL, Fresno, CA - Sales Office (Will Call)
Sales Tax	Fresno* @ 8.350%	**Terms:**	COD
		PO Number:	

Notes:

MOUNT IN FRESNO
PAINT BODY WHITE
TBD FUEL TANK

SEE DRAWINGS

NOTE:
1.) QUOTE IS SUBJECT TO ADDITIONAL SURCHARGES PRICE IS VALID FOR 30 DAYS QUOTE WILL BE RE-EVALUATED ONCE CHASSIS IS GIVEN A VIN# AND AN ETA OF CHASSIS IS PROVIDED BY FACTORY
2.) CUSTOMER TO PROVIDE CHASSIS SPECS
3.) SCELZI TO INSPECT CHASSIS BEFORE PRODUCTION OF BED
4.) NO HITCH NO PLUG PER CHASSIS

ETA:

Qty	Part Number	Description	Total	Tax
1	CUSTOMER TRUCK	2024 - RIZON - E18M - 4X2 - REG CAB - DRW - ELECTRIC - WHITE - 113" CA VIN#	$0.00	

SCELZI ENTERPRISES, INC.
Premium Truck Bodies

Quotation

06/09/2026 Item No.3.

296605

Date: 4/7/2026, 3:14:43 PM

User: Padilla, Leslie

1	GARDNER 8X14 B	8 X 14 FLAT BED DUMP WITH: PACKAGE B - SMOOTH STEEL FLOOR - 10 GAUGE - CROSSMEMBERS ON 16" CENTERS - ROPE HOOKS ON EACH CROSSMEMBER - L.E.D. SEAL BEAM CLEARANCE LIGHTS AND OEM TAILLIGHTS - HEADBOARD 10GA. -STANDARD 1EA - 42" SOLID STEEL SIDE RACKS WITH FRONT VERTICAL DOOR 48" WIDE X 42" HIGH (1) DRIVERSIDE, (1) PASSENGER SIDE 1EA - DOUBLE ACTING 12 VOLT ELECTRIC/HYDRAULIC DUMP ASSEMBLY 1EA - REAR BARN DOORS 1EA - SCELZI DURA PULL TARP INSTALLED 1EA - POLYUREA COMPLETE CARGO AREA - HEADBOARD, FLOOR, INSIDE OF SIDE RACKS AND INSIDE OF BARN DOORS. 1EA - ECCO #510 BACK UP ALARM IF EQUIPPED 1EA - RELOCATE FACTORY BACK UP CAMERA IF EQUIPPED 1EA - TOMMY GATE 2000 LBS CAPACITY LIFT AND DUMP MODEL G2-92-2050 LD 33 WITH A 83X33+6" TAPER 50" TRAVEL WITH SCELZI LED LIGHT KIT 1EA - AUXILIARY BATTERY BOX WITH SEPERATOR MOUNTED @REAR FOR LIFTGATE OPTIONS	$38,497.00
1	HAZ MAT - HWD FEE	HAZARDOUS WASTE DISPOSAL FEE	$50.00
1	WEIGHT CERTIFICATE	WEIGHT CERTIFICATE OF COMPLETED UNIT	$50.00
1	TRANSPORTATION	ONE WAY TRANS	

Sub Total	**$38,597.00**
Sales Tax	**$0.00**
Total	**$38,597.00**

SCELZI ENTERPRISES, INC.
Premium Truck Bodies

Quotation

06/09/2026 Item No.3.

296605

Date: 4/7/2026, 3:14:43 PM

User: Padilla, Leslie

DISCLAIMERS

TERMS: Standard terms are Net 10 Days, any deviations need to be in writing before production

CHASSIS: Scelzi Enterprises, Inc. is not responsible for flashing or modification of any chassis modules due to the installation of a body
Including but not limited to camera installation, erratic turn signal operation, etc

CHANGES: Each change after quote is accepted will constitute a $600.00 fee in addition to the cost of the change
No changes will be made to orders 2 weeks prior to production start date

DRAWINGS: Any changes to drawings after acceptance and 2 weeks prior to production start date will constitute a $500.00 fee or more at $150.00 per hour
No changes will be made to drawings 2 weeks prior to production start date

PAINT: Scelzi Enterprises, Inc. does not guarantee a perfect color match due to inconsistencies in factory paints and procedures

THIS WORK AUTHORIZED BY

Payment in full on completion of job if credit arrangements have not been made in advance

The above quotation is submitted according to specifications submitted by customer. Any alterations or changes increasing production costs will be charged for accordingly.

DATE

Estimate Prepared By:	Littlefield, Eboni
Sales Rep:	Diaz, Richard

Electric Vehicle Choice
11033 Shoemaker Ave -
Santa Fe Springs, CA, 90670-4636
USA
562-273-7777
www.evchoice.com

ESTIMATE

Date	Exp Date	Quote #
Sep-15-2025	Sep-30-2025	EV-1370
Lead Time	4-6 weeks	

Bill to Address

Greg Bakken
City of Folsom
1300 Leidesdorff St.
Folsom, CA 95630
US

Ship to Address

Greg Bakken
City of Folsom
1300 Leidesdorff St.
Folsom, CA 95630
US

	Description	Qty	Rate	Amount	
Rizon cab/chassis FECXKELDSUHC	E18M - Class 5 (GVWR 18,859lb) - 134 WB & 113 CA (in)	1	$184,548.00	$184,548.00	Tax
Body	Sceizi 14' Flat Bed Dump per attached spec	1	$38,597.00	$38,597.00	Tax
032824-ELV	Sourced good multiplier (Cost + 10%);	1	$3,859.70	$3,859.70	Tax
Sourcewell Discount		1	-$7,000.00	$-7,000.00	Tax
California Tire Fee	CA state new tire fee, per tire.	6	$1.75	$10.50	Non
Registration Fees	CA DMV license, registration and all applicable fees.	1	$85.00	$85.00	Non
HVIP Class 4-5	HVIP voucher for class 4-5.	1	-$60,000.00	$-60,000.00	Non
Order subject to Terms and Conditions of Sourcewell Contract 032824-ELV. City of Folsom Sourcewell member No.90124 ; https://www.sourcewell-mn.gov/participating-agency/90124			Subtotal	$160,100.20	
			Tax	$17,050.36	
			Shipping	$3,250.00	
			Total USD	**$180,400.56**	

Accepted By: _____ Accepted Date: _____

Folsom City Council
Staff Report

MEETING DATE:	5/26/2026
AGENDA SECTION:	Consent Calendar
ITEM TITLE:	Resolution No. 11616 - A Resolution Authorizing the City Manager to Execute an Agreement with Waterproofing Associates, Inc. for $103,247 from the Water Operating Fund (Fund 520) for the Water Treatment Plant Roof Restoration Project
FROM:	Utilities Department

RECOMMENDATION / CITY COUNCIL ACTION

The Utilities Department recommends that the City Council pass and adopt Resolution No. 11616 - A Resolution Authorizing the City Manager to Execute an Agreement with Waterproofing Associates, Inc. for $103,247 from the Water Operating Fund (Fund 520) for the Water Treatment Plant Roof Restoration Project.

BACKGROUND / ISSUE

In February 2025, the roof of the City of Folsom's Water Treatment Plant Administration building was assessed by The Garland Company, Inc. to evaluate the existing conditions. The resulting report identified various locations of failure, including joints, seals, old repairs and skylights. Based on this evaluation, solutions were recommended for maintenance and restoration, including a recommendation to restore the roof on the treatment plant administration operations building. Recommended restoration work includes, but is not limited to, full restoration of the existing roofing materials, replacement of skylights, cleaning the roof, removal and repair of failed sealants and application of roof restoration coating.

This resolution will authorize the City Manager to execute an agreement with Waterproofing Associates, Inc. for the Water Treatment Plant Roof Restoration Project.

POLICY / RULE

Section 2.36.120 of the Folsom Municipal Code states, in part, that contracts for supplies, equipment, services, and construction with an estimated value of $77,426 or greater shall be awarded by the City Council.

ANALYSIS

The City publicly advertised for bids for the Water Treatment Plant Roof Restoration Project in the Sacramento Bee on April 6, 2026. In addition, the City provided these documents to www.publicpurchase.com and www.virtual-bid.com, which are picked up by several area builders' exchanges, and posted information on the City of Folsom's website. The Utilities Department received the following bids on May 8, 2026 for construction of the Water Treatment Plant Roof Restoration Project:

Contractor	Bid Amount
Waterproofing Associates, Inc.	$89,780
State Roofing Systems, Inc.	$95,620
Fog City Roofing & Construction LLC	$97,200
Universal Coatings, Inc.	$99,500
Diablo Roofing, Inc.	$133,771
Pacific Builders & Roofing, Inc. DBA WSP Roofing	$140,355
All Seasons North Roofing & Waterproofing, Inc.	$161,828

Table 1: Construction Bids

Upon review, Waterproofing Associates, Inc. was determined to be the lowest responsible and responsive bidder who meets the requirements and specifications set forth in the invitation for bids. The estimated cost for this work was $120,000.

FINANCIAL IMPACT

The Utilities Department recommends that the contract be awarded to the lowest responsible, responsive bidder, Waterproofing Associates, Inc. for $89,780 with the project budgeted for this agreement in the amount of $103,247 which will include a 15% contingency in the amount of $13,467.

Sufficient funds are budgeted and available in the Water Operating Fund (Fund 520) in FY 2025-26 to provide for this agreement.

ENVIRONMENTAL REVIEW

This action is exempt from environmental review under the California Environmental Quality Act (CEQA).

ATTACHMENTS

1. Resolution No. 11616 – A Resolution Authorizing the City Manager to Execute an Agreement with Waterproofing Associates, Inc. for $103,247 from the Water Operating Fund (Fund 520) for the Water Treatment Plant Roof Restoration Project.

2. Bid submitted by Waterproofing Associates, Inc.

3. Roof Inspection Report

Submitted,

_____

Marcus Yasutake, Director
UTILITIES DEPARTMENT

Attachment 1

RESOLUTION NO. 11616

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH WATERPROOFING ASSOCIATES, INC. FOR $103,247 FROM THE WATER OPERATING FUND (FUND 520) FOR THE WATER TREATMENT PLANT ROOF RESTORATION PROJECT

WHEREAS, based on an assessment performed by The Garland Company, Inc. it is recommended that the roof of the City of Folsom's Water Treatment Plant Administration building be repaired; and

WHEREAS, plans and specifications were prepared for this work and publicly advertised for bids on April 6, 2026; and

WHEREAS, on May 8, 2026, the Utilities Department received bids for construction of the Water Treatment Plant Roof Restoration Project; and

WHEREAS, Waterproofing Associates, Inc was the lowest responsible and responsive bidder, with an amount of $89,780; and

WHEREAS, sufficient funds are budgeted and available in the Water Operating Fund (Fund 520) for this agreement; and

WHEREAS, the agreement will be in a form acceptable to the City Attorney:

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom authorizes the City Manager to execute an agreement with Waterproofing Associates, Inc for construction of the Water Treatment Plant Roof Restoration Project for a not-to-exceed amount of $89,780 with the budgeted amount to include a 15% contingency of $13,467 for a total of $103,247 from the Water Operating Fund (Fund 520).

PASSED AND ADOPTED this 26th day of May, 2026, by the following roll-call vote:

AYES: Councilmember(s):
NOES: Councilmember(s):
ABSENT: Councilmember(s):
ABSTAIN: Councilmember(s):

_____
Justin Raithel, MAYOR

ATTEST:

_____
Christa Freemantle, CITY CLERK

Attachment 2

CITY OF FOLSOM

SEALED BID

(MUST BE SIGNED BY BIDDER)

Sealed Bids will be received not later than **10:00 A.M** on **May 8th, 2026**, at the City of Folsom City Clerk's Office, 50 Natoma Street, Folsom, California and opened at **10:05 A.M.**, or as soon thereafter as business allows in the Council Chambers, at Folsom City Hall 50 Natoma Street, Folsom, California.

TO THE HONORABLE CITY COUNCIL:

The undersigned hereby proposes and agrees to furnish any and all required labor, material, transportation, and services for

City of Folsom Water Treatment Plant

Roof Restoration Project

in the City of Folsom, County of Sacramento, California.

The work is to be done in strict conformity with the Contract Documents, at the following Lump Sum Price:

TOTAL BASE BID $ 89,780.00

Total Project Bid shall be (spell out) Eighty Nine Thousand Seven Hundred Eighty Dollars

If awarded the contract, the undersigned shall execute said Contract and furnish the necessary bonds within **ten (10) calendar days** after the Notice of Award of said Contract and begin work within **ten (10) calendar days** from and after receipt of written Notice to Proceed from City to Contractor.

In determining the amount bid by each bidder, the City of Folsom (City) shall disregard mathematical errors in addition, subtraction, multiplication, and division that appear obvious on the face of the Bid. When such a mathematical error appears on the Bid, the City shall have the right to correct such error and to compute the total amount bid by said bidder on the basis of the corrected figure or figures.

When an item price is required to be set forth in the Bid, and the total for the item set forth separately does not agree with a figure which is derived by multiplying the item price times the Engineer's estimate of the quantity of work to be performed for said item, the item price shall prevail over the sum set forth as the total for the item unless, in the sole discretion of the City, such a procedure would be inconsistent with the policy of the bidding procedure. The total paid for each such item of work shall be based upon the item price and not the total price. Should the Bid contain only a total price for the item and the item price is omitted, the City shall determine the item price by dividing the total

price for the item by Engineer's estimate of the estimated quantities of work to be performed as items of work.

If the Bid contains neither the item price nor the total price for the item, then it shall be deemed incomplete and the Bid shall be disregarded.

It is understood that this bid is based upon completion of the work within a period of **150 calendar days**
commencing on the day the Notice to Proceed is issued.

The amount of the liquidated damages to be paid by the Contractor for failure to complete the entire work by the Completion Date (as extended, if applicable) will be **$250 (Two-Hundred Fifty Dollars) for each calendar day**, continuing to the time at which the work is completed. Such amount is the actual cash value agreed upon as the loss to the City resulting from Contractor's default.

The undersigned represents and warrants that the undersigned has examined the location of the proposed work and is familiar with the local conditions at the place where the work is to be done, and the undersigned has reviewed and understands the plans, specifications and other contract documents, and the undersigned is satisfied with all conditions for the performance of the work.

The undersigned has checked carefully all of the above figures and understands that the City of Folsom will not be responsible for any errors or omissions on the part of the undersigned in making up this bid.

The contractor shall initial below that he has received the appropriate addenda and has incorporated the addenda into his bid.

Addenda	Received and Acknowledged
Ex. A	N/A
Ex. B	

BID DEPOSIT ENCLOSED IN THE FOLLOWING FORM:

$ Bid Bond not less than ten percent (10%) of amount bid.

- [ ] CERTIFIED CHECK
- [ ] MONEY ORDER
- [ ] CASHIER'S CHECK
- [x] BID BOND

BIDDER'S CHECKLIST
(ENSURE ALL OF THE FOLLOWING ARE INCLUDED WITH THIS SEALED BID):

- [x] **CHECK HERE TO ACKNOWLEDGE CHANGES TO GENERAL PROVISIONS (SEE SPECIAL PROVISIONS SP-48)** I hereby acknowledge receipt of the changes to the standard specifications of the City of Folsom. I further acknowledge that these changes replace and supersede any and all affected sections and conflicting language within the revision of the standard specifications that is current as of the date of this request for bid.

- [x] CERTIFICATE OF AUTHORIZATION
- [x] SUB-BIDDER FORM
- [x] NONCOLLUSION AFADAVIT
- [x] WORKER'S COMPENSATION INSURANCE CERTIFICATION
- [x] RESOLUTION OF DISPUTES REGARDING THE BIDDING PROCESS
- [x] BIDDER'S BOND

CONTRACTOR

Waterproofing Associates, Inc.

By: _____
Signature

Address: 1211 E. Vine Street
Lodi, CA 95240

Telephone No.: 209-256-6777

Email Address: rob@roofwa.com

Contractor's License: 649862

Dept. of Ind. Relations Reg. No.: 1000000647

License Required: **Class A Contractor**

Valid Contractor's License No. 649862 is held by the bidder.

The Expiration date is 7/31/26.

Anticipated set date of Notice to Proceed TBD

Representations contained within this bid are made under penalty of perjury.

CERTIFICATE OF AUTHORIZATION

(If Bidder is a Corporation or a Limited Liability Corporation)

STATE OF CALIFORNIA

COUNTY OF Santa Clara

I HEREBY CERTIFY that at a meeting of the Board of Directors of the Waterproofing Associates, Inc., a corporation existing under the laws of the State of California, held on April 27, 2026 the following resolution was duly passed and adopted:

> "RESOLVED, that Robert Wyllie, as Vice- President of the Corporation, be and is hereby authorized to execute the Bid dated May 8, 2026 to the City of Folsom and this Corporation and that his/her execution thereof, attested by the Secretary of the Corporation, and with the Corporate seal fixed, shall be the official act and deed of this Corporation."

I further Certify that said resolution is now in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Corporation this 27th day of April, 2026.

Secretary Steve Nash

Corporate Officer Steve Nash President

1295 Norman Avenue

(seal) Santa Clara, CA 95054

Corporate Address

SUB-BIDDER FORM

As of March 1, 2015 Contractors (and sub-contractors) wishing to bid on public works contracts shall be registered with the State Division of Industrial Relations and certified to bid on Public Works contracts. Please register at:
https://efiling.dir.ca.gov/PWCR/ActionServlet?action=displayPWCRegistrationForm

In accordance with Section 4104 of the Public Contract Code of the State of California, as amended, the following information is required for each subcontractor who will perform work amounting to more than one half of one percent (0.05%) of the Total Cost Base Bid. In addition, this form will be used to determine if the bidder is responsive to Section 2.08 of the General Provisions.

Name of Sub-Bidder	Street Address of Shop, Mill, or Office (Shall be completed within 2 working days of bid opening by apparent low bidder)	License Type and Number	Dept. of Ind. Relations Reg. No.	Portion of Work to be Done by Specification Section	Percentage of Total Work
None					

§ 7103.5. Unfair business practices claims; assignment to awarding body

(a) As used in this section:

(1) "Public works contract" means a contract awarded through competitive bids by the state or any of its political subdivisions or public agencies, on whose behalf the Attorney General may bring an action pursuant to subdivision (c) of Section 16750 of the Business and Professions Code, for the erection, construction, alteration, repair, or improvement of any structure, building, road, or other improvement of any kind.

(2) "Awarding body" means the state or the subdivision or agency awarding a public works contract.

(b) In entering into a public works contract or a subcontract to supply goods, services, or materials pursuant to a public works contract, the contractor or subcontractor offers and agrees to assign to the awarding body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services, or materials pursuant to the public works contract or the subcontract. This assignment shall be made and become effective at the time the awarding body tenders final payment to the contractor, without further acknowledgment by the parties.

(c) Subdivision (b) shall be included in full in the specifications for the public works contract or in the general provisions incorporated therein and shall be included in full in the public works contract or in the general provisions incorporated therein.

Formerly § 7103, added by Stats.1990, c. 694 (A.B.3416), § 5. Renumbered § 7103.5 and amended by Stats.1991, c. 1091 (A.B.1487), § 121.

Government Code former § 4551, added by Stats.1978, c. 414, § 1.

§4552. Assignment by bidder to purchasing body of rights under federal law arising from purchases pursuant to bid

In submitting a bid to a public purchasing body, the bidder offers and agrees that if the bid is accepted, it will assign to the purchasing body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, materials, or services by the bidder for sale to the purchasing body pursuant to the bid, Such assignment shall be made and become effective at the time the purchasing body tenders final payment to the bidder.

The preceding provisions of this section shall be included in full in any specifications for the public purchase and shall be included in full in the bid agreement or general provisions incorporated into the bid agreement.

Added Stats 1978 Ch 414 § 1.

NONCOLLUSION AFFIDAVIT

To be Executed by Bidder and Submitted with Bid

STATE OF CALIFORNIA

COUNTY OF San Joaquin

Robert Wyllie, being first duly shown, deposes and says that he or she is Manager of Waterproofing Associates, Inc, the party making the forgoing Bid that the Bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the Bid is genuine and not collusive or sham; that the Bidder has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham Bid, or that anyone shall refrain from bidding; that Bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the Bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder, or to secure any advantage against the public body awarding the contract of anyone interested in the proposed contract; that all statements contained in the Bid are true; and further, that the Bidder has not, directly or indirectly, submitted his or her Bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham Bid.

Signed: _____
Robert Wyllie

Title: Manager

Subscribed and sworn to before me this

29th day of April, 2026

Eileen M Wagner, Notary Public
Notary Public

EILEEN M. WAGNER
COMM. #2435102
Notary Public - California
Santa Clara County
My Comm. Expires Jan. 20, 2027
NRO1 NRO1

(seal)

WORKERS' COMPENSATION INSURANCE CERTIFICATION

TO THE CITY OF FOLSOM:

The undersigned does hereby certify that Bidder is aware of the provisions of Section 3700 et seq. of the Labor Code which require every employer to be insured against liability for workmen's compensation claims or to undertake self-insurance in accordance with the provisions of said Code, and that Bidder will comply with such provisions before commencing the performance of work on this contract.

Bidder: Waterproofing Associates, Inc.

By: [signature]

Title: Manager

Address: 1211 E. Vine Steet

Lodi, CA 95240

Date: 5/8/26

PLEASE READ CAREFULLY BEFORE SIGNING

To be signed by authorized corporate officer or partner or individual submitting the bid. If bidder is: *(example)*

1. An individual using a firm name, sign: "John Doe, an individual doing business as Blank Company."
2. An individual doing business under his/her own name, sign your name only.
3. A co-partnership, sign: "John Doe, and Richard Doe, co-partners doing business as Blank Company, by, John Doe, Co-Partner."
4. A corporation, sign: "Blank Company, by John Doe, Secretary." (or other title).

RESOLUTION OF DISPUTES REGARDING THE BIDDING PROCESS

The lack of a prompt procedure to resolve disputes regarding the bidding process would impair the City's ability to carry out its purpose of constructing this project in a timely manner. Therefore, to the maximum extent authorized by law and notwithstanding any other procedures specified in documents referenced herein, all disputes and/or protests regarding the bidding process shall be subject to the following procedure. In submitting a bid to the City for this project, the bidder agrees to comply with and to be bound by this procedure.

1. Within five days after the opening of bids, bidder shall provide a written notice to the City of any and all mistakes regarding the bid for which a bidder requests relief. The City shall not consider any requests for relief due to mistake if notice is not received within the specified time period.

2. All bidders shall be provided with notice of the date and time of the City Council meeting at which the award of the contract for this project shall be considered. All bidders will be provided with an opportunity to bring to the City Council's attention disputes and/or protests regarding the bidding process. No bidder may bring any action or proceeding challenging the bidding process unless the alleged grounds for the dispute and/or protest are presented to the City Council before or during the meeting referenced above, and before action by the City Council on award of the contract.

3. Any bidder complying with the above procedure may bring an action within sixty (60) days from the action of the City Council, in accordance with Section 860 of the California Code of Civil Procedure, to determine the validity of the City Council's action on the award of the contract. The City shall be a defendant and shall be served with the summons and complaint in the action in the manner provided by law for the service of a summons in a civil action. In any such action the summons shall be in the form prescribed in Section 861.1 of the California Code of Civil Procedure except that in addition to being directed to "all persons interested in the matter of [specifying the matter]," it shall also be directed to the City. if the bidder bringing such action fails to complete the publication and such other notice as may be prescribed by the court in accordance with Section 861 of the California Code of Civil Procedure and to file proof thereof in the action within 60 days from the filing of his complaint, the action shall be dismissed on the motion of the City unless good cause for such failure is shown by the bidder.

Waterproofing Associates, Inc.

Contractor

5/8/26

Date

Signature Robert Wyllie

BIDDER'S BOND

City of Folsom - Utilities Department

We, Waterproofing Associates, Inc, as principal, and Harco National Insurance Company, as Surety are bound unto the City of Folsom, Department Parks and Recreation, hereafter referred to as "Obligee", in the penal sum of ten percent (10%) of the total amount of the bid including additive alternates, if any, of the Principal submitted to the Obligee for the work described below, for the payment of which sum we bind ourselves jointly and severally,

THE CONDITION OF THIS OBLIGATION IS SUCH, THAT:

WHEREAS, the Principal is submitting a bid to the obligee, for

City of Folsom Water Treatment Plant Roof Restoration Project

(Copy here the exact description of work, including location, as it appears on the bid)

for which; bids are to be opened at Folsom, CA on May 8, 2026

(Insert date of bid opening)

NOW, THEREFORE, if the Principal is awarded the contract and within the time and manner required under the specification, after the prescribed forms are presented to him for signature, enters into a written contract, in the prescribed form, in accordance with the bid, and files two bonds with the Obligee, one to guarantee faithful performance of the contract and the other to guarantee payment for labor and materials as provided by law, then this obligation shall be null and void; otherwise, it shall remain in full force.

In the event suit is brought upon this bond by the Obligee and judgment is recovered, the Surety shall pay all costs incurred by the Obligee in such suit, including a reasonable attorney's fee to be fixed by the court.

Dated: April 22, 2026

By:

Principal: Waterproofing Associates, Inc

APPROVED AS TO FORM:

Surety: Harco National Insurance Company

Address: 4200 Six Forks Road, Ste 1400, Raleigh, NC 27609

Telephone: (919) 833-1600

City Attorney

Attorney in Fact: Stephanie Agapoff, Attorney-In-Fact

NOTICE:

A CERTIFICATE OF ACKNOWLEDGMENT IN ACCORDANCE WITH THE PROVISIONS OF CIVIL CODE SECTION 1189 MUST BE ATTACHED FOR EACH PERSON EXECUTING THIS AGREEMENT ON BEHALF OF CONTRACTOR AND SURETY.

ACKNOWLEDGMENT

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

State of California
County of Sacramento)

On 04/22/26 before me, Tina S. Salas, Notary Public
(insert name and title of the officer)

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

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

WITNESS my hand and official seal.

TINA S. SALAS
Notary Public - California
Sacramento County
Commission # 2409815
My Comm. Expires Jul 4, 2026

Signature _____ (Seal)

Bond # N/A

06/09/2026 Item No.4.

POWER OF ATTORNEY

HARCO NATIONAL INSURANCE COMPANY
INTERNATIONAL FIDELITY INSURANCE COMPANY

Member companies of IAT Insurance Group, Headquartered: 4200 Six Forks Rd, Suite 1400, Raleigh, NC 27609

KNOW ALL MEN BY THESE PRESENTS: That **HARCO NATIONAL INSURANCE COMPANY**, a corporation organized and existing under the laws of the State of Illinois, and **INTERNATIONAL FIDELITY INSURANCE COMPANY**, a corporation organized and existing under the laws of the State of New Jersey, and having their principal offices located respectively in the cities of Rolling Meadows, Illinois and Newark, New Jersey, do hereby constitute and appoint

STEPHANIE AGAPOFF, JOSE LEMUS, DAVID WEISE, NICKI MOON

Rancho Cordova, CA

their true and lawful attorney(s)-in-fact to execute, seal and deliver for and on its behalf as surety, any and all bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof, which are or may be allowed, required or permitted by law, statute, rule, regulation, contract or otherwise, and the execution of such instrument(s) in pursuance of these presents, shall be as binding upon the said **HARCO NATIONAL INSURANCE COMPANY** and **INTERNATIONAL FIDELITY INSURANCE COMPANY**, as fully and amply, to all intents and purposes, as if the same had been duly executed and acknowledged by their regularly elected officers at their principal offices.

This Power of Attorney is executed, and may be revoked, pursuant to and by authority of the By-Laws of **HARCO NATIONAL INSURANCE COMPANY** and **INTERNATIONAL FIDELITY INSURANCE COMPANY** and is granted under and by authority of the following resolution adopted by the Board of Directors of **INTERNATIONAL FIDELITY INSURANCE COMPANY** at a meeting duly held on the 13th day of December, 2018 and by the Board of Directors of **HARCO NATIONAL INSURANCE COMPANY** at a meeting held on the 13th day of December, 2018.

"**RESOLVED**, that (1) the Chief Executive Officer, President, Executive Vice President, Senior Vice President, Vice President, or Secretary of the Corporation shall have the power to appoint, and to revoke the appointments of, Attorneys-in-Fact or agents with power and authority as defined or limited in their respective powers of attorney, and to execute on behalf of the Corporation and affix the Corporation's seal thereto, bonds, undertakings, recognizances, contracts of indemnity and other written obligations in the nature thereof or related thereto; and (2) any such Officers of the Corporation may appoint and revoke the appointments of joint-control custodians, agents for acceptance of process, and Attorneys-in-fact with authority to execute waivers and consents on behalf of the Corporation; and (3) the signature of any such Officer of the Corporation and the Corporation's seal may be affixed by facsimile to any power of attorney or certification given for the execution of any bond, undertaking, recognizance, contract of indemnity or other written obligation in the nature thereof or related thereto, such signature and seals when so used whether heretofore or hereafter, being hereby adopted by the Corporation as the original signature of such officer and the original seal of the Corporation, to be valid and binding upon the Corporation with the same force and effect as though manually affixed."

IN WITNESS WHEREOF, **HARCO NATIONAL INSURANCE COMPANY** and **INTERNATIONAL FIDELITY INSURANCE COMPANY** have each executed and attested these presents on this 31st day of December, 2023

INTERNATIONAL FIDELITY INSURANCE COMPANY CORPORATE SEAL 1904 NEW JERSEY

STATE OF NEW JERSEY
County of Essex

STATE OF ILLINOIS
County of Cook

HARCO NATIONAL INSURANCE COMPANY CORPORATE SEAL 1984 ILLINOIS

Michael F. Zurcher
Executive Vice President, Harco National Insurance Company
and International Fidelity Insurance Company

On this 31st day of December, 2023, before me came the individual who executed the preceding instrument, to me personally known, and, being by me duly sworn, said he is the therein described and authorized officer of **HARCO NATIONAL INSURANCE COMPANY** and **INTERNATIONAL FIDELITY INSURANCE COMPANY**; that the seals affixed to said instrument are the Corporate Seals of said Companies; that the said Corporate Seals and his signature were duly affixed by order of the Boards of Directors of said Companies.

CATHY CRUZ NOTARY PUBLIC STATE OF NEW JERSEY

IN TESTIMONY WHEREOF, I have hereunto set my hand affixed my Official Seal, at the City of Newark, New Jersey the day and year first above written.

Cathy Cruz a Notary Public of New Jersey
My Commission Expires April 16, 2029

CERTIFICATION

I, the undersigned officer of **HARCO NATIONAL INSURANCE COMPANY** and **INTERNATIONAL FIDELITY INSURANCE COMPANY** do hereby certify that I have compared the foregoing copy of the Power of Attorney and affidavit, and the copy of the Sections of the By-Laws of said Companies as set forth in said Power of Attorney, with the originals on file in the home office of said companies, and that the same are correct transcripts thereof, and of the whole of the said originals, and that the said Power of Attorney has not been revoked and is now in full force and effect.

IN TESTIMONY WHEREOF, I have hereunto set my hand on this day, April 22, 2026

Irene Martins, Assistant Secretary

A00701

VER2 2/2019 e_POA

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT **CIVIL CODE § 1189**

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

State of California)
County of Santa Clara)

On April 29th, 2026 before me, Eileen M. Wagner, Notary Public,
Date *Here Insert Name and Title of the Officer*

personally appeared Robert Wyllie
Name(s) of Signer(s)

,

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

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

WITNESS my hand and official seal.

Signature Eileen M Wagner Notary Public
Signature of Notary Public

NRO1 EILEEN M. WAGNER COMM. #2435102 Notary Public - California Santa Clara County My Comm. Expires Jan. 20, 2027 NRO1

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____

Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____
Signer Is Representing: _____

Signer's Name: _____
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____
Signer Is Representing: _____

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Attachment 3

The Garland Company, Inc.

Roof Asset Management Program

RAMP

CITY OF FOLSOM
DISTINCTIVE BY NATURE

City of Folsom - Water Treatment Plant Facility Roof Inspections and Budgets

Prepared By
Dan Mc Cready

Prepared For
Bryson Pearson

March 03, 2025

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Client Data

CITY OF FOLSOM - ENVIRONMENTAL AND WATER RESOURCES
194 RANDALL DR
FOLSOM, CALIFORNIA 95630

CITY OF
FOLSOM
DISTINCTIVE BY NATURE

Client Data

Name	City of Folsom - Environmental and Water Resources		
Address 1	194 Randall Dr		
City	Folsom	**State**	California
ZIP	95630	**Country**	United States

Contact Info

Contact Person	Bryson Pearson	**Title**	Water Treatment Plant Supervisor
Mobile Phone:	-	**Office Phone:**	916-461-6191
Email:	bpearson@folsom.ca.us		

Condition Map

CITY OF FOLSOM - ENVIRONMENTAL AND WATER RESOURCES
194 RANDALL DR
FOLSOM, CALIFORNIA 95630

FACILITY: Water Treatment Plant

Facility Condition Map

- 5 (Excellent)
- 4 (Good)
- 3 (Fair)
- 2 (Poor)
- 1 (Failed)
- N/A

SQFT:
24,625

Inspection Report

CITY OF FOLSOM - ENVIRONMENTAL AND WATER RESOURCES
194 RANDALL DR
FOLSOM, CALIFORNIA 95630

FACILITY: Water Treatment Plant	**ROOF SECTION:** Admin / WTP	**DATE:** 03/02/2025

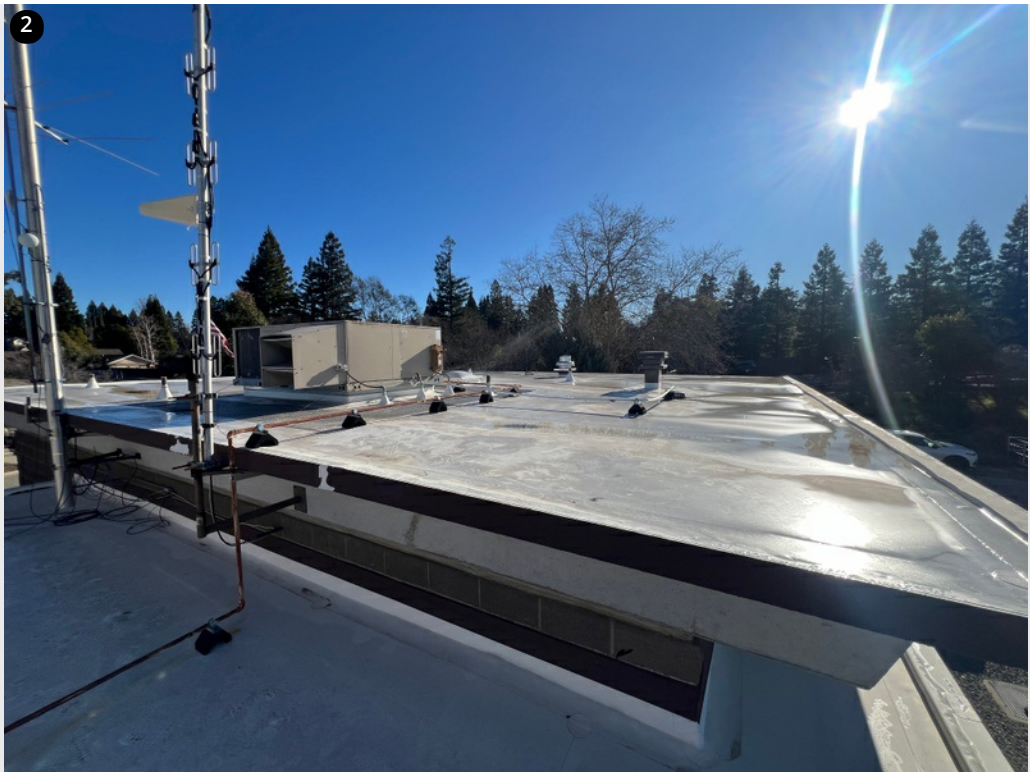
Inspection Information

Inspection Date	03/02/2025	**Core Data**	No
Inspection Type	Visual Inspection	**Leakage**	No

Overall

Rating	Poor
Condition	

Front of the building. Four roof sections, all single ply roofs of different condition and age.



Roof is in fair conditi
far eastern side. This could be due to the skylights, multiple repairs and sealant on the dome. It is recommended that these be replaced and a maintenance done.

Overview of the upper roof. Basic maintenance is recommended for the roof.

Seam tape on the sky
temporary solution.

Minimal ponding water and debris on the roof.

Failed sealant aroun
removed and sealed.

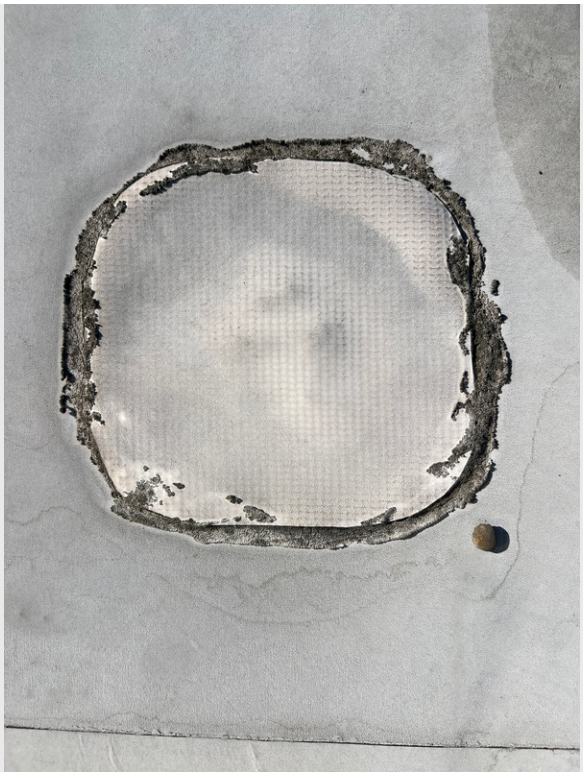
The joint has failed and the backer rod exposed. The failed sealant needs to be removed and replaced.

8

9

The western section of the roof is in the worst condition. Multiple areas have failed, a restoration is recommended.

10



Previous repair, the s

11

Failed sealant on the skylight curb. The repairs are temporary and the skylight should be replaced.

Failed sealant on the

Overview, the roof has multiple old repairs that are failing. The roof is near its end of its lifespan.

Upper main roof.

Solution Options

CITY OF FOLSOM - ENVIRONMENTAL AND WATER RESOURCES
194 RANDALL DR
FOLSOM, CALIFORNIA 95630

FACILITY: Water Treatment Plant	**ROOF SECTION:** Admin / WTP	**TITLE:** Solution for Admin / WTP	**DATE:** 03/02/2025

Report Data

Report Date	03/02/2025
Title	Solution for Admin / WTP

Four roof sections, they are in varying condition. Solutions have been given for maintenance and restoration.

Restore Options

Solution Option:	Restore	**Action Year:**	2025
Square Footage:	5,500	**Expected Life (Years):**	10
Budget Range:	$105,000.00 - $120,000.00		

This roofing assessment was completed on 2/20/2025. The purpose of this assessment was to evaluate the existing roof conditions and provide recommendations as well as budget costs for the recommended solutions. The visual roof assessment consisted of walking the subject roof areas and documenting the existing conditions of the surfacing, membrane, flashings, drainage, and other related rooftop components. We also talked to available on site personnel and walked accessible building interiors to document reported leak locations.

Project budget / cost estimates are approximates for budgetary purposes and are based upon current labor and material rates for the geographical location. Roof budget costs are based on the roofing system noted below, manufacturer inspections, and warranties based on the system chosen. Actual project costs will depend on the quality and quantity of materials used, options chosen by the designer and owner, quality and availability of contractors, extent of work performed at one time, and time of year the work is performed.
Maintenance and Cleaning on Single Ply Roof $7,500 - $9,500
Scope of work includes but is not limited to:

1. Clean roof, valleys and drains of debris.
2. All debris to be bagged and properly disposed offsite.
3. Clean all drain areas, inspect and reseal as needed.
4. Walk roof and look for failed sealants at all penetrations and curbs. Remove failed sealants and reseal.
5. Inspect all fasteners on coping metal and curbs, replace any loose or missing with new fasteners w/ grommets. Reseal existing fasteners as needed.
6. Remove and reseal expansion joint on CMU wall.
7. Replace two (2) ~2'x2' skylights with like kind.

Replacing the skylights can be added to the maintenance.
4'x4' skylights with internal fall protection. 1 skylight - $2,350. ~ $2,000 for each additional.
Restoration Budget Entire Roof - $105,000 - $120,000 **10-year Manufacturers Warranty**
Restoration Budget - Eastern Roof Section $ 35,000 - $45,000
Properly repair the entire roof system to receive the roof restoration coating. The scope of work includes but is not limited to:

1. Surface preperation: Prepare the roofing system to receive the restoration coating.
2. Clean roof, valleys and drains of debris.
3. Pressure wash the entire roof system.
4. Repair/replace metal flashing, pitch pockets, etc.
5. Three course all penetrations.
6. Remove and replace all failed sealants
7. Seal all curbs and surrounding areas.
8. Seal all fasteners with mastic.
9. Apply Liquitec Base coat to entire roof at a rate of 1.0 gallons per 100sqft. Allow proper cure time but no more than 72 hours.
10. Apply LiquiTec top coat at a rate of 1.5 gallons per 100sqft.
11. Replace all Skylights. Install fall protection to meet required code.

Folsom City Council
Staff Report

MEETING DATE:	5/26/2026
AGENDA SECTION:	Consent Calendar
ITEM TITLE:	Resolution No. 11617 – A Resolution Authorizing the City Manager to Execute up to Three One-Year Extensions to the Agreement with the County of Sacramento for a Not to Exceed Annual Cost of $50,000 from the Solid Waste Operating Fund (Fund 540) for Household Hazardous Waste Collection Program Services to Folsom Residents at Sacramento County Owned Facilities
FROM:	Utilities Department

RECOMMENDATION / CITY COUNCIL ACTION

The Utilities Department recommends the City Council pass and adopt Resolution No. 11617 – A Resolution Authorizing the City Manager to Execute up to Three One-Year Extensions to the Agreement with the County of Sacramento for a Not to Exceed Annual Cost of $50,000 from the Solid Waste Operating Fund (Fund 540) for Household Hazardous Waste Collection Program Services to Folsom Residents at Sacramento County Owned Facilities.

BACKGROUND / ISSUE

The Integrated Waste Management Act of 1989 (AB 939) required each jurisdiction in California to provide a Household Hazardous Waste Element defining programs they would provide to residents for the safe collection, recycling, treatment and disposal of household hazardous waste (HHW). The City of Folsom complies with these regulations through a variety of programs, one of which is making the County of Sacramento (County) HHW facilities available for Folsom residents to use at no cost to the resident. Access to County facilities compliments the city run door-to-door collection and drop-off programs by providing disposal options that are not appointment based and are available on weekends.

The County household hazardous waste collection facilities are located at Kiefer Landfill in Sloughhouse, California, and North Area Recovery Station (NARS) in North Highlands, California. Folsom residents are permitted to use both facilities. Kiefer Landfill is conveniently located just 13 miles from the center of Folsom; however, the NARS facility accepts a wider range of materials, providing an expanded service for those who need it.

The city has been contracting to reimburse the County for HHW accepted from Folsom residents since 2010. The current agreement was approved by Folsom City Council on April 12, 2022, by Resolution No. 10834. The cost structure is based on recovery of actual costs incurred and includes labor, materials, transportation, and disposal. An administrative fee is charged per load and includes the cost of verifying the origin of the material. A per item fee captures costs that are associated with the specific material being delivered. Fees are evaluated and updated annually on July 1.

The initial term of the current agreement with Sacramento County expires on June 30, 2026, however, it includes the option of three (3) extensions of one (1) year each upon mutual agreement of the parties. The County has expressed interest in continuing this partnership beyond the initial term.

POLICY / RULE

Section 2.36.120 of the Folsom Municipal Code states, in part, that contracts for supplies, equipment, services, and construction with an estimated value of $77,426 or greater shall be awarded by the City Council.

Chapter 5.04, Purchasing and Contracting, of the Folsom City Charter includes in part, a provision for procurement and services and joint contracts with or through other government jurisdictions.

ANALYSIS

The City of Folsom is required to provide access to environmentally responsible options for residents to dispose of Household Hazardous Waste. Maintaining a robust program with a variety of convenient options minimizes liability related to illegally disposed of hazardous waste, including fire, injury, and harm to the environment. The County HHW facilities are an integral part of ensuring residents have adequate resources for safe HHW disposal.

Currently about 400 Folsom residents per year are using a County facility to dispose of household hazardous waste. This represents roughly 8% of the total residential loads per year from the County, door-to-door, and city drop-off programs combined. While only a small portion of the city's total program, the County program compliments the other resources to ensure all residents have a convenient way to dispose of HHW. Considering the County provides these services at cost, the program contribution to the city's regulatory compliance, and the mitigation of potential harm to life, the environment, and property from illegal disposal of hazardous materials, the Utilities Department recommends continuing the partnership with the County by executing available extensions each year that these benefits persist.

In Fiscal Year 2025-26 the Waste and Recycling Division is projected to spend approximately $19,000 on services associated with this contract. Over the next three years, if the current trends continue, the division estimates spending an average of approximately $35,000 per year, however, the maximum financial impact permitted within the contract terms is $50,000. Total costs, up to the maximum, will ultimately depend on the number of residents using this program and the amount of waste dropped off at County facilities.

FINANCIAL IMPACT

If approved, the agreement for Household Hazardous Waste Collection Program Services would authorize up to three one-year extensions with the County of Sacramento in an annual amount not to exceed $50,000. Funding for the agreement would be provided through the Solid Waste Operating Fund (Fund 540). Sufficient funds are available to support the agreement costs and will be requested annually through the City's operating budget process.

ENVIRONMENTAL REVIEW

This action is exempt from environmental review under the California Environmental Quality Act (CEQA).

ATTACHMENTS

1. Resolution No. 11617 – A Resolution Authorizing the City Manager to Execute up to Three One-Year Extensions to the Agreement with the County of Sacramento for a Not to Exceed Annual Cost of $50,000 from the Solid Waste Operating Fund (Fund 540) for Household Hazardous Waste Collection Program Services to Folsom Residents at Sacramento County Owned Facilities
2. Agreement for Household Hazardous Waste Collection Program Services Between the County of Sacramento and the City of Folsom

Submitted,

_____

Marcus Yasutake, Director
UTILITIES DEPARTMENT

Attachment 1

RESOLUTION NO. 11617

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE UP TO THREE ONE-YEAR EXTENSIONS TO THE AGREEMENT WITH THE COUNTY OF SACRAMENTO FOR A NOT TO EXCEED ANNUAL COST OF $50,000 FROM THE SOLID WASTE OPERATING FUND (FUND 540) FOR HOUSEHOLD HAZARDOUS WASTE COLLECTION PROGRAM SERVICES TO FOLSOM RESIDENTS AT SACRAMENTO COUNTY OWNED FACILITIES

WHEREAS, the City of Folsom is required by California's Integrated Waste Management Act to provide for the safe collection, recycling, treatment, and disposal of hazardous household waste for residents; and

WHEREAS, preventing household hazardous waste from entering the landfill and other disposal facilities protects the health and welfare of the community and the environment; and

WHEREAS, a component of the City of Folsom's household hazardous waste program is to provide access to Sacramento County household hazardous waste drop-off facilities at no cost to residents; and

WHEREAS, the initial term of the current agreement will end on June 30, 2026; and

WHEREAS, the agreement contains three optional one-year extensions upon mutual agreement of both parties; and

WHEREAS, the division has determined that continuing to provide Folsom residents with access to County facilities is beneficial to program success; and

WHEREAS, sufficient funds are available in the Solid Waste Operating Fund (540); and

WHEREAS, the agreement will be in a form acceptable to the City Attorney:

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom authorizes the City Manager to Execute up to Three One-Year Extensions to the Agreement with the County of Sacramento for a Not to Exceed Annual Cost of $50,000 from the Solid Waste Operating Fund (Fund 540) for Household Hazardous Waste Collection Program Services to Folsom Residents at Sacramento County Owned Facilities.

PASSED AND ADOPTED this 26th day of May, 2026, by the following roll-call vote:

AYES: Councilmember(s):
NOES: Councilmember(s):
ABSENT: Councilmember(s):
ABSTAIN: Councilmember(s):

_____
Justin Raithel, MAYOR

ATTEST:

_____
Christa Freemantle, CITY CLERK

Attachment 2

County Contract No. 1
City Contract No. 173-21 22-038

COUNTY OF SACRAMENTO
COMMUNITY SERVICES

AGREEMENT FOR HOUSEHOLD HAZARDOUS WASTE COLLECTION PROGRAM SERVICES BETWEEN THE COUNTY OF SACRAMENTO AND THE CITY OF FOLSOM

THIS AGREEMENT is made and entered into on July 1, 2022, by and between the COUNTY OF SACRAMENTO, a political subdivision of the State of California, hereinafter referred to as "COUNTY" and the CITY OF FOLSOM, a municipal corporation, hereinafter referred to as "CITY".

RECITALS

WHEREAS, COUNTY owns and operates a permitted permanent household hazardous waste collection facility located at the COUNTY'S North Area Recovery Station, 4450 Roseville Road, North Highlands, California (hereinafter referred to as "NARS PHHWCF"); and

WHEREAS, COUNTY owns and operates a permitted Antifreeze, Batteries, Oil, and Paint ("ABOP") collection facility located at the COUNTY'S Kiefer Landfill, 12701 Kiefer Boulevard, Sloughhouse, California (hereinafter referred to as "Kiefer ABOPF"); and

WHEREAS, CITY operates an appointment based Household Hazardous Waste (HHW) collection program for CITY residents; and

WHEREAS, CITY wishes to allow CITY residents access to the NARS HHWCF and Kiefer ABOPF as an alternative option to its appointment based HHW collection program; and

WHEREAS, COUNTY and CITY desire to enter into this Agreement on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual promises hereinafter set forth, COUNTY and CITY agree as follows:

1. **SCOPE OF SERVICES**
   CITY's and COUNTY's respective obligations, service commitments, and requirements are described in Exhibit A, which is attached hereto and incorporated herein.

2. TERM

This Agreement shall be effective as of the date first written above and shall remain in effect until June 30, 2026. COUNTY Director and CITY Director are authorized to amend this Agreement to extend the term for up to three (3) additional one-year terms upon mutual written consent of the parties.

3. NOTICE

Any notice, demand, request, consent, or approval that either party may or is required to give the other pursuant to this Agreement shall be in writing and shall be either personally delivered or sent by first class mail, postage pre-paid, addressed as follows:

TO COUNTY:
County of Sacramento
Department of Waste
Management and Recycling
10863 Gold Center Drive
Rancho Cordova, CA 95670
Attn: Doug Sloan

TO CITY:
City of Folsom
Public Works Department
50 Natoma Street
Folsom, CA 95630
Attn: Marie McKeeth

Either party may change the address to which subsequent notice and/or other communications can be sent by giving written notice designating a change of address to the other party, which shall be effective upon receipt.

4. COMPENSATION, INVOICE, AND PAYMENT

A. Compensation under this Agreement shall be in accordance with Exhibit B and the provisions in this section.

B. COUNTY shall submit an invoice to the CITY for payment no later than thirty (30) days following the monthly invoice period. Invoices shall be submitted to the email address specified below.

1. COUNTY invoices to CITY shall be sent to: apinvoices@folsom.ca.us

2. Invoices shall include the following information:

- COUNTY Contract Number: 70847
- CITY Contract Number: 173-21 22-038
- Division: 3501
- Project Name: HHW Program Costs
- Date of invoice submission
- Remit address
- Services provided and respective reimbursement requested

- Any other information deemed necessary by the parties.

C. CITY shall submit payment within thirty (30) days of receipt of COUNTY invoice.

5. **COUNTY DIRECTOR**

As used in this Agreement, "COUNTY Director" shall mean the Director of the Department of Waste Management and Recycling or his/her designee. COUNTY Director shall administer this Agreement on behalf of the COUNTY, and has authority to make administrative amendments to this Agreement on behalf of the COUNTY including, but not limited to, scope of services, pricing, management practices, etc. Unless otherwise provided herein or required by applicable law, COUNTY Director shall be vested with all the rights, powers, and duties of COUNTY herein. With respect to matters herein subject to the approval, satisfaction, or discretion of COUNTY or COUNTY Director, the decision of the COUNTY Director in such matters shall be final.

6. **CITY DIRECTOR**

As used in this Agreement, "CITY Director" shall mean the Director of Public Works for CITY or his/her designee. CITY Director shall administer this Agreement on behalf of the CITY and has authority to make administrative amendments to this Agreement on behalf of the CITY. Unless otherwise provided herein or required by applicable law, CITY Director shall be vested with all the rights, powers, and duties of CITY herein. With respect to matters herein subject to the approval, satisfaction, or discretion of CITY or CITY Director, the decision of the CITY Director in such matters shall be final.

7. **COMPLIANCE WITH LAWS**

A. COUNTY and CITY shall observe and comply with all applicable Federal, State, and local law, regulations and ordinances.

B. Economic Sanctions: Pursuant to California State Executive Order N-6-22 (Order) imposing economic sanctions against Russia and declaring support of Ukraine, COUNTY shall terminate any contract with any individual or entity that is in violation of the Order or that is subject to economic sanctions therein, and shall not enter a contract with any such individual or entity while the Order is in effect.

8. **GOVERNING LAWS AND JURISDICTION**

This Agreement shall be deemed to have been executed and to be performed within the State of California and shall be construed and

governed by the laws of the State of California. Any legal proceedings arising out of or relating to this Agreement shall be filed in state or federal court located in Sacramento County, California.

9. **STATUS OF PARTIES**

There is no agency relationship between the parties. Neither party shall have authority, express or implied, to act on behalf of the other party in any capacity whatsoever as an agent. Notwithstanding anything contained herein, the employees of each party will continue to be entirely and exclusively under the direction, supervision and control of the employing party.

10. **INDEMNIFICATION**

To the fullest extent permitted by law, each of the parties shall indemnify, defend, and hold harmless each of the other parties, their respective governing boards, officers, directors, officials, employees, and authorized volunteers and agents (collectively "indemnified parties"), from and against any and all claims, demands, actions, losses, liabilities, damages, and all expenses and costs incidental thereto (collectively "claims"), including cost of defense, settlement, arbitration, and reasonable attorneys' fees, resulting from injuries to or death of persons, including but not limited to employees of either party hereto, and damage to or destruction of property, or loss of use or reduction in value thereof, including but not limited to the property of either party hereto, arising out of, pertaining to, or resulting from the alleged or actual acts or omissions of their respective governing boards, officers, directors, officials, employees, volunteers, agents, or contractors.

It is the intention of the parties that the provisions of this indemnity obligation be interpreted to impose on each party responsibility to the other for the acts and omissions of their governing boards, officers, directors, officials, employees, authorized volunteers and agents, or contractors. It is also the intention of the parties that, where comparative fault is determined to have been contributory, principles of comparative fault will be followed and each party shall bear the proportionate cost of any claims attributable to the fault of that party, its governing board, officers, directors, officials, employees, volunteers, agents, or contractors.

The right to defense and indemnity under this section arises upon occurrence of an event giving rise to a claim and, thereafter, upon tender in writing to the indemnifying party. The indemnifying party shall defend the indemnified party with counsel reasonably acceptable to the indemnified party. Notwithstanding the foregoing, the indemnified party shall be entitled, on its own behalf, and at the expense of the

indemnifying party, to assume control of its defense or the defense of any indemnified party in any legal action, with counsel reasonably selected by it. Should the indemnified party elect to initially assume control of its defense, or the defense of any indemnified party, it does so without prejudice to its right to subsequently request that the indemnifying party thereafter assume control of the defense and pay all attorneys' fees and costs incurred thereby.

This indemnity obligation shall not be limited by the types and amounts of insurance or self-insurance maintained by the parties.

Nothing in this indemnity obligation shall be construed to create any duty to, any standard of care with reference to, or any liability or obligation, contractual or otherwise, to any third party.

The provisions of this indemnity obligation shall survive the expiration or termination of the Agreement.

11. INSURANCE

COUNTY and CITY finance their liability, property, and workers' compensation risks through a combination of self-insurance and insurance. COUNTY and CITY are knowledgeable of each entity's risk financing programs and agree to rely on these programs to pay for any liabilities, losses, costs, suits, acclaims, judgments, expenses, fines, or demands of any kind that may arise under the terms of this Agreement.

12. ASSIGNMENT

This Agreement is not assignable by CITY or COUNTY in whole or in part.

13. AMENDMENT AND WAIVER

Except as provided herein, no alteration, amendment, variation, or waiver of the terms of this Agreement shall be valid unless made in writing and signed by both parties. Waiver by either party of any default, breach or condition precedent shall not be construed as a waiver of any other default, breach or condition precedent, or any other right hereunder. No interpretation of any provision of this Agreement shall be binding upon COUNTY or CITY unless agreed in writing by counsel for COUNTY and COUNTY'S Director, and CITY'S Director and attorney for CITY.

14. SUCCESSORS

This Agreement shall bind the successors of COUNTY and CITY in the same manner as if they were expressly named.

15. TIME

Time is of the essence of this Agreement.

16. INTERPRETATION

This Agreement shall be deemed to have been prepared equally by both of the parties, and the Agreement and its individual provisions shall not be construed or interpreted more favorably for one party on the basis that the other party prepared it.

17. DISPUTES

In the event of any dispute arising out of or relating to this Agreement, the parties shall attempt, in good faith, to promptly resolve the dispute mutually between them. If the dispute cannot be resolved by mutual agreement, nothing herein shall preclude either party's right to pursue remedy or relief by civil litigation, pursuant to the laws of the State of California.

18. TERMINATION

A. Except as provided in section B below, either party may terminate this Agreement without cause upon sixty (60) days written notice to the other party. Notice shall be deemed served on the date of mailing.

B. Either party may terminate this Agreement immediately upon giving written notice to the other party, 1) if advised that funds are not available from external sources for this Agreement or for any portion thereof; 2) if funds in party's yearly proposed and final budget are not appropriated by party for this Agreement or any portion thereof; or 3) if funds that were previously appropriated for this Agreement are reduced, eliminated, and/or re-allocated by party as a result of mid-year budget reductions.

C. If this Agreement is terminated, the parties shall satisfy any outstanding repayment obligations pursuant to the terms of Exhibit B, incurred up to and including the date of termination.

19. PRIOR AGREEMENTS

This Agreement constitutes the entire contract between COUNTY and CITY regarding the subject matter of this Agreement. Any prior agreements, whether oral or written, between COUNTY and CITY regarding the subject matter of this Agreement are hereby terminated effective immediately upon full execution of this Agreement.

20. SEVERABILITY

If any term or condition of this Agreement or the application thereof to any person(s) or circumstance is held invalid or unenforceable, such

invalidity or unenforceability shall not affect other terms, conditions, or applications which can be given effect without the invalid term, condition, or application; to this end the terms and conditions of this Agreement are declared severable.

21. FORCE MAJEURE

Neither CITY nor COUNTY shall be liable or responsible for delays or failures in performance resulting from events beyond the reasonable control of such party and without fault or negligence of such party. Such events shall include but not be limited to acts of God, strikes, lockouts, riots, acts of war, epidemics, acts of government, fire, power failures, nuclear accidents, earthquakes, unusually severe weather, acts of terrorism, or other disasters, whether or not similar to the foregoing, and acts or omissions or failure to cooperate of the other party or third parties (except as otherwise specifically provided herein).

22. SURVIVAL OF TERMS

All services performed and deliverables provided pursuant to this Agreement are subject to all of the terms, conditions, price discounts and rates set forth herein, notwithstanding the expiration of the initial term of this Agreement or any extension thereof. Further, the terms, conditions and warranties contained in this Agreement that by their sense and context are intended to survive the completion of the performance, cancellation or termination of this Agreement shall so survive.

23. AUTHORITY TO EXECUTE

Each person executing this Agreement represents and warrants that he or she is duly authorized and has legal authority to execute and deliver this Agreement for or on behalf of the parties to this Agreement. Each party represents and warrants to the other that the execution and delivery of the Agreement and the performance of such party's obligations hereunder have been duly authorized.

24. COUNTERPARTS

This Agreement may be executed in duplicate counterparts. The Agreement shall be deemed executed when it has been signed by both parties.

Signatures scanned and transmitted electronically shall be deemed original signatures for purposes of this Agreement, with such scanned signatures having the same legal effect as original signatures. This Agreement may be executed through the use of an electronic

signature and will be binding on each party as if it were physically executed.

(SIGNATURE PAGE FOLLOWS)

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first written above.

COUNTY OF SACRAMENTO, a political subdivision of the State of California

By: DocuSigned by: Doug Sloan
9EA7AB55E2B4EC...
Doug Sloan, Director
Department of Waste Management and Recycling

"COUNTY"

Date: 6/14/2022

CITY OF FOLSOM, a municipal corporation

By: DocuSigned by: Elaine Andersen
F7A5896265BA495...
Elaine Andersen, City Manager

"CITY"

Date: 6/13/2022

Agreement approved by the Board of Supervisors:

Agenda Date: June 7, 2022

Item Number: 18

Resolution Number: TBD

Contract Reviewed and Approved by County Counsel:

By: DocuSigned by: Katrina G. Nelson
DC61DB3A9CB246C...
Katrina G. Nelson,
Deputy County Counsel

Date: 6/14/2022

ATTEST:
DocuSigned by: Christa Freemantle 6/13/2022
FA7873ECB2D7469...
Christa Freemantle, City Clerk Date

FUNDING AVAILABLE:
DocuSigned by: Stacey Tamagni 6/13/2022
0448974EC7C34A8...
Stacey Tamagni, Finance Director Date

ORIGINAL APPROVED AS TO CONTENT:
DocuSigned by: Mark Rackovan 6/14/2022
31B3FA1DD45C45A...
Mark Rackovan, Public Works Director Date

ORIGINAL APPROVED AS TO FORM:
DocuSigned by: 6/14/2022
4BA4F265329E456...
Steven Wang, City Attorney Date

Prepared by: DocuSigned by: Kelli Sequest
8A0DAB862BE9403...
Kelli Sequest, Waste Management Program Manager
Department of Waste Management & Recycling
Phone: (916) 876-5393

County Contract No. 70847
City Contract No. 173-21 22-038

EXHIBIT A to Agreement
SCOPE OF SERVICES

1. DEFINITIONS

A. "Conditionally Exempt Small Quantity Generator" (hereinafter referred to as "CESQG") means a business concern which meets the criteria specified in Section 261.5 of Title 40 of the Code of Federal Regulations.

B. "Hazardous Waste" means any waste which meets the definitions set forth in section 66261.3 of Title 22 of the California Code of Regulations and is required to be managed.

C. "Household Hazardous Waste" (hereinafter referred to as "HHW") means any hazardous waste generated incidental to owning or maintaining a place of residence, but does not include any waste generated in the course of operating a business concern at a residence. (California Health and Safety Code §25218(1)e).

D. "Residential Generator" means a resident of the CITY seeking to dispose of HHW.

2. CITY RESPONSIBILITIES

A. CITY may direct CITY residents to self-haul HHW to NARS PHHWCF or to Kiefer ABOPF, and CESQGs in the CITY to self-haul Hazardous Waste to NARS PHHWCF. Any public education or promotional efforts developed by CITY shall indicate the specific days and hours of operation of the NARS PHHWCF and Kiefer ABOPF.

B. CITY acknowledges that the NARS PHHWCF does not accept all types and quantities of residential HHW and CESQG Hazardous Waste. Prohibited materials include, but are not limited to: radioactive materials, railroad ties or treated wood, explosives (flares are acceptable), and medical waste (home generated needles or syringes are acceptable). Quantity limits per trip are currently as follows but are subject to change at the will of COUNTY with written notice to the CITY: Quantity limits for residential HHW are 15 gallons (liquid) or 125 pounds (solid) per vehicle trip. Quantity limits for CESQG Hazardous Waste are 27

gallons (liquid) or 220 pounds (solid) per vehicle trip. No containers larger than 5 gallons are accepted. Further, CITY acknowledges that COUNTY will only accept antifreeze, auto and household batteries, motor and cooking oil, motor oil filters, latex and oil based paint, and universal waste at the Kiefer ABOPF. Quantity limits as described herein apply to those materials acceptable at the Kiefer ABOPF.

C. In the event COUNTY constructs, owns, and operates a permanent household hazardous waste collection facility at Kiefer during the term of this agreement, then all acceptable materials and limits thereto as reflected in section 2.B. above for the NARS PHHWCF shall apply.

3. COUNTY RESPONSIBILITIES

A. Subject to the limitations provided in Section 2.B. above, COUNTY shall accept self-hauled HHW from CITY residents at no charge to the resident and Hazardous Waste from CESQGs located in the CITY at NARS PHHWCF and at Kiefer ABOPF during the regular days and hours of operation. The days and hours of operation of the NARS PHHWCF and Kiefer ABOPF are subject to change at the will of COUNTY with written notice to CITY:

1. Residential Generators: HHW will be accepted at the NARS PHHWCF, and antifreeze, batteries, motor and cooking oil, motor oil filters, latex and oil based paint, and universal waste will be accepted at the Kiefer ABOPF with no appointment required.

2. CESQGs: CESQGs must call the COUNTY to make an appointment to self-haul Hazardous Waste to NARS PHHWCF. No material will be accepted from a CESQG without an appointment. COUNTY shall charge any CESQG from the CITY for use of the NARS PHWWCF the same amount for the same materials and quantities as COUNTY charges CESQGs from the unincorporated areas of the COUNTY. Payment will be required prior to CESQQ gaining access to the NARS PHHWCF.

County Contract No. 70847
City Contract No. 173-21 22-038

EXHIBIT B to Agreement
COMPENSATION

A. CITY shall pay COUNTY for the use of COUNTY's facilities by CITY Residential Generators as provided in this section.

B. COUNTY shall maintain a record of the jurisdiction of waste origin, including but not limited to, zip code and address, of each self-hauled HHW vehicle load received at their facilities. All addresses shall be verified through GIS applications to determine whether a certain address for a self-hauled HHW vehicle load is physically located within the CITY.

C. CITY payment to COUNTY will be determined using the COUNTY's Hazardous Waste data collection application (SacHazTracker). COUNTY will provide CITY with the monthly excel spreadsheet generated from SacHazTracker to support its calculation.

Payment shall occur for each CITY self-hauled HHW vehicle load received at COUNTY's facilities each month.

1. Each self-hauled HHW vehicle load will include an HHW Admin Fee and Per Item Fees. The Per Item Fees are based on the type and quantity of material delivered in each self-hauled HHW vehicle load.
2. The HHW Admin Fee and Per Item Fees, shown in Exhibit B-1 attached hereto and incorporated herein, for the COUNTY shall be established each year and shall take effect July 1. The HHW Admin Fee and Per Item Fees shall be based on the cost of service principle. Fees will be calculated using actual costs incurred, including but not limited to labor, materials, transportation, and disposal. In addition, fees may be adjusted as necessary to address changes in regulation and/or when new material types are identified.
3. CITY payment amount to COUNTY will be calculated each month using CITY specific self-hauled HHW vehicle load count data and pricing consistent with Exhibit B-1.

D. The maximum reimbursement amount to be paid by CITY to COUNTY under this Agreement shall not exceed $50,000.00 on an annual basis.

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CITY OF
FOLSOM
DISTINCTIVE BY NATURE

Folsom City Council
Staff Report

MEETING DATE:	5/26/2026
AGENDA SECTION:	Consent Calendar
ITEM TITLE:	Resolution No. 11618 – A Resolution Authorizing the City Manager to Execute up to Two One-Year Extensions to the Agreement with the County of Sacramento for an Estimated Annual Cost of $2.6 Million from the Solid Waste Operating Fund (Fund 540) for Reduced Tipping Fees for Municipal Solid Waste Disposal at Kiefer Landfill
FROM:	Utilities Department

RECOMMENDATION / CITY COUNCIL ACTION

The Utilities Department recommends the City Council pass and adopt Resolution No. 11618 – A Resolution Authorizing the City Manager to Execute up to Two One-Year Extensions to the Agreement with the County of Sacramento for an Estimated Annual Cost of $2.6 Million from the Solid Waste Operating Fund (Fund 540) for Reduced Tipping Fees for Municipal Solid Waste Disposal at Kiefer Landfill.

BACKGROUND / ISSUE

The County of Sacramento (County) provides discounted tipping fees for haulers who commit to disposing of a minimum amount of solid waste at a County facility each year. The city has been party to reduced tipping fee agreements with the County since 2007 for the disposal of municipal solid waste at Kiefer Landfill.

The current agreement, authorized by Folsom City Council on April 12, 2022, by Resolution No. 10833, will expire on June 30, 2026, unless extended. The original term allows two (2) mutually agreed upon one (1) year extensions and the County has expressed interest in extending the agreement.

POLICY / RULE

Section 2.36.120 of the Folsom Municipal Code states, in part, that contracts for supplies, equipment, services, and construction with an estimated value of $77,426 or greater shall be awarded by the City Council.

Chapter 5.04, Purchasing and Contracting, of the Folsom City Charter includes in part, a provision for procurement and services and joint contracts with or through other government jurisdictions.

ANALYSIS

The City of Folsom requires a location to dispose of municipal solid waste collected from residents and businesses. Kiefer Landfill offers reduced tipping fees and is closer to the City of Folsom than any other disposal facility, reducing both the cost of labor and fuel to transport waste material relative to other potential options.

Reduced rates are available in four tiers based on the total waste delivered annually. The city's waste disposal is projected to be in tier two for the duration of this agreement, which is a commitment to deliver between 25,000 and 49,999 tons of waste each fiscal year. The most recent five-year average disposal is 39,500 tons per year. Tons disposed was 38,800 in calendar year 2022 and have gradually increased to a projected 40,800 in 2026. By the final year of the agreement, the division estimates we will dispose of approximately 42,300 tons. Nearly 100% of the material delivered qualifies for a tier two discount of $3.00 per ton saving the city approximately $127,000 compared to the public rates.

The discount provided to the city primarily benefits the Waste and Recycling division; however, the division has collaborated with other city operations to ensure they are also able to dispose of waste utilizing this account. Currently other city divisions are receiving about $2,000 per year in discounts, with the majority of this being the Streets division.

FINANCIAL IMPACT

In Fiscal Year 2025–26, the Waste and Recycling division is projected to spend $2.4 million on waste disposal at Kiefer Landfill, reflecting discounted tipping fees under the current agreement. Tipping fees are set by the County Board of Supervisors and are charged per ton, increasing annually by 3%. At the same time, waste generation from residential and commercial sources is rising by approximately 1.8% per year.

If these trends continue, disposal costs are expected to reach about $2.6 million in the final year of the agreement. The agreement provides a $3.00 per-ton discount on all waste delivered. However, total costs will ultimately depend on the volume of municipal solid waste generated by residents and businesses. Funds are available in the Solid Waste Fund (Fund 540) and will be budgeted for each fiscal year.

ENVIRONMENTAL REVIEW

This action is exempt from environmental review under the California Environmental Quality Act (CEQA).

ATTACHMENTS

1. Resolution No. 11618 – A Resolution Authorizing the City Manager to Execute up to Two One-Year Extensions to the Agreement with the County of Sacramento for an Estimated Annual Cost of $2.6 million from the Solid Waste Operating Fund (Fund 540) for Reduced Tipping Fees for Municipal Solid Waste Disposal at Kiefer Landfill
2. Agreement for Reduced Tipping Fees at Kiefer Landfill

Submitted,

_____

Marcus Yasutake, Director
UTILITIES DEPARTMENT

Attachment 1

RESOLUTION NO. 11618

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE UP TO TWO ONE-YEAR EXTENSIONS TO THE AGREEMENT WITH THE COUNTY OF SACRAMENTO FOR AN ESTIMATED ANNUAL COST OF $2.6 MILLION FROM THE SOLID WASTE OPERATING FUND (FUND 540) FOR REDUCED TIPPING FEES FOR MUNICIPAL SOLID WASTE DISPOSAL AT KIEFER LANDFILL

WHEREAS, the City of Folsom Waste and Recycling Division provides waste collection services for Folsom residents and businesses; and

WHEREAS, the division disposes of municipal solid waste though an agreement with the County of Sacramento to deliver waste to Kiefer Landfill; and

WHEREAS, the disposal agreement provides the city with a discounted rate per ton based on the amount of waste delivered annually; and

WHEREAS, the initial term of the agreement will end on June 30, 2026; and

WHEREAS, the agreement contains two optional one-year extensions upon mutual agreement of both parties; and

WHEREAS, the division has determined that continuing to dispose of waste at Kiefer Landfill provides the city with substantial cost-savings for municipal solid waste disposal; and

WHEREAS, sufficient funds are available in the Solid Waste Operating Fund (540); and

WHEREAS, the agreement will be in a form acceptable to the City Attorney:

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom authorizes the City Manager to Execute up to Two One-Year Extensions to the Agreement with the County of Sacramento for an Estimated Annual Cost of $2.6 million from the Solid Waste Operating Fund (Fund 540) for Reduced Tipping Fees for Municipal Solid Waste Disposal at Kiefer Landfill.

PASSED AND ADOPTED this 26th day of May, 2026, by the following roll-call vote:

AYES: Councilmember(s):
NOES: Councilmember(s):
ABSENT: Councilmember(s):
ABSTAIN: Councilmember(s):

_____
Justin Raithel, MAYOR

ATTEST:

_____
Christa Freemantle, CITY CLERK

Attachment 2

County Contract No. 70846
City Contract No. 173-21 22-039

COUNTY OF SACRAMENTO
COMMUNITY SERVICES

AGREEMENT FOR REDUCED TIPPING FEES AT KIEFER LANDFILL

THIS AGREEMENT is made and entered into on July 1, 2022, by and between the COUNTY OF SACRAMENTO, a political subdivision of the State of California, hereinafter referred to as "COUNTY", and CITY OF FOLSOM, a municipal corporation, hereinafter referred to as "CITY".

RECITALS

WHEREAS, COUNTY owns, operates, and provides waste disposal services at the Sacramento County Landfill (hereinafter "Kiefer Landfill"), a licensed class III landfill permitted to accept Municipal Solid Waste (hereinafter "MSW"); and

WHEREAS, CITY desires to dispose of MSW at Kiefer Landfill; and

WHEREAS, COUNTY and CITY have negotiated a reduced price or tipping fee relative to those charged to the general public at the gate for disposal services at Kiefer Landfill in consideration of the volume of MSW CITY will dispose at Kiefer Landfill which will generate revenue to COUNTY; and

WHEREAS, COUNTY and CITY desire to enter into this Agreement on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual promises hereinafter set forth, COUNTY and CITY agree as follows:

1. SCOPE OF SERVICES

CITY shall deliver MSW in the amount, type and manner described in Exhibit A, which is attached hereto and incorporated herein.

2. TERM

This Agreement shall be effective and commence as of the date first written above and shall remain in effect until June 30, 2026. COUNTY Director and CITY Director are authorized to amend this Agreement to extend the term for up to two (2) additional one-year terms upon mutual written consent of the parties.

3. NOTICE

Any notice, demand, request, consent, or approval that either party may or is required to give the other pursuant to this Agreement shall be in writing and shall be either personally delivered or sent by mail, addressed as follows:

TO COUNTY:	TO CITY:
Department of Waste Management and Recycling 10863 Gold Center Dr. Rancho Cordova, CA 95670 Attn: Doug Sloan	City of Folsom, Public Works Department 50 Natoma Street Folsom, CA 95630 Attn: Marie McKeeth

Either party may change the address to which subsequent notice and/or other communications can be sent by giving written notice designating a change of address to the other party, which shall be effective upon receipt.

4. COUNTY DIRECTOR

As used in this Agreement, "COUNTY Director" shall mean the Director of the Department of Waste Management and Recycling or his/her designee. COUNTY Director shall administer this Agreement on behalf of the COUNTY, and has authority to make administrative amendments to this Agreement on behalf of the COUNTY including, but not limited to, scope of services, pricing, management practices, etc. Unless otherwise provided herein or required by applicable law, COUNTY Director shall be vested with all the rights, powers, and duties of COUNTY herein. With respect to matters herein subject to the approval, satisfaction, or discretion of COUNTY or COUNTY Director, the decision of the COUNTY Director in such matters shall be final.

5. CITY DIRECTOR

As used in this Agreement, "CITY Director" shall mean the Director of Public Works for CITY or his/her designee. CITY Director shall administer this Agreement on behalf of the CITY and has authority to make administrative amendments to this Agreement on behalf of the CITY including, but not limited to, scope of services, pricing, management practices, etc. Unless otherwise provided herein or required by applicable law, CITY Director shall be vested with all the rights, powers, and duties of CITY herein. With respect to matters herein subject to the approval, satisfaction, or discretion of CITY or CITY Director, the decision of the CITY Director in such matters shall be final.

6. COMPLIANCE WITH LAWS

A. COUNTY and CITY shall observe and comply with all applicable Federal, State, and County laws, regulations and ordinances.

B. Economic Sanctions: Pursuant to California State Executive Order N-6-22 (Order) imposing economic sanctions against Russia and declaring support of Ukraine, COUNTY shall terminate any contract with any individual or entity that is in violation of the Order or that is subject to economic sanctions therein, and shall not enter a contract with any such individual or entity while the Order is in effect.

7. GOVERNING LAWS AND JURISDICTION

This Agreement shall be deemed to have been executed and to be performed within the State of California and shall be construed and governed by the internal laws of the State of California. Any legal proceedings arising out of or relating to this Agreement shall be brought in Sacramento County, California.

8. LICENSES AND PERMITS

CUSTOMER shall possess and maintain all necessary licenses, permits, certificates and credentials required by the laws of the United States, the State of California, County of Sacramento and all other appropriate governmental agencies, including any certification and credentials required by COUNTY. Failure to maintain the licenses, permits, certificates, and credentials shall be deemed a breach of this Agreement and constitutes grounds for the termination of this Agreement by COUNTY.

9. STATUS OF PARTIES

There is no agency relationship between the parties. Neither party shall have authority, express or implied, to act on behalf of the other party in any capacity whatsoever as an agent. Notwithstanding anything contained herein, the employees of each party will continue to be entirely and exclusively under the direction, supervision and control of the employing party.

10. INDEMNIFICATION

To the fullest extent permitted by law, each of the parties shall indemnify, defend, and hold harmless each of the other parties, their respective governing boards, officers, directors, officials, employees, and authorized volunteers and agents (collectively "indemnified parties"), from and against any and all claims, demands, actions, losses, liabilities, damages, and all expenses and costs incidental thereto

(collectively "claims"), including cost of defense, settlement, arbitration, and reasonable attorneys' fees, resulting from injuries to or death of persons, including but not limited to employees of either party hereto, and damage to or destruction of property, or loss of use or reduction in value thereof, including but not limited to the property of either party hereto, arising out of, pertaining to, or resulting from the alleged or actual acts or omissions of their respective governing boards, officers, directors, officials, employees, volunteers, agents, or contractors.

It is the intention of the parties that the provisions of this indemnity obligation be interpreted to impose on each party responsibility to the other for the acts and omissions of their governing boards, officers, directors, officials, employees, authorized volunteers and agents, or contractors. It is also the intention of the parties that, where comparative fault is determined to have been contributory, principles of comparative fault will be followed and each party shall bear the proportionate cost of any claims attributable to the fault of that party, its governing board, officers, directors, officials, employees, volunteers, agents, or contractors.

The right to defense and indemnity under this section arises upon occurrence of an event giving rise to a claim and, thereafter, upon tender in writing to the indemnifying party. The indemnifying party shall defend the indemnified party with counsel reasonably acceptable to the indemnified party. Notwithstanding the foregoing, the indemnified party shall be entitled, on its own behalf, and at the expense of the indemnifying party, to assume control of its defense or the defense of any indemnified party in any legal action, with counsel reasonably selected by it. Should the indemnified party elect to initially assume control of its defense, or the defense of any indemnified party, it does so without prejudice to its right to subsequently request that the indemnifying party thereafter assume control of the defense and pay all attorneys' fees and costs incurred thereby.

This indemnity obligation shall not be limited by the types and amounts of insurance or self-insurance maintained by the parties.

Nothing in this indemnity obligation shall be construed to create any duty to, any standard of care with reference to, or any liability or obligation, contractual or otherwise, to any third party.

The provisions of this indemnity obligation shall survive the expiration or termination of the Agreement.

11. INSURANCE

COUNTY and CITY finance their liability, property, and workers' compensation risks through a combination of self-insurance and insurance. COUNTY and CITY are knowledgeable of each entity's risk financing programs and agree to rely on these programs to pay for any liabilities, losses, costs, suits, acclaims, judgments, expenses, fines, or demands of any kind that may arise under the terms of this Agreement.

12. COMPENSATION AND PAYMENT OF INVOICES

Compensation and payment under this Agreement shall be in accordance with Exhibit B, or Exhibit B as modified by COUNTY in accordance with express provisions in this Agreement.

13. ASSIGNMENT

This Agreement is not assignable by CITY or COUNTY in whole or in part.

14. AMENDMENT AND WAIVER

Except as provided herein, no alteration, amendment, variation, or waiver of the terms of this Agreement shall be valid unless made in writing and signed by both parties. Waiver by either party of any default, breach or condition precedent shall not be construed as a waiver of any other default, breach or condition precedent, or any other right hereunder. No interpretation of any provision of this Agreement shall be binding upon COUNTY or CITY unless agreed in writing by counsel for COUNTY and COUNTY's Director, and CITY's Director and attorney for CITY.

15. SUCCESSORS

This Agreement shall bind the successors of COUNTY and CITY in the same manner as if they were expressly named.

16. TIME

Time is of the essence of this Agreement.

17. INTERPRETATION

This Agreement shall be deemed to have been prepared equally by both of the parties, and the Agreement and its individual provisions shall not be construed or interpreted more favorably for one party on the basis that the other party prepared it.

18. DISPUTES

In the event of any dispute arising out of or relating to this Agreement, the parties shall attempt, in good faith, to promptly resolve the dispute mutually between them. If the dispute cannot be resolved by mutual

agreement, nothing herein shall preclude either party's right to pursue remedy or relief by civil litigation, pursuant to the laws of the State of California.

19. TERMINATION

A. CITY may terminate this Agreement without cause upon providing the COUNTY not less than six (6) months' written notice. Upon such termination, CITY shall pay COUNTY an early termination fee equal to 50% of the Minimum Tonnage Commitment (pursuant to Exhibit A, section 2.A) multiplied by the Disposal Discount (pursuant to Exhibit B, section 1.A).

B. CITY may terminate this Agreement pursuant to Exhibit B, section 1.D by providing the COUNTY not less than ninety (90) days' written notice.

C. Either party may terminate this Agreement for cause upon the other party's breach of this Agreement and its failure to cure such breach within thirty (30) days (ten (10) days in the case of nonpayment of monies owed) of receiving written notice from the other party of such breach.

D. The COUNTY Director or CITY Director has authority to terminate this Agreement on behalf of the COUNTY and CITY.

20. PRIOR AGREEMENTS

This Agreement constitutes the entire contract between COUNTY and CITY regarding the subject matter of this Agreement. Any prior agreements, whether oral or written, between COUNTY and CITY regarding the subject matter of this Agreement are hereby terminated effective immediately upon full execution of this Agreement.

21. SEVERABILITY

If any term or condition of this Agreement or the application thereof to any person(s) or circumstance is held invalid or unenforceable, such invalidity or unenforceability shall not affect other terms, conditions, or applications which can be given effect without the invalid term, condition, or application; to this end the terms and conditions of this Agreement are declared severable.

22. FORCE MAJEURE

Neither CITY nor COUNTY shall be liable or responsible for delays or failures in performance resulting from events beyond the reasonable

control of such party and without fault or negligence of such party. Such events shall include but not be limited to acts of God, strikes, lockouts, riots, acts of war, epidemics, acts of government, fire, power failures, nuclear accidents, earthquakes, unusually severe weather, acts of terrorism, or other disasters, whether or not similar to the foregoing, and acts or omissions or failure to cooperate of the other party or third parties (except as otherwise specifically provided herein).

23. SURVIVAL OF TERMS

All services performed and deliverables provided pursuant to this Agreement are subject to all of the terms, conditions, price discounts and rates set forth herein, notwithstanding the expiration of the initial term of this Agreement or any extension thereof. Further, the terms, conditions and warranties contained in this Agreement that by their sense and context are intended to survive the completion of the performance, cancellation or termination of this Agreement shall so survive.

24. AUTHORITY TO EXECUTE

Each person executing this Agreement represents and warrants that he or she is duly authorized and has legal authority to execute and deliver this Agreement for or on behalf of the parties to this Agreement. Each party represents and warrants to the other that the execution and delivery of the Agreement and the performance of such party's obligations hereunder have been duly authorized.

25. DUPLICATE COUNTERPARTS

This Agreement may be executed in duplicate counterparts. The Agreement shall be deemed executed when it has been signed by both parties.

Signatures scanned and transmitted electronically shall be deemed original signatures for purposes of this Agreement, with such scanned signatures having the same legal effect as original signatures. This Agreement may be executed through the use of an electronic signature and will be binding on each party as if it were physically executed.

(SIGNATURE PAGE FOLLOWS)

County Contract No. 70846
City Contract No. 173-21 22-039

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first written above.

COUNTY OF SACRAMENTO, a political subdivision of the State of California

By: DocuSigned by: Doug Sloan
9EA97AD5SE2B4BC...
Douglas A. Sloan
Department of Waste Management and Recycling

"COUNTY"

Date: 6/14/2022

CITY OF FOLSOM, a municipal corporation

By: DocuSigned by: Elaine Andersen
F7A5896265BA495...
Elaine Andersen, City Manager

"CITY"

Date: 6/13/2022

Agreement approved by Board of Supervisors:

Agenda Date: June 7, 2022

Item Number: 18

Resolution No: TBD

Contract Reviewed and Approved by County Counsel:

By: DocuSigned by: Katrina G. Nelson
DC61DB3A9CB246C...
Katrina G. Nelson,
Deputy County Counsel

Date: 6/14/2022

ATTEST:
DocuSigned by: Christa Freemantle 6/13/2022
CFA7878ECBD7469...
Christa Freemantle, City Clerk Date

FUNDING AVAILABLE:
DocuSigned by: Stacey Tamagni 6/13/2022
0448974EC7C34A8...
Stacey Tamagni, Finance Director Date

ORIGINAL APPROVED AS TO CONTENT:
DocuSigned by: Mark Rackovan 6/13/2022
3193E41D155CI5A...
Mark Rackovan, Public Works Director Date

ORIGINAL APPROVED AS TO FORM:
DocuSigned by: 6/13/2022
4BA4E265329E456...
Steven Wang, City Attorney Date

Prepared by: DocuSigned by: Kelli Sequest
8A0DAB862BE9403...
Kelly Sequest, Waste Management Program Manager
Department of Waste Management and Recycling
Phone: (916) 876-5393

County Contract No. 70846
City Contract No. 173-21 22-039

EXHIBIT A to Agreement

SCOPE OF SERVICES

1. DEFINITIONS

A. Acceptable Waste is MSW from residential and commercial sources and any other acceptable Class III waste (as defined in division 2 of Title 27 of the California Code of Regulations and the current Waste Discharge Requirements for Kiefer Landfill) as agreed to by the COUNTY Director in writing prior to delivery.

Acceptable Waste shall only include tonnages collected by CITY.

Acceptable Waste does not include source separated organic waste or recyclable material.

Acceptable Waste does not include Hard to Handle Waste or Unacceptable Waste as described elsewhere in this Agreement.

B. Applicable Law means any and all applicable federal, state, regional, or local constitutions, statutes, ordinances, resolutions, regulations, judicial decisions, orders, binding interpretations, permits, permit conditions, mitigation measures, or other approvals or requirements of COUNTY or another governmental entity having jurisdiction over the services performed by CITY or otherwise having jurisdiction that is applicable to any aspect of this Agreement.

C. Designated Waste is as defined in California Water Code section 13173.

D. Direct Haul is the hauling of waste in a roll-off truck or packer truck from the source to the tipping facility.

E. Disposal Discount is the discount taken from the current gate tipping fee as described in Exhibit B, section 1.

F. Gate Tipping Fee shall be those applicable fees and charges contained in the most recent resolution adopted by the County of Sacramento Board of Supervisors establishing tipping fees at the Kiefer Landfill currently in effect. For informational purposes, at the time of execution of this Agreement, the effective resolution is Resolution No. 2021-0760, adopted November 17, 2021, approving the gate tipping fee of $54.45 per ton for Kiefer Landfill, effective January 1, 2022.

G. Hard to Handle Waste shall be as defined in the most recent resolution adopted by the County of Sacramento Board of Supervisors currently in effect. For informational purposes, at the time of execution of this Agreement, the effective resolution is Resolution No. 2021-0760 adopted November 17, 2021 and effective January 1, 2022.

H. Hazardous Waste is as defined by State of California under section 66261.3 of Title 22 of the California Code of Regulations (22 C.C.R. § 66261.3).

I. Municipal Solid Waste ("MSW") shall be as defined in section 243.101(y) of Title 40 of the Code of Federal Regulations (contained in 40 C.F.R. Part 243, Guidelines for the Storage and Collection of Residential, Commercial, and Institutional Solid Waste).

J. Packer Truck is a vehicle such as a front loader, side loader, or rear loader capable of hauling solid waste and recyclable materials.

K. Roll-Off Truck is a vehicle capable of transporting one or more bins, each with a capacity of containing seven (7) cubic yards or more of solid waste or recyclable materials.

L. Unacceptable Waste is hazardous waste and any waste that is designated as unacceptable under the County's Solid Waste Facilities Permits for Kiefer Landfill and the North Area Recovery Station and the current Waste Discharge Requirements for Kiefer Landfill. Copies of these permits are available upon request.

2. SERVICES

A. Minimum Tonnage Commitment: CITY shall commit an annual minimum tonnage amount of 25,000 tons of Acceptable Waste per fiscal year (July 1 – June 30).

B. Acceptance of Waste by COUNTY. CITY may deliver, and COUNTY shall accept, transfer, place, compact and cover Acceptable Waste at Kiefer Landfill according to standard solid waste landfill practices, the terms and conditions of the Solid Waste Facilities Permits issued by the local enforcement agency for Kiefer Landfill, and the State of California Minimum Standards for landfill and transfer station operations.

C. Rejection of Waste.

i. Any Class I or Class II waste, as such waste is defined in Titles 22 and 27 of the California Code of Regulations delivered by CITY shall be rejected by COUNTY, and CITY shall be solely responsible for all costs associated with the cleanup and removal of any such waste.

ii. Designated waste delivered by CITY may be rejected by COUNTY at COUNTY'S discretion.

D. County's Right to Deny Access. COUNTY shall have the right, in its sole and absolute discretion, to immediately deny access to the landfill to any employee or SUBCONTRACTOR of CITY for any reason, and in the event COUNTY exercises such right, COUNTY shall provide written notification thereof to CITY as soon after the denial as is reasonable.

3. PRIMARY CONTACTS

In the performance of the services hereunder, CITY and COUNTY shall provide, and update as necessary, the primary contact person responsible for regular communications related to these services under this Agreement. These contacts shall be as follows:

COUNTY:	NAME:	Kelli Sequest
	PHONE:	916-876-5393
	E-MAIL:	sequestk@saccounty.net
CITY:	NAME:	Marie McKeeth
	PHONE:	916-461-6731
	E-MAIL:	mmckeeth@folsom.ca.us

County Contract No. 70846
City Contract No. 173-21 22-039

EXHIBIT B to Agreement

COMPENSATION

1. DISPOSAL FEES

A. Disposal Discount. A Disposal Discount for waste delivered by CITY to Kiefer Landfill shall apply to Acceptable Waste.

The Disposal Discount shall be applied to the Gate Tipping Fee according to the Minimum Tonnage Commitment as defined in Exhibit A, section 2.A.

The Minimum Tonnage Commitment shall fall into a corresponding tonnage tier set forth in the table below, which shall be set as the "Commitment Tier".

If CITY delivers Acceptable Waste to COUNTY in excess of the Commitment Tier, only those excess tons that fall into the higher tier shall be entitled to the corresponding Disposal Discount for that higher tier in any given fiscal year.

CITY can adjust its Commitment Tier in any given fiscal year prior to the start of a new fiscal year with ninety (90) days' advance written notice to COUNTY of change in such Commitment Tier.

Tonnage Tiers	Annual Minimum Tonnage Commitment (July 1 – June 30)	Disposal Discount per ton from Gate Tipping Fee
		Direct Haul
Tier 1	10,000 - 24,999	$ (1.00)
Tier 2	25,000 - 49,999	$ (3.00)
Tier 3	50,000 - 99,999	$ (5.00)
Tier 4	100,000 or more	$ (7.00)

B. Shortfall Penalty. If CITY, in a given one-year period from July 1 to June 30, fails to deliver to COUNTY, in accordance with this Agreement, the Minimum Tonnage Commitment for that period, then COUNTY shall invoice CITY for, and CITY shall pay, an amount equal to (i) the number of tons by which actual tons fell short of the Minimum Tonnage Commitment, multiplied by (ii) the

then-applicable per-ton Gate Tipping Fee less the Disposal Discount.

C. No Disposal Discount for Delinquent Disposal Account. If any portion of the CITY'S disposal account is past due for more than thirty (30) days after the due date, COUNTY shall charge CITY the then-current Gate Tipping Fee and shall continue to charge the Gate Tipping Fee until CITY effects full, current payment on its disposal account, and no Disposal Discount shall later be applied for those charges. In the event CITY'S disposal account is delinquent for three (3) consecutive months, CITY shall be required to pay the then-current Gate Tipping Fee at the gate immediately (cash basis) when making deliveries, and such requirement shall continue until CITY effects full, current payment on its delinquent disposal account. Tonnages delivered during this time of delinquency will be counted toward the Minimum Tonnage Commitment as set forth in Exhibit A, section 2.A.

D. COUNTY reserves the right to adjust the applicable Gate Tipping Fee as part of its rate review process. COUNTY shall notify CITY at the earliest practical opportunity of any changes to the Gate Tipping Fee. If, at any time, the Gate Tipping Fee at Kiefer Landfill exceeds $65.09 per ton for MSW, then CITY may terminate Agreement pursuant to section 19.B above.

2. MONTHLY ELECTRONIC FUNDS TRANSFER AND MONTHLY INVOICING

A. Within ten (10) days after execution of this Agreement, CITY shall provide COUNTY with written authorization for Electronic Funds Transfer from CITY'S bank account for invoices under this Agreement.

B. COUNTY will invoice CITY each month for waste deliveries made by CITY to Kiefer Landfill. COUNTY will mail each invoice by U.S. Mail, and simultaneously email each invoice to apinvoices@folsom.ca.us.

C. Upon COUNTY'S transmittal, both electronically and via U.S. Mail, of the monthly invoice to CITY, COUNTY will generate an Electronic Funds Transfer of the invoiced amount due from CITY'S bank account to COUNTY in accordance with the written authorization provided by CITY hereinabove.

D. CITY shall pay the invoice in full within thirty (30) days from the date of the invoice. COUNTY shall automatically initiate the Electronic Funds Transfer at thirty (30) days without CITY notice.

E. COUNTY and CITY shall mutually agree to any adjustments made to the invoice. Adjustments shall be made on the following month's invoice.

F. In the event the Electronic Funds Transfer cannot be accomplished due to insufficient funds or other cause not attributable to COUNTY or bank error, COUNTY shall contact CITY to allow CITY to rectify the cause and complete the Electronic Funds Transfer. If a sufficient electronic transfer is not completed within three business days, then COUNTY may consider the account delinquent and CITY in breach of contract.

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CITY OF
FOLSOM
DISTINCTIVE BY NATURE

Folsom City Council
Staff Report

MEETING DATE:	5/26/2026
AGENDA SECTION:	Consent Calendar
SUBJECT:	Resolution No. 11619 - A Resolution Amending Resolution No. 11594 to include the City's Funding Commitment of $150,000 from the Water Impact Fund (Fund 456) for a United States Bureau of Reclamation WaterSMART Small-Scale Water Use Efficiency Program Grant
FROM:	Utilities Department

RECOMMENDATION / CITY COUNCIL ACTION

The Utilities Department recommends the City Council pass and adopt Resolution No. 11619 - A Resolution Amending Resolution No. 11594 to include the City's Funding Commitment of $150,000 from the Water Impact Fee Fund (Fund 456) for a United States Bureau of Reclamation WaterSMART Small-Scale Water Use Efficiency Program Grant.

BACKGROUND / ISSUE

The United States Department of the Interior's WaterSMART (Sustain and Manage America's Resources for Tomorrow) Program provides a framework for Federal leadership and assistance to stretch and secure water supplies for future generations in support of the Department's priorities. Through WaterSMART, the Bureau of Reclamation (Reclamation) leverages Federal and non-Federal funding to work cooperatively with states, tribes, and local entities as they plan for and implement actions to increase water supply reliability through investments in existing infrastructure and attention to local water conflicts. Reclamation issued Funding Opportunity Number R25AS00279 to make funding available for small-scale water efficiency projects.

The goal of the WaterSMART Small-Scale Water Efficiency Projects NOFO is to invite eligible entities to apply for funding to implement projects that conserve water and enhance water supply reliability in water delivery systems. It encourages the implementation of small-scale projects identified through prior planning efforts, such as canal lining, water delivery automation, flow measurement, and other projects that increase water efficiency. The WaterSMART Small-Scale

Water Efficiency Projects NOFO prioritizes projects that are supported by an existing water management and conservation plan, System Optimization Review, or other planning effort led by the applicant.

The Utilities Department recommends the City Council pass and adopt Resolution No. 11619 - A Resolution Amending Resolution No. 11594 to include the City's Funding Commitment of $150,000 from the Water Impact Fund (Fund 456) for a United States Bureau of Reclamation WaterSMART Small-Scale Water Use Efficiency Program Grant.

POLICY / RULE

The City of Folsom's financial policy requires that the City Council approve grant applications that require an ongoing commitment of resources or staff. No additional staff are required for the projects included within the grant application.

ANALYSIS

On April 28, 2026, City Council approved Resolution No.11594 to submit a grant proposal for a WaterSMART Small-Scale Water Efficiency Project. After discussions with the City's Federal Lobbyist team and with Reclamation staff responsible for reviewing grant applications, there is one additional item required for the City's Resolution. As part of the grant application process, an official Resolution is required to be submitted in the application that identifies the City's funding match requirement. The updated Resolution No. 11619 includes a recital that the City will provide the correct amount of funding specified in the City's funding plan within the grant application and specifies the City's fund to be used for the project. The attached Resolution No. 11619 includes this language, which was not included in Resolution No. 11594.

FINANCIAL IMPACT

To fund the proposed project, estimated at an overall cost of $250,000, the City desires to apply for a grant for up to $100,000 from Reclamation. The remaining $150,000 for the project will be funded from the Water Impact Fund (Fund 456). The minimum required cost-share for the City is 50%. The expected award date for the grant is late 2026. Proposed project costs for the City's $150,000 share will be requested in the Fiscal Year 2026-2027 budget. In addition, The Ferguson Group will write the grant proposal, perform the necessary outreach to Reclamation, and conduct a review of the necessary City documentation needed for the submittal of the grant application for up to $11,000 as part of their current agreement with the City for Federal Advocacy Services. Sufficient Funds are available in the Water Impact Fund (Fund 456) for this project and for the grant writing services of The Ferguson Group.

ENVIRONMENTAL REVIEW

This project is replacement and/or improvement of existing infrastructure with negligible or no expansion of use and therefore is categorically exempt from environmental review under the California Environmental Quality Act as noted in Title 14 – California Code of Regulations, Chapter 3 – Guidelines for Implementation of the California Environmental Quality Act, Article

19 – Categorical Exemptions, Sections 15301 (Existing Facilities), 15302 (Replacement or Reconstruction), and/or 15304 (Minor Alterations to Land).

ATTACHMENT

Resolution No. 11619 - A Resolution Amending Resolution No. 11594 to include the City's Funding Commitment of $150,000 from the Water Impact Fund (Fund 456) for a United States Bureau of Reclamation WaterSMART Small-Scale Water Use Efficiency Program Grant.

Submitted,

_____

Marcus Yasutake, Director
UTILITIES DEPARTMENT

Attachment 1

RESOLUTION NO. 11619

A RESOLUTION AMENDING RESOLUTION NO. 11594 TO INCLUDE THE CITY'S FUNDING COMMITMENT OF $150,000 FROM THE WATER IMPACT FUND (FUND 456) FOR A UNITED STATES BUREAU OF RECLAMATION WATERSMART SMALL-SCALE WATER USE EFFICIENCY PROGRAM GRANT

WHEREAS, the City is eligible to receive up to $100,000 in federal grant funds through the U.S. Department of the Interior, Bureau of Reclamation WaterSMART Samm-Scale Water Use Efficiency Program Grant for Fiscal Year 2027; and

WHEREAS, the City implements projects and programs that increase water efficiency; and

WHEREAS, Resolution No. 11594 authorized the City Manager to submit an application for the funding opportunity; and

WHEREAS, the City of Folsom commits to the financial and legal obligations associated with receipt of a financial assistance award under this funding opportunity; and

WHEREAS, the Irrigation Tune-Up Project (Project) meets the eligibility requirements of funding opportunity R26AS00279, and the City of Folsom desires to submit an application for consideration; and

WHEREAS, the total estimated cost of the Project is $250,000 of which the City of Folsom is requesting $100,000 in Federal funding and will contribute $150,000 in non-Federal cost share, representing at least 50 percent of total project costs; and

WHEREAS, the City of Folsom certifies awareness of and agrees to comply with all currently effective and applicable executive orders, Secretary's orders, and other Federal requirements that apply to this funding opportunity and any resulting award; and

WHEREAS, the City of Folsom will work with the Bureau of Reclamation to meet established deadlines for entering into a grant or cooperative agreement and for completing the Project; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom amends Resolution No. 11594 to include the City's Funding Commitment of $150,000 from the Water Impact Fund (Fund 456) for a United States Bureau of Reclamation WaterSMART Small-Scale Water Use Efficiency Program Grant.

PASSED AND ADOPTED this 26th day of May 2026, by the following roll-call vote:

AYES: Councilmember(s):
NOES: Councilmember(s):

ABSENT: Councilmember(s):
ABSTAIN: Councilmember(s):

_____
Justin Raithel, MAYOR

ATTEST:

_____
Christa Freemantle, CITY CLERK

Folsom City Council
Staff Report

MEETING DATE:	5/26/2026
AGENDA SECTION:	Consent Calendar
ITEM TITLE:	Resolution No. 11621 – A Resolution Authorizing the City Manager to Execute an Amendment to the Agreement (Contract No. 173-21 21-068) with Genuine Parts Company DBA Napa Auto Parts for an Annual Cost of up to $1,032,600 for Vendor Managed Inventory Services in the Fleet Division, 1300 Leidesdorff Street, from all Department Funds as Required for Vehicle Maintenance and Repairs
FROM:	Utilities Department

RECOMMENDATION / CITY COUNCIL ACTION

The Utilities Department recommends the City Council pass and adopt Resolution No. 11621 – A Resolution Authorizing the City Manager to Execute an Amendment to the Agreement (Contract No. 173-21 21-068) with Genuine Parts Company DBA Napa Auto Parts for an Annual Cost of up to $1,032,600 for Vendor Managed Inventory Services in the Fleet Division, 1300 Leidesdorff Street, from all Department Funds as Required for Vehicle Maintenance and Repairs.

BACKGROUND / ISSUE

The Utilities Department's Fleet Management Division is responsible for the repair and maintenance of more than 500 vehicles and equipment assets across multiple city departments. Annually, Fleet division staff generate approximately 2,300 work orders and utilize an estimated 56,000 individual parts.

On September 14, 2021, the Folsom City Council adopted Resolution No. 10693, authorizing an agreement with Genuine Parts Company (NAPA) to operate an on-site store supporting the city's automotive parts needs.

The city entered into this agreement through a cooperative purchasing contract (No. 110520-GPC) between NAPA and Sourcewell, a national cooperative purchasing organization of which the City

of Folsom is a member. While the original Sourcewell contract has since expired, a successor contract with substantially similar terms has been executed, extending service availability through December 2028.

To ensure the continued operation of the on-site store within the Fleet division, the agreement between the city and NAPA must be amended to reflect the updated Sourcewell contract number (No. 090624-GPC).

POLICY / RULE

Section 2.36.120 of the Folsom Municipal Code states, in part, that contracts for supplies, equipment, services, and construction with an estimated value of $77,426 or greater shall be awarded by the City Council.

Section 2.36.170 of the Folsom Municipal Code permits cooperative purchasing agreements for the procurement of any supplies, equipment, service, or construction with one or more public procurement units in accordance with an agreement entered into or between the participants.

ANALYSIS

The Vendor Managed Inventory (VMI) agreement ensures consistent, timely, and cost-effective access to parts. Under this model, a full-time Inventory Specialist is assigned on-site to procure parts for all repair activities. This centralized approach provides Fleet division mechanics with a single point of contact, eliminating the need to independently source parts from multiple vendors. To maintain uninterrupted service, NAPA provides a qualified substitute in the absence of the assigned specialist. As a result, more than 90 percent of parts orders are fulfilled within a two-hour timeframe.

The VMI agreement also eliminated the need for the city to own and manage inventory. NAPA retains ownership of parts until they are needed for a specific repair. The Inventory Specialist assigns each part to the corresponding vehicle and work order, ensuring accurate cost allocation to city departments. The specialist is responsible for tracking all inventory movement within the parts room, and all expenditures must be tied to an authorized work order.

In addition, the VMI program includes routine inventory audits and proactive adjustments to align stock levels with the city's operational needs. This approach minimizes the city's exposure to costs associated with excess, obsolete, or unused inventory. If parts are not needed by the city, NAPA is able to utilize their network of stores and vendors to circulate parts to other outlets prior to becoming obsolete and losing their value.

Efficient fleet maintenance operations rely on the timely availability of parts. Prior to implementing NAPA's integrated business solution the city employed an Inventory Clerk whose responsibilities extended beyond inventory management. Mechanics frequently had to research parts independently and drive to multiple retail locations to procure what they needed for repairs. Utilizing VMI brings the expertise and extensive network of NAPA into the city operations allowing mechanics to focus on core repair functions. Inventory is actively managed to ensure

accurate accounting and on-hand availability to best meet city needs. The Fleet division has determined that the VMI model represents the most cost-effective approach to meeting its ongoing essential parts procurement needs.

FINANCIAL IMPACT

The total financial impact of continuing NAPA's operation of an on-site store at the corporation yard is not to exceed $1,032,600 annually for parts and store operations, with costs allocated across all city departments. On average, the city spends about $994,000 under this program. The cost of operating the store includes all staff costs, insurance, office equipment, and supplies, and averages $106,000 of the total cost each year. Store operating costs are paid through the Fleet division budget which is funded by a cost allocation plan based on labor hours of fleet staff for each department's vehicles. Approximately 73% of fleet overhead, including the operating cost of the store, is funded by enterprise funds.

All automotive parts, including NAPA branded or sourced from other vendors, are provided to the city at 10% above NAPA's cost. Parts expenses are charged directly to the respective departments at the time of use and are budgeted within each department's vehicle maintenance account.

ENVIRONMENTAL REVIEW

This action is exempt from environmental review under the California Environmental Quality Act (CEQA).

ATTACHMENTS

1. Resolution No. 11621 – A Resolution Authorizing the City Manager to Execute an Amendment to the Agreement (Contract No. 173-21 21-068) with Genuine Parts Company dba Napa Auto Parts for an Annual Cost of up to $1,032,600 for Vendor Managed Inventory Services in the Fleet Division, 1300 Leidesdorff Street, from all Department Funds as Required for Vehicle Maintenance and Repairs
2. Integrated Supply Agreement by and Between Genuine Parts Company and City of Folsom, California
3. Assignment Agreement, assigning the Agreement from Riebe's Auto Parts, LLC to Genuine Parts Company

Submitted,

_____

Marcus Yasutake, Director
UTILITIES DEPARTMENT

Attachment 1

RESOLUTION NO. 11621

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN AMENDMENT TO THE AGREEMENT (CONTRACT NO. 173-21 21-068) WITH GENUINE PARTS COMPANY DBA NAPA AUTO PARTS FOR AN ANNUAL COST OF UP TO $1,032,600 FOR VENDOR MANAGED INVENTORY SERVICES IN THE FLEET DIVISION, 1300 LEIDESDORFF STREET, FROM ALL DEPARTMENT FUNDS AS REQUIRED FOR VEHICLE MAINTENANCE AND REPAIRS

WHEREAS, the City of Folsom requires timely and reliable access to automotive parts for the maintenance and repair of city vehicles; and

WHEREAS, the city executed an agreement with Genuine Parts Company (NAPA) to operate an onsite auto parts store; and

WHEREAS, the agreement was made through Sourcewell, which used its recognized cooperative purchasing agreement to award contract #110520-GPC to NAPA; and

WHEREAS, the Sourcewell contract #110520-GPC has expired; and

WHEREAS, Sourcewell has awarded contract #090624 to NAPA extending the availability of vendor managed inventory services; and

WHEREAS, NAPA has continued to operate the onsite store pending the execution of an amendment updating the cooperative purchasing contract number; and

WHEREAS, the Fleet Division has determined NAPA's performance under the agreement has improved productivity through reliable parts availability and inventory management; and

WHEREAS, funds are budgeted annually in all city departments for the maintenance and repair of vehicles; and

WHEREAS, the agreement will be in a form acceptable to the City Attorney:

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom authorizes the City Manager to Execute an Amendment to the Agreement (Contract No. 173-21 21-068) with Genuine Parts Company DBA Napa Auto Parts for an Annual Cost of up to $1,032,600 for Vendor Managed Inventory Services in the Fleet Division, 1300 Leidesdorff Street, from all Department Funds as Required for Vehicle Maintenance and Repairs.

PASSED AND ADOPTED this 26th day of May, 2026, by the following roll-call vote:

AYES: Councilmember(s):
NOES: Councilmember(s):
ABSENT: Councilmember(s):
ABSTAIN: Councilmember(s):

_____
Justin Raithel, MAYOR

ATTEST:

_____
Christa Freemantle, CITY CLERK

Attachment 2

INTEGRATED SUPPLY AGREEMENT

BY AND BETWEEN

GENUINE PARTS COMPANY

AND

CITY OF FOLSOM, CALIFORNIA

INTEGRATED SUPPLY AGREEMENT
BY AND BETWEEN
GENUINE PARTS COMPANY
AND
CITY OF FOLSOM, CALIFORNIA

THIS INTEGRATED SUPPLY AGREEMENT (this "Agreement") is made by and between **GENUINE PARTS COMPANY**, a Georgia corporation (d/b/a NAPA Auto Parts) ("NAPA"), and the **CITY OF FOLSOM, CALIFORNIA** ("CUSTOMER"), to be effective as of the 1st day of December, 2021 (the "Effective Date").

W I T N E S S E T H

WHEREAS, pursuant to a competitive bidding and selection process by Sourcewell (f/k/a National Joint Powers Alliance) (hereinafter, "Sourcewell"), a Minnesota-based Service Cooperative created by Minnesota Legislative Statute 123A.21, Sourcewell and NAPA executed contract #110520-GPC on December 23, 2020 (hereinafter, "Sourcewell Contract"), attached hereto as Exhibit C, to establish a source of supply for certain auto, truck and bus parts as well as to provide Integrated Business Solutions services; and

WHEREAS, by becoming a participating member of Sourcewell (hereinafter, "Member"), CUSTOMER and its related entities (hereinafter, "User Agencies") are authorized to utilize the pricing and incentives available to Sourcewell Members set forth in the Sourcewell Contract; and

WHEREAS, CUSTOMER desires to become a User Agency under such Sourcewell Contract and desires to receive integrated business solutions services from NAPA; and

WHEREAS, CUSTOMER and NAPA agree that the Sourcewell Contract is a vehicle by which CUSTOMER may contract directly with NAPA for parts and services, but that the terms and conditions of this Agreement and not the terms and conditions of the Sourcewell Contract shall govern the relationship of the parties; and

WHEREAS, NAPA desires to provide integrated business solutions services and to establish inventories in CUSTOMER's locations to service the fleet parts needs of CUSTOMER and to serve as the primary supplier of automotive replacement parts and other supplies and/or equipment (the "Inventory" or "Products") to serve the needs of CUSTOMER; and

WHEREAS, CUSTOMER desires to provide space for the Inventory on the premises of CUSTOMER for use by NAPA ("On Site Store") and agrees that NAPA will be its primary supplier of the Inventory pursuant to the terms herein.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties hereto agree as follows:

AGREEMENT

1. DEFINITIONS. For purposes of this Agreement, the following terms shall have the meanings set forth below:

(a) ***Primary Supplier*** shall mean the parts supplier that provides a minimum of ninety percent (90%) of the Inventory needs of CUSTOMER.

(b) ***NAPA Owned Store*** shall mean an auto parts store lawfully using the tradename or trademark "NAPA" which is wholly owned by NAPA.

(c) ***NAPA Jobber*** shall mean an auto parts store lawfully using the tradename or trademark "NAPA" with respect to which NAPA maintains no ownership interest.

(d) ***Current NAPA Jobber Acquisition Cost*** shall mean NAPA's current gold price as set forth on NAPA's Confidential Jobber Cost and Suggested Resales price list.

2. CUSTOMER'S CURRENT LOCATIONS. NAPA will establish On Site Store(s) at the CUSTOMER'S following location(s):

Fleet Services
1300 Leidesdorff St.
Folsom, CA 95630

Additional locations of the CUSTOMER may be added to this Agreement but only by a written amendment executed and agreed to by both the CUSTOMER and NAPA.

3. TERM. Subject to the terms and conditions set forth below, this Agreement shall begin on the Effective Date and shall end when the Sourcewell Contract terminates or expires or when terminated earlier in accordance with the applicable terms and conditions stated herein. As the Sourcewell Contract is renewed or extended, this Agreement may be renewed or extended for a period of time equal to or shorter than the period of time the Sourcewell Contract is renewed or extended upon the mutual written agreement of the parties. Notwithstanding the foregoing, should the parties desire to extend this Agreement past the termination or expiration date of the Sourcewell Contract, the parties may do so by entering into a mutually agreed upon written amendment to this Agreement. Further, as Sourcewell awards new successive agreements to NAPA

following expiration of the Sourcewell Contract, any new contract number and/or new terms and conditions may be added with mutual agreement via a written amendment to this Agreement. Either party may terminate this Agreement at any time for its convenience by giving the other party sixty (60) days prior written notice of such termination.

4. DUTIES AND RESPONSIBILITIES OF NAPA. NAPA shall have the following duties and responsibilities during the term of this Agreement:

(a) NAPA will operate the On Site Store(s) and provide the Inventory to CUSTOMER's now existing locations. NAPA shall provide all personnel required to operate the On Site Store(s).

(b) In those circumstances when delivery is required by CUSTOMER, NAPA will provide parts to CUSTOMER's locations on a daily route basis. In addition, NAPA will accelerate delivery on those items CUSTOMER requires to be delivered on an expedited basis. NAPA will make all reasonable efforts to ensure prompt delivery to the CUSTOMER's location(s) requesting part(s).

(c) NAPA shall provide all computers and reports necessary to monitor monthly expenses as they pertain to the daily operation of the On Site Store(s). NAPA shall provide computer ordering and cataloging to each On Site Store.

(d) NAPA shall provide a profit and loss statement of the parts operations to the CUSTOMER on approximately the 25th of each month for each On Site Store.

(e) NAPA shall provide back-up emergency service during non-working hour contingencies. This overtime expense (calculated at time and one half) will be charged on a cost basis to CUSTOMER and must be pre-approved by CUSTOMER. The parties shall mutually agree upon the pre-approval process for such emergency situations. NAPA will provide a list of personnel, including telephone numbers, who will respond to emergency service requests.

(f) Subject to the terms and conditions herein, NAPA shall purchase the Inventory of CUSTOMER's fleet services department as it exists on the Effective Date of this Agreement ("CUSTOMER owned Inventory"); provided, however, that any such CUSTOMER owned Inventory purchased by NAPA hereunder must: (i) not be obsolete, (ii) be in good, clean and saleable condition, (iii) be in its original packaging, (iv) be currently needed by CUSTOMER's active fleet/equipment, (v) have been used by the CUSTOMER within the twelve (12) month period immediately prior to the Effective Date, and (vi) have an accurate value that can be proven by the CUSTOMER. Within fifteen (15) days following the Effective Date of this Agreement, NAPA and CUSTOMER shall perform an inventory of the CUSTOMER owned Inventory to establish the specific inventory to be purchased by NAPA based on the purchase conditions set forth above and the amount of consideration to be paid for such inventory ("Consideration"). The list of specific CUSTOMER owned Inventory to be purchased by

NAPA and the amount of the Consideration to be paid for such inventory shall be agreed to in writing between the parties. NAPA shall pay the Consideration to CUSTOMER in full within thirty (30) days following the date that NAPA and CUSTOMER agree to the list of inventory to be purchased and the Consideration to be paid for such inventory.

5. DUTIES AND RESPONSIBILITIES OF CUSTOMER. CUSTOMER shall have the following duties and responsibilities during the term of this Agreement:

(a) CUSTOMER shall provide, at its sole expense, usable space for NAPA's On Site Store(s) and the Inventory. CUSTOMER shall provide access to restroom facilities for NAPA employees. Further, CUSTOMER shall furnish, at its sole expense, all utilities for the On Site Store(s) including: water, sanitation, sewer, light, telephone, heat, gas, electricity, power, fuel, janitorial and all other utilities and services rendered or delivered to the On Site Store(s) whatsoever. CUSTOMER shall provide NAPA a safe work environment that is free from hostility, violence, or discrimination. NAPA reserves the right to terminate the contract immediately should NAPA encounter a hostile, violent, discriminatory, or unsafe work environment.

(b) CUSTOMER shall use NAPA as its Primary Supplier of the Inventory under this Agreement. CUSTOMER reserves the right to purchase any item outside this Agreement where it is determined to be more economical or timely so long as the purchase of aforesaid part or parts does not result in NAPA no longer being CUSTOMER's Primary Supplier in which case NAPA may terminate this Agreement.

(c) Each On Site Store location shall be appropriately secured or otherwise maintained separate and apart from the business of CUSTOMER. There shall be no intermingling of CUSTOMER's parts or other inventory with NAPA's parts or inventory. Access to the secured On Site Store(s) shall be restricted to NAPA employees and authorized NAPA representatives only. CUSTOMER'S employees, contractors or agents shall not be permitted to enter the secured On-Site Store area unless accompanied by a NAPA employee or other authorized NAPA representative. CUSTOMER hereby assumes and shall bear any and all risk of loss or damage from any cause to the Inventory and other personal property located in the On Site Store(s), except for loss or damage arising out of the acts, errors or omissions of NAPA. NAPA shall invoice CUSTOMER for any such loss of or damage to the Inventory and/or other personal property located in the On Site Store(s), and CUSTOMER shall pay such invoiced amount to NAPA in accordance with the payment terms set forth in Section 7 below.

(d) CUSTOMER shall, at all times during the term of this Agreement, at CUSTOMER'S sole expense, maintain in good condition and repair (so as to prevent any damage or injury to NAPA's employees, the Inventory or other personal property located in the On Site Store(s)) the roof, exterior walls, foundation, and structural portions of the On Site Store(s) and all portions of the electrical and plumbing systems lying outside of the On Site Store(s) but serving the On Site Store(s).

(e) CUSTOMER shall provide information regarding fleet changes to NAPA as soon as possible. Fleet changes include but are not limited to the removal of types of vehicles from the fleet and the addition of new vehicles to the fleet.

6. ALTERNATIVE SUPPLIERS. Each On Site Store may be serviced by a NAPA Owned Store or a NAPA Jobber. CUSTOMER acknowledges that whether it will be serviced by a NAPA Owned Store or a NAPA Jobber will be determined by NAPA, in its sole discretion, and that if CUSTOMER is to be serviced by a NAPA Jobber, then such NAPA Jobber must evidence its desire to abide by the terms of this Agreement by entering into an Assignment in the form of Exhibit A hereto.

7. PAYMENT TERMS/PRICING. NAPA shall invoice the CUSTOMER for all Inventory purchased pursuant to this Agreement on a monthly basis according to the pricing plan below. CUSTOMER agrees to pay the entire amount of all statements received from NAPA by the 25th day of the month following receipt of any such statement. If CUSTOMER has not paid the entire amount of all statements received from NAPA within 10 days of the 25th day of the month following receipt of such invoice, CUSTOMER shall be put on COD until such amount is paid in full. No prompt pay discount is available under this Agreement.

There are three pricing options available to CUSTOMER. Those pricing options are Pricing Option #1 (Management Fee), Pricing Option #2a (10% Gross Profit on Products/Monthly Operating Expenses), and Pricing Option #2b (Higher Gross Profit on Products/No Monthly Operating Expenses). The pricing option for *this* Agreement must be indicated by CUSTOMER initials, below.

~~**PRICING OPTION #1 (MANAGEMENT FEE)**~~

~~**CUSTOMER INITIALS: _____**~~

~~The overall objective of CUSTOMER's pricing plan is for: (i) NAPA to provide Products in accordance with the Pricing Plan Summary set forth below, (ii) NAPA to provide Outside Services in accordance with the Pricing Plan Summary set forth below, (iii) reimbursement by CUSTOMER of each On Site Store's operating expenses, and (iv) payment by CUSTOMER of the Management Fee (as defined below). By billing CUSTOMER for these four categories, NAPA's On Site Store(s) will achieve its target ten percent (10%) net profit for the Agreement (the "Net Profit Target"). These categories are defined as follows:~~

~~(a) ***Product Price.*** The pricing of the Products to be supplied to CUSTOMER by NAPA pursuant to this Agreement shall be divided into: 1) "***NAPA Product Price***," which is the pricing of NAPA branded or NAPA cataloged supplier manufactured products; and 2) "***Non-NAPA Product Price***," which is the pricing of products which have not been manufactured by NAPA suppliers or do not exist in NAPA's proprietary~~

~~catalog system but which have been acquired for CUSTOMER by NAPA pursuant to this Agreement. The pricing of NAPA Product and Non-NAPA Product shall be billed in accordance with the Pricing Plan Summary defined below.~~

~~(b) ***Outside Services Price.*** Outside Services are those services not traditionally performed by NAPA. The pricing of Outside Services shall be billed in accordance with the Pricing Plan Summary defined below.~~

~~(c) ***Operational Expenses.*** Any and all costs and expenses associated with the operation of the On Site Store(s), including, but not limited to, vehicle gas and maintenance costs, salary and benefits payable to NAPA employees at the On Site Store(s), worker's compensation benefits and insurance, unemployment insurance, personal property insurance for the On Site Store(s) and Inventory, any deductible for losses covered under the personal property, automobile liability, or general liability insurance policies of NAPA, all equipment supplied by NAPA, Corporate Allocation Expenses (as defined below), inventory investment expense, obsolescence expense, pension funding costs, accounting fees, general office expenses, and shared service expenses. An example of a profit and loss statement reflecting such costs and expenses is attached hereto as Exhibit B. CUSTOMER acknowledges and agrees that the costs and expenses reflected on the profit and loss statement set forth on Exhibit B are subject to change based on actual monthly costs, expenses or Corporate Allocation Expenses incurred relative to the operation of the On Site Store(s). To achieve economies of scale, NAPA utilizes certain headquarter and corporate personnel to assist in the performance of this Agreement. As a result, each On Site Store location is charged certain corporate allocation expenses for various line items shown on Exhibit B ("Corporate Allocation Expenses") which are calculated as a percentage of total Product sales for each month. As such, there is not a supportive invoice for such expenses other than a monthly allocation rate statement. These Corporate Allocation Expenses allow NAPA to have fewer employees performing routine general administrative tasks such as paper work and filing at the On Site Store(s), allowing NAPA counter personnel to focus more attention on serving the On Site Store operations, and maximizing on-site cost efficiency.~~

~~(d) ***Management Fee.*** CUSTOMER shall be billed a Management Fee (as defined below) on a monthly basis in accordance with the terms below.~~

~~**PRICING PLAN SUMMARY**~~

~~NAPA Product Price~~	~~Billed to CUSTOMER at the Current NAPA Jobber Acquisition Cost~~

~~Non-NAPA Product Price~~ ~~Outside Services Price~~	~~Billed to CUSTOMER at NAPA's current product acquisition cost~~ ~~Billed to CUSTOMER at NAPA's cost~~
~~Operational Expenses~~	~~Billed to CUSTOMER in accordance with Section 7(c) above.~~
~~Management Fee~~	~~Billed to CUSTOMER in accordance with the terms below~~
~~Net Profit Target~~	~~10% net profit for the NAPA On Site Store(s) after Products, Outside Services, Operational Expenses, and Management Fee are billed to CUSTOMER.~~

~~NAPA Product shall be billed to CUSTOMER at the Current NAPA Jobber Acquisition Cost. Non-NAPA Product shall be billed to CUSTOMER at NAPA's current product acquisition cost, and Outside Services shall be billed to CUSTOMER at NAPA's cost. CUSTOMER is solely responsible for improper or inappropriate instructions by CUSTOMER's employees to NAPA regarding NAPA's purchases of nontraditional parts or services, unless CUSTOMER provided prior written notice to NAPA of parts or services that may not be procured by NAPA in relation to this Agreement. Operational Expenses will be charged to CUSTOMER in accordance with Section 7(c) above, with all such charges for Operational Expenses to be included in CUSTOMER's monthly billing statement. CUSTOMER will be billed at the end of each month for Operational Expenses on an "in arrears" basis.~~

~~CUSTOMER shall pay to NAPA on a monthly basis a management fee equal to ten percent (10%) of the Total Monthly Net Sales (as defined below) during the preceding month (the "Management Fee"). For purposes hereof, "Total Monthly Net Sales" means the total dollar amount of all Products (both NAPA and Non-NAPA) and Outside Services sold to the CUSTOMER during the preceding month at the prices set forth in the pricing plan summary above less purchase returns.~~

~~CUSTOMER and NAPA mutually agree that CUSTOMER'S maximum annual payment obligation for all Products, Outside Services, Operational Expenses and Management Fees billed to CUSTOMER pursuant to this Section 7 shall be set at $_____ per annum; and CUSTOMER has encumbered such amount to cover this potential liability. The parties agree to mutually work together to adjust the amount if such amount must be increased during the term of the contract.~~ **~~CUSTOMER INITIALS~~** _____

PRICING OPTION #2a (10% GROSS PROFIT ON PRODUCTS / MONTHLY OPERATING EXPENSES)

CUSTOMER INITIALS: MR

The overall objective of CUSTOMER's pricing plan is for NAPA to provide Products in accordance with the agreed upon Pricing Plan Summary set forth below and reimbursement by CUSTOMER of each On Site Store's operating expenses. By billing CUSTOMER for these two categories, NAPA's On Site Store(s) will achieve its target ten percent (10%) net profit for the Agreement (the "Net Profit Target"). These categories are defined as follows:

(a) ***Product Price.*** The pricing of the Products to be supplied to CUSTOMER by NAPA pursuant to this Agreement shall be divided into: 1) "***NAPA Product Price***," which is the pricing of NAPA branded or NAPA cataloged supplier manufactured products; and 2) "***Non-NAPA Product Price***," which is the pricing of products which have not been manufactured by NAPA suppliers or do not exist in NAPA's proprietary catalog system but which have been acquired for CUSTOMER by NAPA pursuant to this Agreement. The pricing of NAPA Product and Non-NAPA Product shall be billed in accordance with the Pricing Plan Summary defined below.

(b) ***Operational Expenses.*** Any and all costs and expenses associated with the operation of the On Site Store(s), including, but not limited to, vehicle gas and maintenance costs, salary and benefits payable to NAPA employees at the On Site Store(s), worker's compensation benefits and insurance, unemployment insurance, personal property insurance for the On Site Store(s) and Inventory, any deductible for losses covered under the personal property, automobile liability, or general liability insurance policies of NAPA, all equipment supplied by NAPA, Corporate Allocation Expenses (as defined below), inventory investment expense, obsolescence expense, pension funding costs, accounting fees, general office expenses, and shared service expenses. An example of a profit and loss statement reflecting such costs and expenses is attached hereto as Exhibit B. CUSTOMER acknowledges and agrees that the costs and expenses reflected on the profit and loss statement set forth on Exhibit B are subject to change based on actual monthly costs, expenses or Corporate Allocation Expenses incurred relative to the operation of the On Site Store(s). To achieve economies of scale, NAPA utilizes certain headquarter and corporate personnel to assist in the performance of this Agreement. As a result, each On Site Store location is charged certain corporate allocation expenses for various line items shown on Exhibit B ("Corporate Allocation Expenses") which are calculated as a percentage of total Product sales for each month. As such, there is not a supportive invoice for such expenses other than a monthly allocation rate statement.

These Corporate Allocation Expenses allow NAPA to have fewer employees performing routine general administrative tasks such as paper work and filing at the On Site Store(s), allowing NAPA counter personnel to focus more attention on serving the On-Site Store operations, and maximizing on-site cost efficiency.

PRICING PLAN SUMMARY

NAPA Product Price	Billed to CUSTOMER at a 10% gross profit rate (The formula for NAPA Product Price for CUSTOMER is the Current NAPA Jobber Acquisition Cost divided by .90) This formula will achieve the gross profit rate set forth above. Example: Current NAPA Jobber Acquisition Cost is $1.00. CUSTOMER's price would be $1.00/.90=$1.11
Non-NAPA Product Price	Billed to CUSTOMER at a 10% gross profit rate (The formula for Non-NAPA Product Price for CUSTOMER is NAPA's current product acquisition cost divided by .90) This formula will achieve the gross profit rate set forth above. Example: current product acquisition cost is $1.00. CUSTOMER's price would be $1.00/.90=$1.11
Operational Expenses	Billed to CUSTOMER in accordance with Section 7(b) above.
Net Profit Target	10% net profit for the NAPA On Site Store(s) after Products and Operational Expenses are billed to CUSTOMER.

Both NAPA Product and Non-NAPA Product shall be set by NAPA to yield a gross profit of ten percent (10%). Operational Expenses will be charged to CUSTOMER in accordance with Section 7(b) above, with all such charges for Operational Expenses to be included in CUSTOMER's monthly billing statement. CUSTOMER will be billed at the end of each month for Operational Expenses on an "in arrears" basis.

CUSTOMER and NAPA mutually agree that CUSTOMER'S maximum annual payment obligation for all Products and Operational Expenses billed to CUSTOMER pursuant to this Section 7 shall be set at $1,032,600 per annum; and CUSTOMER has encumbered such amount to cover this potential liability. The parties agree to mutually work together to adjust the amount if such amount must be increased during the term of the contract. **CUSTOMER INITIALS** MR

In addition, NAPA may use any sub-contractor for the procurement of "outside" services (i.e., those services not traditionally performed by NAPA), and CUSTOMER will be billed an additional charge for any such purchases so as to yield NAPA a ten percent (10%) gross profit on such purchases. CUSTOMER must provide pre-approval in writing of such outside service purchases. CUSTOMER is solely responsible for improper or inappropriate instructions by CUSTOMER's employees to NAPA regarding NAPA's purchases of nontraditional parts or services, unless CUSTOMER provided prior written notice to NAPA of parts or services that may not be procured by NAPA in relation to this Agreement.

~~**PRICING OPTION #2b (HIGHER GROSS PROFIT ON PRODUCTS / NO MONTHLY OPERATING EXPENSES)**~~

~~**CUSTOMER INITIALS: _____**~~

~~The overall objective of CUSTOMER's pricing plan is for NAPA to provide Products in accordance with the agreed upon Pricing Plan Summary set forth below. By billing CUSTOMER for the Products, NAPA's On Site Store(s) will achieve its target ten percent (10%) net profit for the Agreement (the "Net Profit Target"). CUSTOMER's pricing plan is comprised of the following elements:~~

~~(a) ***Product Price.*** The pricing of the Products to be supplied to CUSTOMER by NAPA pursuant to this Agreement shall be divided into: 1) "***NAPA Product Price***," which is the pricing of NAPA branded or NAPA cataloged supplier manufactured products; and 2) "***Non-NAPA Product Price***," which is the pricing of products which have not been manufactured by NAPA suppliers or do not exist in NAPA's proprietary catalog system but which have been acquired for CUSTOMER by NAPA pursuant to this Agreement. The pricing of NAPA Product and Non-NAPA Product shall be billed in accordance with the Pricing Plan Summary defined below.~~

~~(b) ***Operational Expenses.*** Any and all costs and expenses associated with the operation of the On Site Store(s), including, but not limited to, vehicle gas and maintenance costs, salary and benefits payable to NAPA employees at the On Site Store(s), worker's compensation benefits and insurance, unemployment insurance, personal property insurance for the On Site Store(s) and Inventory, any deductible for losses covered under the personal property, automobile liability, or general liability insurance policies of NAPA, all equipment supplied by NAPA, Corporate Allocation Expenses (as defined below), inventory investment expense, obsolescence expense, pension funding costs, accounting fees, general office expenses, and shared service expenses. An example of a profit and loss statement reflecting such costs and expenses is attached hereto as Exhibit B. CUSTOMER acknowledges and agrees that the costs and expenses~~

~~reflected on the profit and loss statement set forth on Exhibit B are subject to change based on actual monthly costs, expenses or Corporate Allocation Expenses incurred relative to the operation of the On Site Store(s). To achieve economies of scale, NAPA utilizes certain headquarter and corporate personnel to assist in the performance of this Agreement. As a result, each On Site Store location is charged certain corporate allocation expenses for various line items shown on Exhibit B ("Corporate Allocation Expenses") which are calculated as a percentage of total Product sales for each month. As such, there is not a supportive invoice for such expenses other than a monthly allocation rate statement. These Corporate Allocation Expenses allow NAPA to have fewer employees performing routine general administrative tasks such as paper work and filing at the On Site Store(s), allowing NAPA counter personnel to focus more attention on serving the On-Site Store operations, and maximizing on-site cost efficiency.~~

~~PRICING PLAN SUMMARY~~

~~NAPA Product Price~~	~~Billed to CUSTOMER on a "9074 NAPA Pricing Profile"~~
~~Non-NAPA Product Price~~	~~Billed to CUSTOMER at a 25% gross profit rate (The formula for Non-NAPA Product Price for CUSTOMER is NAPA's current product acquisition cost divided by .75) This formula will achieve the gross profit rate set forth above. Example: current product acquisition cost is $1.00. CUSTOMER's price would be $1.00/.75=$1.33~~
~~Operational Expenses~~	~~Paid entirely by NAPA~~
~~Net Profit Target~~	~~Amounts will be refunded or charged based on the failure or achievement of an overall 10% net profit for the previous month.~~

~~NAPA Product shall be billed to CUSTOMER based on a "9074 NAPA Pricing Profile" which has been provided to CUSTOMER in connection with this Agreement. Non-NAPA Product shall be billed by NAPA to yield a gross profit of twenty-five percent (25%). All Operational Expenses shall be borne by NAPA.~~

~~Sales at each On Site Store location will be reviewed after the first ninety (90) days of operation and on a month by month basis thereafter to ensure a ten percent (10%) net profit for NAPA. If monthly sales at each On Site Store, independently as opposed to in the aggregate, are producing more than a ten percent (10%) net profit for NAPA, NAPA will pay to CUSTOMER, via a refund check, the overage. Conversely, if NAPA's net profit for the preceding month is less than ten percent (10%), NAPA will bill CUSTOMER for the deficiency.~~

~~CUSTOMER and NAPA mutually agree that CUSTOMER'S maximum annual payment obligation for Products billed to CUSTOMER pursuant to this Section 7 shall be set at $_____ per annum; and CUSTOMER has encumbered such amount to cover this potential liability. The parties agree to mutually work together to adjust the amount if such amount must be increased during the term of the contract.~~

~~**CUSTOMER INITIALS** _____~~

~~In addition, NAPA may use any sub-contractor for the procurement of "outside" services (i.e., those services not traditionally performed by NAPA), and CUSTOMER will be billed an additional charge for any such purchases so as to yield NAPA a twenty-five percent (25%) gross profit on such purchases. CUSTOMER must provide pre-approval in writing for such outside service purchases. CUSTOMER is solely responsible for improper or inappropriate instructions by CUSTOMER's employees to NAPA regarding NAPA's purchases of nontraditional parts or services, unless CUSTOMER provided prior written notice to NAPA of parts or services that may not be procured by NAPA in relation to this Agreement.~~

8. INSURANCE.

(a) CUSTOMER shall maintain during the term of this Agreement workers' compensation insurance for its employees and general liability insurance covering its property. NAPA acknowledges that CUSTOMER may elect to self-insure such obligations.

(b) During the term of this Agreement, NAPA shall maintain and provide evidence of insurance coverage as set forth in Exhibit D, attached hereto and incorporated herein by reference, at its own cost and expense (provided that NAPA shall be permitted to pass through such costs and expenses as Operational Expenses in the event CUSTOMER selects pricing option #1 or pricing option #2a in Section 7 above). NAPA shall maintain during the term of this Agreement workers' compensation insurance coverage for its employees located at the On Site Store(s) in amounts required by law. In addition, NAPA shall maintain personal property insurance during the term of this Agreement in an amount sufficient to cover any loss or damage to the Inventory and any other personal property owned by NAPA that is located at the On Site Store(s).

9. NO LIENS. CUSTOMER warrants that it shall take no action, including but not limited to the granting of a security interest, or fail to take any action, which would operate or does operate in any way to encumber the Inventory of NAPA located in the On Site Store(s).

10. PERSONNEL. NAPA and CUSTOMER shall attempt in good faith to mutually agree upon the identity of the persons that will be selected to staff the On Site Store(s). In the event that CUSTOMER for any reason wishes to remove or replace any of the NAPA personnel in the On Site Store(s), the parties will attempt to resolve CUSTOMER's request by mutual agreement.

11. WARRANTY/LIABILITY DISCLAIMER. All Products supplied pursuant to this Agreement are subject to the terms of written warranties provided by the manufacturer of each Product, and NAPA shall use reasonable commercial efforts to assist the CUSTOMER in processing all warranty claims that the CUSTOMER may have against a manufacturer. The manufacturer's warranty will be the sole and exclusive remedy of the CUSTOMER in connection with any claims concerning the Products supplied to CUSTOMER pursuant to this Agreement. ALL OTHER WARRANTIES, BOTH EXPRESS AND IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTIBILITY OR FITNESS FOR A PARTICULAR PURPOSE, ARE HEREBY EXCLUDED. Copies of the manufacturers' warranties are available to CUSTOMER upon request.

For suppliers (or categories of suppliers) of Non-NAPA Products that CUSTOMER instructs NAPA to utilize or consider for future purchases, NAPA is under no obligation to (and NAPA disclaims all liability in connection with) investigate product quality, management, ownership, reputation, certifications, qualifications, price competitiveness, or any other related characteristics of the products, individuals or entities at issue.

12. TERMINATION FOR CAUSE. This Agreement may be terminated immediately, unless otherwise stated in this Section 12, by either party for cause:

(a) In the event that the other party fails or refuses to pay any amounts due under this Agreement and such failure continues for ten (10) days;

(b) In the event that the other party fails or refuses to perform any other obligation required under this Agreement, and such failure or refusal continues for thirty (30) days after written notice thereof; or

(c) In the event that the other party files any bankruptcy petition, has any bankruptcy petition filed against it, makes any assignment of its assets for the benefit of creditors, or admits in writing its inability to pay its debts as they become due.

13. EFFECT OF TERMINATION. Immediately upon termination, expiration, or non-renewal of this Agreement for any reason:

(a) All duties, responsibilities and other obligations of each party hereunder shall terminate, except for the payment of any amounts due and owing to NAPA at the time of termination, expiration, or non-renewal.

(b) Each party shall immediately return to the other party all equipment, software, books, records, tools and any other personal property owned by the other party that are in such party's possession. CUSTOMER shall allow NAPA full and unrestricted access to enter into the On Site Store(s) and immediately remove all equipment and other items of personal property owned by NAPA without being deemed guilty of trespass or

any other violation of the law. All inventory records, sales history, sales analysis and all other information generated by NAPA under this Agreement will be returned to CUSTOMER.

Nothing contained in this Section shall be deemed a waiver of, or in any other manner impair or prejudice, any other legal rights that either party may have against the other party for any breach of this Agreement. The provisions and obligations of Sections 9, 11, 13, 14, 15, 16, and 22 shall survive the termination, expiration, or non-renewal of this Agreement for any reason.

14. BUY-BACK OF INVENTORY. Upon termination, expiration, or non-renewal of this Agreement, NAPA shall have the option to require CUSTOMER to purchase all non-NAPA Inventory owned by NAPA and located in each On Site Store at NAPA's On Site Store's current product acquisition cost, and CUSTOMER shall have the option to purchase all NAPA Inventory, owned by NAPA and located in each On Site Store at the Current NAPA Jobber Acquisition Cost. Upon CUSTOMER's request, NAPA shall provide CUSTOMER with a listing of all NAPA and non-NAPA Inventory owned by NAPA and located in the On Site Store(s).

CUSTOMER INITIALS: MR

15. INDEMNIFICATION. NAPA shall indemnify, protect, defend, save and hold CUSTOMER, its officers, employees, and agents, harmless from any and all claims or causes of action for death or injury to persons, or damage to property resulting from intentional or negligent acts, errors, or omissions of NAPA or NAPA's officers, employees, volunteers, and agents during performance of this Agreement, or from any violation of any applicable federal, state, or municipal law or ordinance, to the extent caused by the willful misconduct, negligent acts, or negligent omissions of NAPA or its employees, volunteers, or agents hereunder. It is understood that the duty of NAPA to indemnify and hold harmless includes the duty to defend as set forth in Section 2778 of the California Civil Code. Acceptance by CUSTOMER of insurance certificates and endorsements required under this Agreement does not relieve NAPA from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply, and shall further survive the expiration or termination of this Agreement. By execution of this Agreement, NAPA acknowledges and agrees to the provisions of this Section and that it is a material element of consideration.

16. NOTICES. Whenever any notice, demand or request is required or permitted hereunder, such notice, demand or request shall be hand-delivered in person or sent by overnight mail through a reputable service, or by certified mail, return receipt requested, to the addresses set forth below:

As to NAPA: 2999 Wildwood Parkway
Atlanta, GA 30339

Attn: General Counsel

As to CUSTOMER: Department of Public Works
50 Natoma Street
Folsom, CA 95630
Attn: Scotty Borror-Solid Waste/Fleet Manager

Each such notice shall be deemed delivered (i) on the date of receipt if delivered by hand or overnight courier service or (ii) on the date three (3) business days after depositing with the United States Postal Service if mailed by registered or certified mail. Either party may change its address specified for this notice by giving the other party at least ten (10) days written notice in accordance with this Section 16.

17. FORCE MAJEURE / DAMAGE OF PREMISES.

(a) Whenever performance by either party of any of their respective obligations (other than the obligation to make payment of money due hereunder) is substantially prevented by reason of any act of God, other industrial or transportation disturbance, fire, floods, riots, acts of enemies, national emergencies, pandemics, or by any other cause not within the reasonable control of such party and not occasioned by its negligence, then such performance shall be excused and the performance of such obligations under this Agreement shall be suspended for the duration of such prevention and for a reasonable time thereafter; provided that the foregoing in this Section 17 shall not apply to obligations relating to the payment of money.

(b) NAPA may terminate this Agreement immediately in the event that the CUSTOMER's premises are damaged by any casualty, or such portion of the premises is condemned by any legally constituted authority, such as will make the CUSTOMER's premises unusable for the On Site Store(s) in the reasonable judgment of NAPA.

18. SUCCESSORS AND ASSIGNS. The provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective officers, directors, employees, successors and assigns. Notwithstanding the foregoing, the rights and obligations of either party to this Agreement may not be assigned without the prior written consent of the other party hereto, which consent shall not be unreasonably withheld.

19. AMENDMENTS. No amendment to this Agreement shall be binding on either party hereto unless such amendment is in writing and executed by both parties with the same formality as this Agreement is executed.

20. NO WAIVER OF RIGHTS. No failure of either party hereto to exercise any power given such party hereunder or to insist upon strict compliance by the other party to its obligations hereunder, and no custom or practice of the parties in variance with the terms hereof, shall constitute a waiver of either party's right to demand exact

compliance with the terms hereof. Notwithstanding the same, only waivers made in writing shall be valid and enforceable.

21. LIMITATIONS ON RIGHTS OF THIRD PARTIES. All obligations of a party under this Agreement are imposed solely and exclusively for the benefit of the parties, and no other person shall, under any circumstances, be deemed to be a beneficiary of such obligations.

22. LIMITATION OF LIABILITY. WHILE NOT APPLICABLE TO BREACHES OF CONFIDENTIALITY PROVISIONS, THE PARTIES HEREBY DISCLAIM ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, PUNITIVE, OR SPECIAL DAMAGES IN ANY WAY RELATED TO THIS AGREEMENT, THEIR OTHER BUSINESS RELATIONSHIPS, OR THE TRANSACTIONS CONTEMPLATED HEREIN.

23. INDEPENDENT CONTRACTOR. The parties hereto are independent contractors. Nothing in this Agreement shall create or shall be deemed to create any fiduciary relationship or the relationship of principal and agent, partnership, joint venturers or any other similar or representative relationship between the parties hereto.

24. CHOICE OF LAW. This Agreement shall be construed and interpreted under the laws of the State of California. Any legal action arising out of this Agreement shall be filed in and adjudicated by a state court in the County of Sacramento, State of California.

25. ATTORNEYS' FEES. In the event an action or proceeding is instituted by either party for the breach or enforcement of any provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees according to law.

26. COUNTERPARTS. This Agreement may be executed in one or more counterparts and each counterpart shall, for all purposes, be deemed an original, but all such counterparts shall together constitute but one and the same instrument.

27. SECTION HEADINGS. Section titles or captions contained herein are inserted only as a matter of convenience for reference and in no way define, limit, extend, or describe the scope hereof or the intent of any provision hereof.

28. SEVERABILITY. In the event any part of this Agreement shall be finally determined by a court of law to be illegal or unenforceable for any reason, then that illegal or unenforceable part shall be severed from the Agreement, and the remaining terms shall continue in full force and effect.

29. ENTIRE AGREEMENT. This Agreement constitutes the entire agreement of the parties hereto and no prior representation, inducement, promise or agreement, oral or written, between the parties not embodied herein shall be of any force and effect.

[Signatures Appear on Next Page]

IN WITNESS WHEREOF, the parties hereto cause their hands and seals to be affixed by their duly-authorized representatives effective as of the date and year first above written.

GENUINE PARTS COMPANY, A Georgia Corporation:

(If a corporation, must be signed by two officers of the corporation per Corporations Code section 313.)

10/22/21
Date

58-0254510
Tax I.D. Number

Signature

Signature

Tom Skov
Print Name

JENNIFER ELLIS
Print Name

Vice President
Title

VICE PRESIDENT + CORPORATE SECRETARY
Title

CITY OF FOLSOM, A Municipal Corporation:

1/6/22
Date

Elaine Andersen, City Manager

ATTEST:

1/6/22
Christa Freemantle, City Clerk Date

FUNDING AVAILABLE:

12/15/21
Stacey Tamagni, Finance Director Date

ORIGINAL APPROVED AS TO CONTENT:

12/27/21
Mark Rackovan, Public Works Director Date

ORIGINAL APPROVED AS TO FORM:

1/5/2022
Steven Wang, City Attorney Date

NOTICE: SIGNATURE(S) ON BEHALF OF CONSULTANT MUST BE NOTARIZED.

A certificate of acknowledgment in accordance with the provisions of California Civil Code section 1189 must be attached for each person executing this agreement on behalf of consultant. This section provides, at part (b): "Any certificate of acknowledgment taken in another place shall be sufficient in this state if it is taken in accordance with the laws of the place where the acknowledgment is made."

EXHIBIT A

ASSIGNMENT

See attached.

ASSIGNMENT

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, GENUINE PARTS COMPANY, a Georgia corporation (hereinafter "Assignor"), hereby assigns, transfers, sets over and delivers to RIEBE'S AUTO PARTS, LLC, a Georgia limited liability company (hereinafter "Assignee"), all of Assignor's rights, obligations and interest, including any options to renew or extend the contract term, in those certain location(s) as set forth below, as governed by the Integrated Supply Agreement dated December 1, 2021 by and between Genuine Parts Company and the City of Folsom, California (the "Integrated Supply Agreement").

Location(s): Fleet Services
1300 Leidesdorff St.
Folsom, CA 95630

Assignee hereby accepts the assignment of the Integrated Supply Agreement, agrees to provide the services and perform all other obligations required to be performed by "NAPA" in said Integrated Supply Agreement at the times and in the manner set forth in said Integrated Supply Agreement, and shall be bound by all other terms, covenants and conditions of said Integrated Supply Agreement with regard to the location(s) set forth above, all with the same force and effect as if Assignee were originally named as "NAPA" therein.

The City of Folsom, California hereby consents to the above assignment of the Integrated Supply Agreement on the terms set forth herein and hereby agrees to release and discharge Assignor from any further obligation or liability under the Integrated Supply Agreement and to look solely to Assignee as the responsible party under the Integrated Supply Agreement for all liabilities or obligations arising from and after the effective date of this assignment.

The parties hereto agree that the assignment as set forth herein shall be effective as of 12:01 a.m. on December 1, 2021.

[Signatures appear on following page]

IN WITNESS WHEREOF, the undersigned have set their hands this 1st day of December, 2021.

ASSIGNOR:

GENUINE PARTS COMPANY

By: _____
Name: Tom Skov
Its: Vice President

ASSIGNEE:

RIEBE'S AUTO PARTS, LLC

By: _____
Name: Bert W Riebe
Its: Owner

Agreed and acknowledged:

CITY OF FOLSOM, CALIFORNIA

By: _____
Name: Elaine Andersen
Its: City Manager

Approved as to Form:
1/5/2022
Steven Wang

EXHIBIT B

SAMPLE PROFIT AND LOSS STATEMENT

See attached.

Projection	Monthly	% to SALES	Annual	% to SALES
Customer Purchases	**$ 104,857**	**100.00%**	**$ 1,258,284**	**100.00%**
Cost of Goods Sold	**$ 94,371**	**90.00%**	$ 1,132,456	90.00%
Gross Profit	**$ 10,486**	**10.00%**	**$ 125,828**	**10.00%**
Accounting Fees	**$ 1,038**	**0.99%**	**$ 12,457**	**0.99%**
Payroll				
Manager / Counter Salaries	$ 5,000	4.77%	$ 60,000	4.77%
Delivery Driver Salaries	$ -	0.00%	$ -	0.00%
Pension / 401K	$ 150	0.45%	$ 1,800	0.45%
Employee Benefits / Group Insurance	$ 1,000	0.95%	$ 12,000	0.95%
Employee Benefits / Workers Comp.	$ 100	0.09%	$ 1,200	0.10%
Taxes / FICA	$ 350	0.33%	$ 4,200	0.33%
Total Payroll	**$ 6,600**	**6.29%**	**$ 79,200**	**6.29%**
Miscellaneous Expenses				
Delivery Vehicle Insurance	$ -	0.00%	$ -	0.00%
Delivery Vehicle Maintenance / Fuel	$ -	0.00%	$ -	0.00%
Delivery Vehicle Payment	$ -	0.00%	$ -	0.00%
Shelving Depreciation	$ -	0.00%	$ -	0.00%
Store Expenses	$ 75	0.07%	$ 900	0.07%
General Liability Insurance	$ -	0.00%	$ -	0.00%
TAMS/Data Processing/IT	$ 900	0.86%	$ 10,800	0.86%
Equipment Purchase	$ -	0.00%	$ -	0.00%
Freight & Postage	$ -	0.00%	$ -	0.00%
Stationary, Shipping Supplies	$ -	0.00%	$ -	0.00%
Telephone	$ -	0.00%	$ -	0.00%
Training	$ -	0.00%	$ -	0.00%
Total Misc. Expense	**$ 975**	**0.93%**	**$ 11,700**	**0.93%**
Total Expenses	**$ 8,613**	**8.21%**	**$ 103,357**	**8.21%**
Operating Income	**$ 1,873**	**1.79%**	**$ 22,471**	**1.79%**
Management Fee	**$ 8,613**	**8.21%**	**$ 103,357**	**8.21%**
Operating Income + Mgmt. Fee	**$ 10,486**	**10.00%**	**$ 125,828**	**10.00%**
Total Bill Including Parts Purchases	**$ 115,343**		**$ 1,384,112**	

EXHIBIT C

SOURCEWELL CONTRACT

A copy of the Sourcewell contract may be found at: https://www.sourcewell-mn.gov/cooperative-purchasing/110520-gpc.

EXHIBIT D
INSURANCE

NOTE: The word "Consultant" in this Exhibit refers to "NAPA" as the term is used in the Agreement/Contract to which this Exhibit is attached.

A. During the term of this Agreement, Consultant shall maintain in full force and effect at all times during the term of the contract, at its sole cost and expense (provided that Consultant shall be permitted to pass through such costs and expenses as Operational Expenses in the event the City selects pricing option #1 or pricing option #2a in Section 7 above), policies of insurance as set forth herein:

1. General Liability:
   a. General liability insurance including, but not limited to, protection for claims of bodily injury and property damage liability, personal and advertising injury liability and product and completed operations liability.
   b. Coverage shall be at least as broad as Insurance Services Office Commercial General Liability coverage form CG 0001 (occurrence).
   c. Claims-made coverage is not acceptable.
   d. The limits of liability shall not be less than:

Each occurrence:	One Million Dollars ($1,000,000)
Products & Completed Operations:	One Million Dollars ($1,000,000)
Personal & Advertising Injury:	One Million Dollars ($1,000,000)

   e. If a general aggregate limit of liability is used, the minimum general aggregate shall be twice the 'each occurrence' limit or the policy shall contain an endorsement stating that the general aggregate limit shall apply separately to the project that is the subject of the contract.
   f. If a products and completed operations aggregate limit of liability is used, the minimum products and completed operation aggregate shall be twice the 'each occurrence' limit or the policy shall contain an endorsement stating that the products and completed operations aggregate limit shall apply separately to the project which is the subject of the contract.
   g. If the Consultant maintains higher limits than the minimums shown above, the City requires and shall be entitled to coverage for the higher limits maintained by the Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.
2. Automobile Liability:
   a. Automobile liability insurance providing protection against claims of bodily injury and property damage arising out of ownership, operation, maintenance, or use of owned, hired, and non-owned automobiles.

b. Coverage shall be at least as broad as Insurance Services Office Automobile Liability coverage form CA 0001, symbol 1 (any auto).

c. The limits of liability per accident shall not be less than:

Combined Single Limit One Million Dollars ($1,000,000)

d. If Automobile Liability coverage, as required above, is provided by the Commercial General Liability form, the General Liability policy shall include an endorsement providing automobile liability as required above.

3. Workers' Compensation

a. Workers' Compensation Insurance, with coverage as required by the State of California (unless the Consultant is a qualified self-insurer with the State of California), and Employer's Liability coverage.

b. Employer's Liability Coverage with a limit not less than $1,000,000 per accident for bodily injury and disease.

c. Consultant shall sign and file with the City department responsible for this Agreement/Contract the Worker's Compensation Certificate contained in the Project Manual.

4. Other Insurance Provisions:

a. The Consultant's General Liability and Automobile Liability policies shall contain, or be endorsed to contain, the following provisions:

i. The City, its officials, employees, agents and volunteers shall be covered and specifically named as additional insureds on a separate endorsement as respects liability arising out of activities performed by or on behalf of the Consultant, products and completed operations of the Consultant, premises owned, occupied, or used by the Consultant, or automobiles owned, leased, hired, or borrowed by the Consultant in a form acceptable to the City Attorney but only to the extent of Consultant's indemnity obligations set forth in this Agreement.

ii. The Endorsement requirement may be satisfied with express provisions in the insurance policy(ies) which identifies any person or entity required to be included as an insured under the policy. A copy of the declarations page identifying the policy number, and pertinent provisions in the policy providing additional insured coverage shall be provided to the City.

b. For any claims related to the project, the Consultant's General Liability and Automobile insurance coverage shall be primary insurance in their coverage of the City and its officers, officials, employees, agents, or volunteers, and any insurance or self-insurance maintained by the City, its officers, officials, employees, agents or volunteers shall be excess of the Consultant's insurance and shall not contribute with it but only to the extent of Consultant's indemnity obligations set forth in this Agreement.

c. Any failure to comply with reporting or other provisions of the policies on the part of the Consultant, including breaches of warranties, shall not affect coverage provided to the City, its officers, officials, employees, agents or volunteers.

d. The Consultant's Workers Compensation and Employer's Liability policies shall contain an endorsement that waives any rights of subrogation against the City, its officers, officials, employees, agents, and volunteers.

e. Consultant will endeavor to provide at least thirty (30) days written notice to the City prior to any cancellation, suspension, reduction in coverage or limits, or material change to the insurance policies required above. Ten days prior written notice by certified mail shall be given to the City in the event of cancellation due to nonpayment of premium.

5. Acceptability of Insurers: Insurance is to be placed with insurers with **a Bests' rating of no less than A:VII**.

6. The Consultant shall furnish the City with Certificates of Insurance and endorsements or insurance binders, signed by a person authorized by the insurer to bind coverage on its behalf, evidencing the coverage required by this section.

7. The Consultant shall report, by telephone to the Project Manager within 24 business hours, and also report in writing to the City within 48 business hours, after Consultant or any Subcontractors or agents have knowledge of, any accident or occurrence involving death of or serious injury to any person or persons, or damage in excess of Ten Thousand Dollars ($10,000) to property of the City or others, arising out of any work done by or on behalf of the Consultant as part of the contract.

8. Such report shall contain:

   a. the date and time of the occurrence,

   b. the names and addresses of all persons involved, and

   c. a description of the accident or occurrence and the nature and extent of the injury or damage.

9. If the Consultant fails to procure or maintain insurance as required by this section and such failure is not cured within ten (10) days following receipt of written notice thereof, or fails to furnish the City with proof of such insurance, the City, at its discretion, may procure any or all such insurance. Premiums for such insurance procured by the City shall be deducted and retained from any sums due the Consultant under the contract.

10. Failure of the City to obtain such insurance shall in no way relieve the Consultant from any of its responsibilities under the contract.

11. The making of progress payments to the Consultant shall not be construed as relieving the Consultant or its Subcontractors of responsibility for loss or direct physical loss, damage, or destruction occurring prior to final acceptance by the City.

12. The failure of the City to enforce in a timely manner any of the provisions of this section shall not act as a waiver to enforcement of any of these provisions at any time during the term of the contract.

13. In the event Consultant carries Excess Liability Coverage, the Excess Liability Coverage shall apply to any and all claims related to the project on a primary and non-contributory basis, and the City's insurance or self-insurance coverage shall be excess to the Consultant's Excess Liability Coverage.

Attachment 3

ASSIGNMENT AGREEMENT

April **THIS ASSIGNMENT AGREEMENT** (this "Assignment Agreement") is made this 4th day of ~~February~~, 2022, by and among Riebe's Auto Parts, LLC, a Georgia limited liability company (hereinafter "Assignor"), Genuine Parts Company, a Georgia corporation (hereinafter "Assignee") and the City of Folsom, California (hereinafter "City").

WHEREAS, Assignor and City are parties to that certain Integrated Supply Agreement, dated December 1, 2021 (the "Agreement"); and

WHEREAS, Assignor now desires to assign the Agreement to Assignee and Assignee desires to accept such assignment and City desires to provide its consent to the same subject to the terms and conditions set forth below.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties hereto agree as follows:

1. Assignment and Acceptance. Assignor hereby assigns, transfers, sets over and delivers to Assignee all of Assignor's rights, obligations and interest in and to the Agreement, including any options to renew or extend the contract term. Assignee hereby accepts the assignment of the Agreement, agrees to provide the services and perform all other obligations required to be performed by Assignor in said Agreement at the times and in the manner set forth in said Agreement, and shall be bound by all other terms, covenants and conditions of said Agreement.

2. City Consent. City hereby consents to the above assignment of the Agreement on the terms and conditions set forth herein.

3. Governing Law. This Assignment Agreement shall be construed and interpreted under the laws of the State of California, without giving effect to the provisions thereof, relating to conflicts of law.

4. Counterparts. This Assignment Agreement may be executed in one or more counterparts and each counterpart shall, for all purposes, be deemed an original, but all such counterparts shall together constitute but one and the same instrument.

[Signatures on Following Page]

IN WITNESS WHEREOF, the parties hereto cause their hands and seals to be affixed by their duly-authorized representatives effective as of the date first set forth above.

ASSIGNOR:

Riebe's Auto Parts, LLC

By: _____

Name: Jeff Hove

Title: District Manager

ASSIGNEE:

Genuine Parts Company

By: _____

Name: Tom Skov

Title: Vice President

CITY:

City of Folsom

By: _____

Name: _____

Title: _____

Signed in counterpart

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed.

CONTRACTOR:

(If a corporation, must be signed by two officers of the corporation per Corporations Code section 313.)

Date

Tax I.D. Number

Signature

Signature

Signed in counterpart

Print Name

Print Name

Title

Title

CITY OF FOLSOM, A Municipal Corporation:

Date 4/4/22

Elaine Andersen, City Manager

ATTEST:

Christa Freemantle, City Clerk 4/4/22 Date

FUNDING AVAILABLE:

Stacey Tamagni, Finance Director 3/31/22 Date

ORIGINAL APPROVED AS TO CONTENT:

Mark Rackovan, Public Works Director for 3/23/2022 Date

ORIGINAL APPROVED AS TO FORM:

Steven Wang, City Attorney 4/1/2022 Date

NOTICE: SIGNATURE(S) ON BEHALF OF CONSULTANT MUST BE NOTARIZED.
A certificate of acknowledgment in accordance with the provisions of California Civil Code section 1189 must be attached for each person executing this agreement on behalf of consultant. This section provides, at part (b): "Any certificate of acknowledgment taken in another place shall be sufficient in this state if it is taken in accordance with the laws of the place where the acknowledgment is made.

Folsom City Council
Staff Report

MEETING DATE:	5/26/2026
AGENDA SECTION:	Consent Calendar
ITEM TITLE:	Resolution No. 11623 – A Resolution Authorizing the City Manager to Execute an Agreement with HydroScience Engineers, Inc. for $474,041 from the Water Operating Fund (Fund 520) for Design, Engineering Services During Construction, and Construction Management and Inspection for the Zone 4 Tank Rehabilitation Project (Phase 1) (WA2703) and Appropriation of Funds
FROM:	Utilities Department

RECOMMENDATION / CITY COUNCIL ACTION

The Utilities Department recommends the City Council pass and adopt Resolution No. 11623 - A Resolution Authorizing the City Manager to Execute an Agreement with HydroScience Engineers, Inc. for $474,041 from the Water Operating Fund (Fund 520) for Design, Engineering Services During Construction, and Construction Management and Inspection for the Zone 4 Tank Rehabilitation Project (Phase 1) (WA2703) and Appropriation of Funds.

BACKGROUND / ISSUE

The Utilities Department identifies water infrastructure rehabilitation and replacement projects through water master plans, ongoing water condition assessment programs, and regulatory changes. Through these efforts, portions of the water system have been identified as needing rehabilitation or replacement in order to improve the water distribution system reliability. Through these efforts, Utilities department staff identified the Zone 4 Tank Rehabilitation Project as a priority project.

During construction of the current Tower Tank Rehabilitation Project (Project WA2402) involving East Tank No. 2, Tower Tank, and Foothills Tank No. 2, the contractor encountered multiple unforeseen conditions involving structural deficiencies and other items requiring rehabilitation or replacement. Since the tanks involved in the Tower Tank Rehabilitation Project are of a similar

age and construction type as the Zone 4 Tank, the Utilities Department has identified the Zone 4 Tank as a priority project to ensure operational reliability of the city's water distribution system.

The City of Folsom's Zone 4 Tank is located on Caversham Drive, in the Broadstone neighborhood. Phase 1 of the Zone 4 Tank Rehabilitation Project involves draining and cleaning the tank so that the contractor can install the necessary scaffolding and perform any required sandblasting to allow a licensed structural engineer access to the interior of the tank. A structural engineer will perform an initial structural assessment of the tank to determine the condition of the tank and provide recommendations regarding rehabilitation. The required assessment by a structural engineer includes review of record drawings, photographs, performing structural steel thickness testing (web, flange, etc.), checking for structural defects (corrosion, pitting, buckling, etc.) and preparing a written report including estimated remaining serviceable life of each component and recommendation for full rehabilitation. Other ancillary work at the Zone 4 Tank includes installation of a mixer and blower, spot repair, and miscellaneous electrical improvements. Additionally, this project will include the installation of a mixer and blower at East Tank to improve water quality.

Design and construction of Phase 2 of the project will occur once the structural engineer's recommendation under Phase 1 is complete. Design is anticipated to begin and be completed in FY 2026-27, and Phase 1 construction is also anticipated to begin and be completed in FY 2026-27.

This Resolution will authorize the City Manager to execute an agreement with HydroScience Engineers, Inc. for $474,041 from the Water Operating Fund (Fund 520) for design, engineering services during construction, and construction management and inspection for the Zone 4 Tank Rehabilitation Project (Phase 1) and appropriation of funds.

POLICY / RULE

Section 2.36.120 of the Folsom Municipal Code states, in part, that contracts for supplies, equipment, services, and construction with an estimated value of $77,426 or greater shall be awarded by the City Council.

ANALYSIS

In January 2025, the Utilities Department completed a pre-qualification process for consultants for design and construction administration services for water and wastewater projects. The consulting firms Dewberry Engineers, Inc., Kennedy/Jenks Consultants, Inc. and HydroScience Engineers, Inc. were among a group of firms selected to provide these services for this type of project through this previously completed pre-qualification process. At that time, the Utilities Department also completed a pre-qualification process for consultants for Construction Management and Inspection (CM&I) services for water and wastewater projects, and consulting firms Psomas, Inferrera Construction Management Group, Inc (ICM), Dewberry Engineers, Inc., Kennedy Jenks, West Yost & Associates, MCK Americas, and Albat were selected to provide these services.

On March 23, 2026, the city sent a Request for Proposals (RFP) to pre-qualified design consultants to provide plans, front end specifications, technical specifications, and other miscellaneous items to complete the project manual for public bid of the construction project, as well as engineering services during construction. The Zone 4 Tank Rehabilitation Project has an accelerated timeline to perform the work and inspection outlined in the RFP due to operational restrictions of when the tanks can be offline for draining, inspection, and repairs, the RFP sent to the pre-qualified design consultants required they partner with one of the city's pre-approved CM&I firms to expedite the bid process and have the contractor ready to perform the work by October, 2026.

On May 8, 2026, Utilities department staff received proposals from Kennedy/Jenks Consultants, Inc. and HydroScience Engineers, Inc. Dewberry Engineers, Inc. previously notified the city that it was unable to provide the necessary staffing for the project and declined the opportunity to submit a proposal. The proposals were reviewed and scored for project understanding, project team staffing, and recent relevant experience. The technical evaluations were scored as shown in Table 1 based on a maximum technical score of 80.

Consultant	UT 1	UT 2	UT 3	Average
Kennedy/Jenks Consultants, Inc.	49	55	48	50.7
HydroScience Engineers, Inc.	65	73	76	71.3

Table 1: Consultant Technical Scores without Costs

After reviewing each proposal for project understanding, project team staffing, and recent relevant project experience, the proposals were reviewed for project costs. The fee schedules for the scope of work outlined in the request for proposal from each consultant are shown in Table 2.

Consultant	Fee Amount
Kennedy/Jenks Consultants, Inc.	$1,417,926
HydroScience Engineers, Inc.	$474,041

Table 2: Consultant Project Costs

HydroScience Engineers, Inc. was determined to provide the best value to the city based on the fee amount, past municipal project experience involving work of similar scope and complexity including staff coordination and technical knowledge and expertise for these types of projects. Additionally, HydroScience Engineers, Inc. has current and relevant project understanding compared to other consultants for this project, including the current Tower Tank Rehabilitation Project that has incurred similar structural inspections and repairs for the City of Folsom.

Table 3 shows the overall total scores including project costs based on a maximum score of 100.

Consultant	Technical Score (Avg.)	Cost Score	Total Score
Kennedy/Jenks Consultants, Inc.	50.7	11.7	62.4
HydroScience Engineers, Inc.	71.3	20	91.3

Table 3: Consultant Overall Scoring Including Project Costs

This resolution will authorize the City Manager to execute an agreement with HydroScience Engineers, Inc. for $474,041 from the Water Operating Fund (Fund 520) for design, engineering services during construction, and construction management and inspection for the Zone 4 Tank Rehabilitation Project (Phase 1) and appropriation of funds.

FINANCIAL IMPACT

If approved, the agreement with HydroScience Engineers, Inc. for design, engineering services during construction, and construction management and inspection for the Zone 4 Tank Rehabilitation Project (Phase 1) (WA2703) would be in the amount of $474,041. The agreement will require an appropriation of 474,041 in the Water Operating Fund (Fund 520). Sufficient funds are available in the Water Operating Fund (Fund 520) to cover the cost of the agreement and the requested appropriation.

ENVIRONMENTAL REVIEW

This project is replacement and/or improvement of existing infrastructure with negligible or no expansion of use and therefore is categorically exempt from environmental review under the California Environmental Quality Act as noted in Title 14 – California Code of Regulations, Chapter 3 – Guidelines for Implementation of the California Environmental Quality Act, Article 19 – Categorical Exceptions, Section 15301 (Existing Facilities) and 15302 (Replacement or Reconstruction).

ATTACHMENTS

1. Resolution No. 11623 - A Resolution Authorizing the City Manager to Execute an Agreement with HydroScience Engineers, Inc. for $474,041 from the Water Operating Fund (Fund 520) for Design, Engineering Services During Construction, and Construction Management and Inspection for the Zone 4 Tank Rehabilitation Project (Phase 1) (WA2703) and Appropriation of Funds

2. Zone 4 Tank and East Tank No.1 Project Map

3. HydroScience Zone 4 Tank Rehabilitation Project (Phase 1) Scope and Fee

Submitted,

_____

Marcus Yasutake, Director
UTILITIES DEPARTMENT

Attachment 1

RESOLUTION NO. 11623

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH HYDROSCIENCE ENGINEERS, INC. FOR $474,041 FROM THE WATER OPERATING FUND (FUND 520) FOR DESIGN, ENGINEERING SERVICES DURING CONSTRUCTION, AND CONSTRUCTION MANAGEMENT AND INSPECTION FOR THE ZONE 4 TANK REHABILITATION PROJECT (PHASE 1) (WA2703) AND APPROPRIATION OF FUNDS

WHEREAS, the City has identified this project as a priority to maintain integrity and operation of the water distribution system; and

WHEREAS, the rehabilitation work identified will enhance the city's water distribution system and to continue to provide reliable water service to the City includes rehabilitating the Zone 4 Tank; and

WHEREAS, HydroScience Engineers, Inc. by reason of their experience and abilities for performing these types of services, are qualified to perform the required additional design and engineering services during construction for this project; and

WHEREAS, sufficient funds are available in the Water Operating Fund (Fund 520) for this agreement and the requested appropriation in the amount of $474,041, and

WHEREAS, the agreement will be in a form acceptable to the City Attorney:

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom authorizes the City Manager to execute an Agreement with HydroScience Engineers, Inc. for $474,041 from the Water Operating Fund (Fund 520) for Design, Engineering Services During Construction, and Construction Management and Inspection for the Zone 4 Tank Rehabilitation Project (Phase 1) (WA2703).

BE IT FURTHER RESOLVED that the Finance Director is authorized to appropriate $474,041 for this agreement. The appropriation will be made in the Water Operating Fund (Fund 520) for the amount of $474,041.

PASSED AND ADOPTED this 26th day of May, 2026, by the following roll-call vote:

AYES: Councilmember(s):
NOES: Councilmember(s):
ABSENT: Councilmember(s):
ABSTAIN: Councilmember(s):

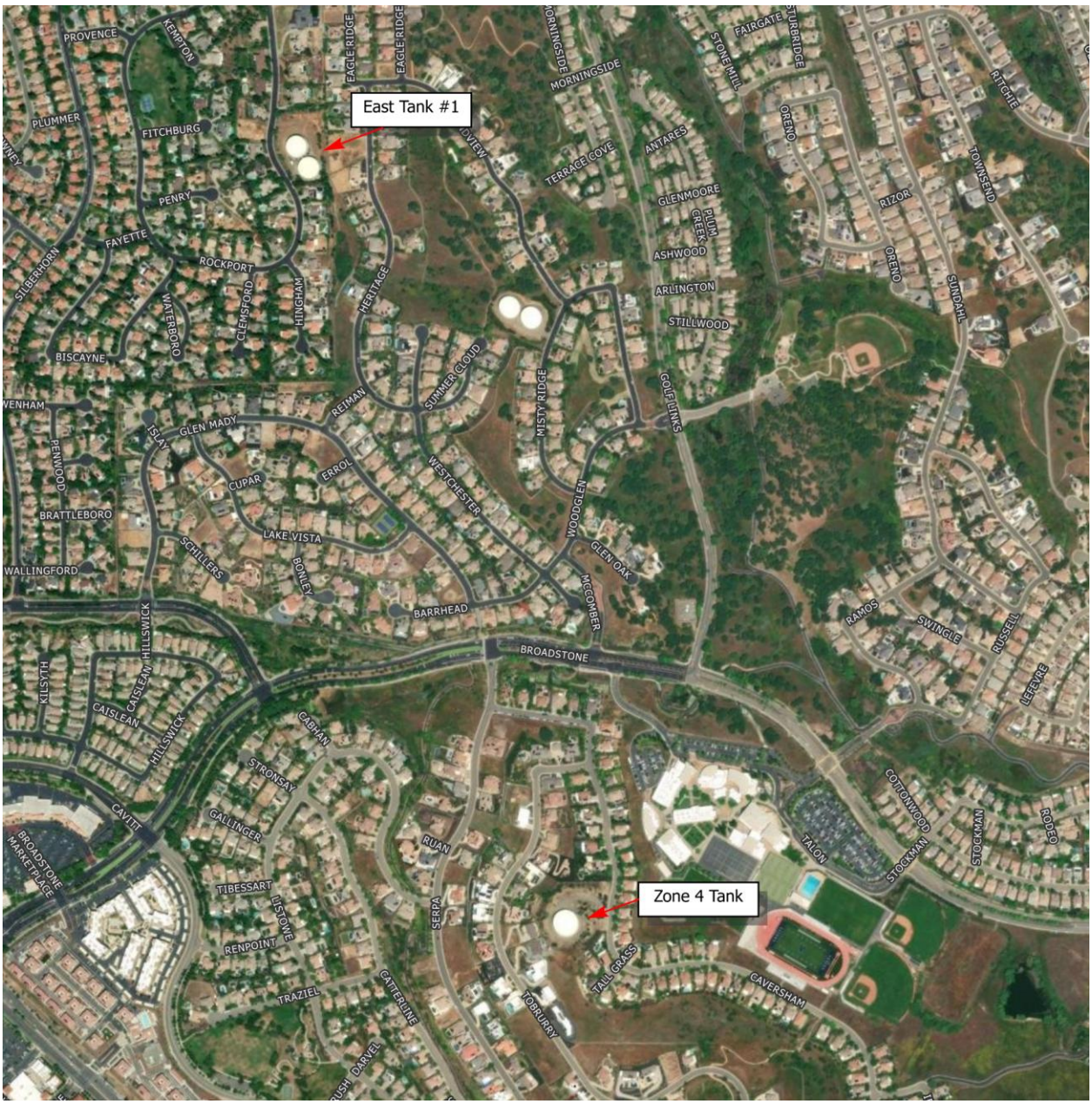
_____
Justin Raithel, MAYOR

ATTEST:

_____
Christa Freemantle, CITY CLERK

ATTACHMENT 2

ZONE 4 TANK REHABILITATION PROJECT MAP



ATTACHMENT 3

HYDROSCIENCE ZONE 4 TANK REHABILITATION PROJECT

SCOPE AND FEE

HydroScience
Strategic Water Solutions

HydroScience Engineers, Inc.
10569 Old Placerville Road
Sacramento, CA 95827
T: 916.364.1490
F: 916.364.1491

May 8, 2026

Nathan Sites
City of Folsom – Utilities
50 Natoma Street
Folsom, CA 95630

Subject: Design and Engineering Services During Construction for the City of Folsom Zone 4 Phase 1 Tank Rehabilitation Project

Dear Mr. Sites,

HydroScience Engineers, Inc. (HydroScience) is pleased to submit this proposal to provide civil engineering design services for the Zone 4 Phase 1 Tank Rehabilitation Project (Project). We have assembled a team of capable local staff experienced with the design and construction of City water infrastructure projects, who are both intimately familiar with the project elements and committed to a successful outcome. We have additionally included West Yost from the City's list of pre-qualified Construction Management and Inspection (CM&I) consultants to provide those services on this project.

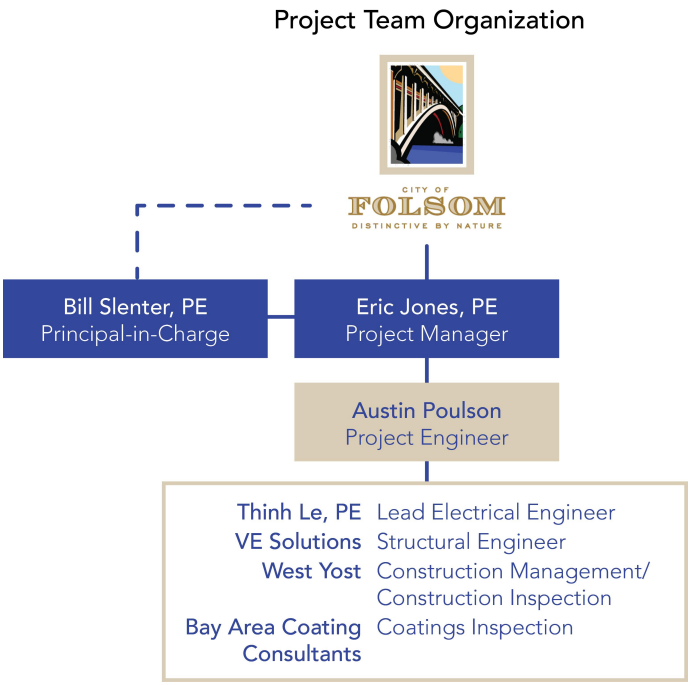
The following summarizes key benefits of choosing the HydroScience team to provide professional engineering services on this project:

- **Proposed Project Manager Eric Jones** has significant prior experience completing City design and construction projects, including: Tower Tank Rehabilitation Project, Ashland I and II water distribution improvements, Willow Hill Pipeline Rehabilitation, Hinkle Creek Pipeline Rehabilitation, and multiple water system pressure reducing valve (PRV) design projects. Intimate knowledge of City standards and procedures and a strong working relationship with City staff results in efficient project execution and effective enforcement of City requirements.
- **Key proposed team members Eric Jones, Austin Poulson, and Brad Friederichs along with West Yost for CM&I** are successfully delivering a similar complex tank rehabilitation project for the City: the Tower Tank Rehabilitation Project. This team demonstrated our ability to fast-track design to meet a winter construction schedule, coordinate closely with the City, pivot quickly to address changing conditions, and function as a cohesive team to drive towards successful completion accomplishing all of the City's objectives. **Our combined team will carry this momentum from Tower Tank directly into this project, improving efficiency and accelerating execution.**
- The proposed project team has worked together to successfully complete dozens of similar water and wastewater infrastructure projects for municipal clients. This team shares a passion for producing high quality results in a collaborative and efficient manner and has a long history of working together effectively.
- Key team members are based in our Sacramento office within 20 minutes driving distance of the City. Being local enhances our ability to get to the site very quickly to address any need and reduces travel cost.
- Principal-in-Charge **Bill Slenter** is a long-term City resident and is committed to the successful outcome of this project. He can travel to the project site or City Hall on very short notice to address any concerns or needs.

Proposed Staffing

The organization chart to the right illustrates our proposed key staff and roles. We have included their resumes in **Attachment A**:

Our Project staffing strategy is as follows:



- **Eric Jones, PE** will serve as Project Manager (PM) and Design Engineer-of-Record. He will apply rigorous project and technical management practices to keep the project on-track and moving forward, communicating with the City in real time. The City will be regularly informed of project status, needs, and upcoming activities.
- **Austin Poulson** will serve as the Project Engineer (PE). Working with Eric, Austin will coordinate and execute the technical design elements; coordinate with our drafting team; lead the preparation of plans, specifications, and calculations for the design; assist Eric during the bid support phase; and perform RFI and submittal review during construction. Austin has significant prior experience including working with Eric on the Tower Tank Rehabilitation Project and will apply his experience regarding the City's goals for water tank improvements, optimizing the design to achieve the City's goals for this project.
- **Bill Slenter, PE** will serve as Principal-in-Charge. He will be the City's contractual point of contact and alternate contact to Eric and will verify that our team is executing the project in accordance with contractual requirements and HydroScience's quality standards. He will also be available to assist with any field needs given his close proximity to the sites.
- **Thinh Le, PE** will serve as the lead electrical engineer. Thinh manages our Electrical Department and has almost twenty years of experience. He has worked closely with Eric and Austin on dozens of similar projects. He will design improvements that are easy to operate and maintain and conform to City standards and preferences.
- **VE Solutions** will provide structural engineering on this project, including providing the structural tank assessment. If needed, they are prepared to develop stamped structural drawings and calculations for tank repairs.
- **West Yost** will provide CM&I services for the project. They will work in close collaboration with HydroScience on construction activities, following the established procedures demonstrated in the ongoing Tower Tank Rehabilitation Project. Crawford & Associates will provide materials testing and special inspection support as a subcontractor to West Yost.

- **Bay Area Coating Consultants** will provide coatings inspection as a subconsultant to HydroScience. They bring over 39 years of coating and lining consulting and inspection firm experience on projects throughout California and Nevada.

Given the HydroScience Team's experience on the ongoing Tower Tanks Rehabilitation Project, where more extensive repairs were implemented to address unexpected severe corrosion (see photo), this team is well-positioned to pivot quickly to any level of rehabilitation design and construction required to restore the condition of the Zone 4 Phase 1 (Broadstone) tank.

Understanding and Approach

This project will address rehabilitation and operational improvement needs at two potable water storage reservoirs within the City: the Zone 4 Phase 1 (Broadstone) Tank and the East Tank No.1. The Zone 4 Tank rehabilitation will include draining and cleaning, targeted micro-abrasive sandblasting to expose structural members, structural engineering inspection and report preparation, spot repairs, retrofit of a roof-mounted THM mixer and blower, and associated electrical and controls upgrade work. Site work shall be completed as needed to support the electrical and blower upgrades. The East Tank No. 1 improvements will consist of the THM mixer and blower scope only. The THM mixers and venting improvements will reduce the formation of THMs in the tanks, assist with water age and turnover, and improve water quality.

The scope of services requested by this RFP includes investigation, detailed design, bid phase engineering support, construction phase engineering support, tank condition assessments during construction, CM&I services. A lesson learned during the Tower Tank Rehabilitation Project was that tank interior condition can be significantly worse than expected, even if a pre-construction corrosion inspection is performed, partly because existing coatings can hide significant structural member corrosion. The City had inspections of these tanks which noted corrosion, but the degree is difficult to discern under the existing coatings. HydroScience reviewed the inspection report provided. It supports the City's strategy and schedule for inspection and ultimate rehabilitation of the tank interior.

The City's approach to this project bundles the detailed structural inspection into the construction phase, leveraging the planned tank outage and the ability to have the contractor strategically remove coatings in inspection areas. HydroScience believes this is the most effective means to obtain a meaningful condition assessment that can guide further repairs if needed.

The City has planned for more extensive repairs of these tanks in a future CIP project in 3-5 years time. Based on recent experiences on the Tower Tanks Rehabilitation Project, there is potential that the level of corrosion found on these tanks during the structural inspection may be more severe than expected. Such a finding would increase the urgency of repairs and likely result in the City moving full rehabilitation of these tanks up the priority list. We further understand that other improvements may be added to the design and rehabilitation scope to bring these tanks up to current City standards. These could include:

Broadstone/Z4

- Water quality monitoring system
- Diver cleanouts
- Stairs
- Level gauge/transmitter enclosures
- Relocate tank outlet above-grade

East Tank No. 2

- Blower/mixer system and curb modifications
- Diver cleanouts

HydroScience demonstrated its effectiveness in helping the City respond to similarly urgent needs on the Tower Tank Rehabilitation Project. This experience positions us to respond quickly should this project see a similar outcome. We are prepared to quickly scope and execute design of any required repairs and incorporate it into this or a future bid package for expedited implementation in the next winter season.

The City provided as-built drawings for both tanks and typical mounting details for the THM mixer system. HydroScience reviewed these documents and considered our understanding of the City's water distribution system and our experience on recent City projects, particularly the Tower Tank Rehabilitation Project, and similar tank projects in the preparation of this proposal.

The City needs bid documents ready by August 1, 2026 with the goal of construction occurring between October 2026 and April 2027 during the low demand winter season when both tanks can be offline. If necessary, project improvements not tied to the shutdown of a tank (electrical, controls, drainage, etc.) can be constructed during higher demand periods in dry weather.

HydroScience will develop and regularly update a detailed Microsoft Project schedule with all major activities and task interdependencies. At the conclusion of design, the schedule will feed into the preparation of detailed Division 01 specifications describing construction sequencing and constraints and establishing the number of contract days. HydroScience has included a preliminary version of this schedule in accordance with the RFP (**Attachment B**) illustrating the anticipated design and construction schedule, with the construction schedule depicting how construction may be phased and sequenced for each tank including outage time, draining, inspection, repairs, and restoration of service. The CM&I proposal is based on the durations shown.

The removal of tanks from service will require careful advance planning and close coordination with City Water System Operations. HydroScience will identify constraints, prerequisite activities, risks, and risk mitigations early in the project and track these as the project definition develops. This tracking will drive critical project decisions and inform the preparation of notes and contract requirements for the contractor to closely adhere to and the construction manager to enforce. Similarly, given the proximity of the tanks to parks and residences, the specifications will carefully describe construction constraints to minimize noise and disruption.

Scope of Services

We developed this scope based on a review of the RFP, our experience with tank construction and retrofit, and our understanding of City standards and practices from our recent work on similar projects at the City. All deliverables will be in PDF format. Native editable file formats will also be provided with final deliverables.

Task 1 – Project Management and Coordination

Eric Jones will be responsible for the overall project management efforts necessary to oversee and direct the work of the project team. Bill Slenter will provide oversight, resource allocation, and serve as a contractual contact. This task is divided into four subtasks which include general project management (tracking and management of decisions, schedule, budget), project communications with the City and other stakeholders, quality assurance and quality control, and project meetings during the predesign and design phases (construction phase meetings are addressed separately in Tasks 5 & 6). These subtasks are detailed below. Project management activities will be carried throughout all of the project phases (Preliminary Engineering, Design, Bidding, and Construction).

A. Project Management: HydroScience will prepare and maintain a project decision log that records design decisions. This log will include summaries of the decisions made, any key items used to reach those decisions, and any other relevant information. HydroScience will work with the City and stakeholders to settle upon key project decisions early in the project to facilitate efficient progression through the remaining detailed design steps.

The Project Manager will conduct monthly reviews and updates of schedule, design expenditures, and progress. The status of these items will be reported to the City with each monthly invoice. The Project Manager will make internal adjustments as required to comply with the requirements of the services agreement. The Project Manager will identify any external risks to schedule or budget and propose appropriate adjustments to keep the project on track. HydroScience will coordinate the schedule of this project to target bidding and construction in accordance with the City's scheduling needs.

B. Project Communications: Standing monthly project status conference calls between the City and HydroScience will be held to discuss ongoing coordination items, review project schedule and progress, review the decision log, and address any other project related items as they arise. HydroScience will prepare monthly invoices and project status reports outlining the team's progress on the project tasks and discuss them with the City's Project Manager. These reports will include budget and work progress updates, work performed during that time period, activities completed, milestones achieved, project schedule status, any issues and proposed resolutions.

C. Quality Assurance and Quality Control: HydroScience will provide quality control and quality assurance (QA/QC) of all submittals prior to City review and in accordance with company policy. Formal internal review will occur prior to submittal of each major deliverable to provide an objective check on the adequacy of the documents. Principal level staff not directly involved in preparation of the work product will complete these reviews. Internal review comments will be discussed with the product's author and resolved as appropriate prior to finalizing the draft document. City review comments on draft documents will be responded to in writing and resolved as appropriate. City comments and HydroScience responses will be tracked in a formal comment log.

D. Project Meetings: Three design phase project meetings will occur including the kickoff meeting and two design progress meetings with City staff scheduled to coincide with submittal of the 50% design and 100% design, to make efficient use of the City's available staff time. For all meetings, HydroScience will be responsible for confirming attendance, preparing the agenda, documenting the meeting minutes, and coordinating action items.

During the kickoff meeting, HydroScience will meet with the City to confirm the project goals and objectives, establish lines of communication, review the project scope and schedule, collect the existing information, and receive City input.

Deliverables:

- Project decision log, updated regularly (PDF)
- Project status reports, submitted monthly with invoices (PDF)
- Meeting agenda and minutes (Word)
- City comment log with HydroScience responses, updated at each design submittal (Excel)

Task 2 – Preliminary Engineering

HydroScience shall complete the following:

Schedule: Prepare, drive, and maintain a detailed critical path master schedule and roll-up schedule summary throughout the contract period and monitor progress on team activities relative to the schedule. The schedule will be updated at each milestone to reflect any modifications.

Field Investigation: Visit the project sites and meet with City engineering and operations staff. The investigation will identify conditions in the field, note site access and constructability issues, note potential interferences, identify construction access, and identify areas requiring further investigation. Key areas of concern or project priority areas shall be examined to aid design feasibility and identify possible design alternatives. This can occur on the day of the Kickoff Meeting.

Documentation Review: Review as-builts and any available inspection documentation on existing tank conditions.

CEQA: HydroScience will prepare technical content for the California Environmental Quality Act (CEQA) Documentation with the assumption that the project qualifies for Categorical Exemption. HydroScience will prepare the project description and complete the Notice of Exemption (NOE) for the City to file.

Preliminary Engineering: HydroScience will confirm the design objectives and criteria with the City. HydroScience will prepare a preliminary construction sequencing plan and schedule. There are no plans or specifications deliverables in this phase. These will be produced in Task 3.

Deliverables:

- Project schedule, with periodic updates issued monthly and as needed (PDF)
- Utility coordination "A" letters
- Sequencing plan outline (PDF)
- CEQA Notice of Exemption documentation for City filing (PDF, Word)
- Preliminary construction schedule (PDF)

Task 3 – Design Phase Services

HydroScience shall complete the following:

Plans, Specifications, and Estimate: HydroScience will complete the 50%, 100%, and Bid Ready submittals. For each submittal, HydroScience will prepare the plans, technical specifications, and the engineer's opinion of probable cost. Comments on each submittal will be incorporated into the subsequent submittal, and a response to comments will be prepared documenting how HydroScience responded to each comment.

The City's standard front-end specifications (general provisions, special provisions, proposal forms, and contract agreement) will be used similar to previous projects that HydroScience has completed with the City. Internal QA/QC (see Task 1) will be applied to each submittal prior to submittal to the City.

HydroScience will submit plans and specifications to the City Engineer, EWR, and Public Works for review as appropriate. Comments received from City departments will be compiled into a comment log and responses will be entered into the same log and distributed with the revised documents.

HydroScience will assist the City with required updates to the water system permit from DDW, assuming one is required. This will consist of filling out a one page form and submitting it with plans and specifications.

Deliverables:

- 50%, 100%, and Final Bid Documents Submittals: plans, specifications, and engineer’s opinion of probable construction costs (PDF). Final includes one full size stamped and signed plan set in PDF format. AutoCAD drawings of the plans. One PDF and Word copy of the specifications. PDF of the final engineer’s opinion of probable construction costs. Native Word and AutoCAD files.

Assumptions:

- Most of the improvements will be located above grade. A geotechnical report is not required to support the design, though any prior reports or boring data provided by the City will be considered.
- Potholing will not be performed during the design phase. If appropriate, plans will identify recommended potholing to be performed by the Contractor during Construction and the project budget includes a design allowance for limited design modifications required based on the potholing results.
- Cathodic protection (CP) evaluation or design services not included.
- Corrosion engineering services not included but can be optionally obtained as a scope modification.
- Existing power utility service and main switchboard at each site has capacity for the THM mixer/blower system without upgrade.
- Topographical surveying not included. Scope assumes design will be performed utilizing traced or scanned as-built drawings and photos as backgrounds. Civil work will be minor and not require precise elevations.
- Base bid construction services includes one construction season where the tanks can be offline.

- No tank modifications that require recoating are required to install the THM blower/ mixer at East Tank No. 1. The required penetrations and supports are already in place.

Task 4 – Bid Phase Services

HydroScience will attend the pre-bid meeting with the City and provide any technical support required to respond to technical questions from prospective bidders submitted during the bidding phase. Bidding services will include interpreting construction documents, responding to questions posed by the bidders and preparing clarifications and up to three addenda. All communications will be directed through the City. HydroScience will, if necessary, prepare a conformed set of plans to incorporate all addenda issued during the bid phase for up to three bid drawing sheets.

Deliverables:

- Response to bidder inquiries as required (Word)
- Up to 3 addenda – (PDF, Word)
- Up to 3 conformed to bid drawings sheets incorporated into one full conformed set and plans and specifications (PDF, Word, DWG)

Task 5 – Construction Phase Services

HydroScience staff will provide continued support during the construction phase of the project. Project staff will be available to provide the following services:

- **Meetings:** HydroScience will attend regular construction meetings (16 total, 3 in person)
- **Site Visits:** HydroScience will make up to three site visits during construction.
- **Submittal Review:** HydroScience will receive, and review submittals as directed by the City. Up to 40 submittals will be reviewed by HydroScience with up to 20 resubmittals.
- **RFI Response**: HydroScience will receive and respond to Contractor RFIs during the period of construction as directed by the City. HydroScience will respond to up to 20 RFIs.
- **Design Modifications:** Design modifications (allowance) relating to the potholing results, and/or for other unknown changes upon request (up to 3 items, up to the total number of hours shown in the fee).
- **Project Coordination:** HydroScience will review up to two Preliminary Change Order requests, and will make recommendations to the City for issuing Contract Change Orders in accordance with the project specifications.
- **Startup and Testing:** HydroScience will provide the following support services: review of start-up plans submitted by the contractor, make up to two site visits during on-site testing
- **Project Closeout:** Assist the City in the preparation of the project punch lists, and will participate in the final inspection.
- **Record Drawings**. HydroScience will prepare project record drawings depicting “as-built” conditions based on the Contractor’s submitted redline markups.

HydroScience will retain VE Solutions, a California-licensed Structural Engineer, to perform a structural evaluation of corroded roof framing members at the Zone 4 Tank and to prepare a signed and sealed structural engineering report, as summarized below:

- Perform review of available record documents, including original design drawings, previous inspection reports (if available), and photographic documentation.
- Coordinate with the Contractor to perform the assessment after the tank has been drained, cleaned, and required scaffolding has been installed.
- Perform a structural evaluation of corroded roof framing members (e.g., beams, girders, and columns) to assess remaining effective section after corrosion.
- As appropriate and at the Structural Engineer's discretion, determine remaining member thickness using an ultrasonic thickness measuring device, hand caliper, and/or visual estimate.
- Perform structural analysis sufficient to classify evaluated members using a tiered findings approach: Tier 1 (immediate-action / current code non-compliance), Tier 2 (repair recommended in current offline window), Tier 3 (monitor and plan), and Tier 4 (acceptable).
- Prepare a structural engineering report documenting the evaluation results, including photographic documentation of significant conditions.
- Provide recommendations for rehabilitation and replacement items, and recommended reassessment intervals, as supported by the evaluation findings.
- Provide an estimated remaining serviceable life of evaluated components, per stated methodology, assumptions, and limitations.
- Provide final report documents signed and sealed by a California registered Structural Engineer.
- **Exclusions (by others):** Scaffolding and removal of existing coatings to access framing members (including spot coating repair after removal); and construction/bid documents suitable for bidding or construction of repairs.

Deliverables:

- Responses to submittals – up to 40 submittal responses in format selected by Construction Manager
- RFI Responses – up to 20 RFI responses in format selected by Construction Manager
- Up to three design modifications plans.
- Record Drawings – One full size reproducible drawing set and electronic version in AutoCAD and PDF (AutoCAD drawings will have stamps removed).
- Tank assessment report, PDF

Task 6: Construction Management and Inspection Services

HydroScience will provide CM&I services through our pre-qualified subconsultant, West Yost. West Yost's CM&I services shall be as follows:

- **Construction coordination:** Coordinate construction activities with the City, Contractor, HydroScience design team, and other project stakeholders; support implementation of sequencing requirements and tank outage constraints; and manage interfaces between work at the two tank sites.
- **Weekly construction meetings:** Conduct weekly construction meetings, prepare agendas and minutes, track action items, and distribute meeting documentation.
- **RFI and submittal management:** Receive, log, track, and process RFIs and submittals in coordination with the City and HydroScience; monitor response status and maintain the project correspondence and document control system.

- **Construction observation/inspection:** Provide construction observation and inspection services to monitor general conformance with the contract documents.
- **Health and safety awareness:** Maintain awareness of site safety practices and communicate observed safety concerns to the Contractor and City in accordance with standard CM practices (recognizing Contractor responsibility for site safety).
- **Material testing / special inspections:** Coordinate required material testing and special inspection services, coordinate third-party testing and inspection documentation and follow-up on corrective actions.
- **Change order, changes, and claims management:** Evaluate and negotiate potential change orders, and maintain logs to track change requests, status, and impacts. Proactively identify, document, and track potential claims and changes throughout the construction process. Review Contractor-submitted claims for merit, validity, and compliance with contract requirements. Coordinate with the City and project team to evaluate impacts, negotiate resolutions, and document outcomes. Maintain thorough records of all claims-related correspondence and decisions to support timely and equitable resolution.
- **Progress payments:** Review Contractor pay applications for completeness and general consistency with observed progress and contract requirements; assist the City with progress payment processing.
- **Labor compliance:** Support labor compliance administration and coordination consistent with the City's requirements and applicable regulations.
- **SWPPP compliance:** Monitor SWPPP implementation and BMP maintenance for general conformance and coordinate with the Contractor/City regarding observed deficiencies and needed corrective actions.
- **Project closeout:** Manage project closeout activities including punch list development and tracking, final inspections, acceptance recommendations, coordination of final documentation (O&M manuals, training, warranties, test reports), and support to startup/testing activities as needed.

The CM&I budget is based on the included preliminary schedule (**Attachment B**) and following scoping assumptions:

- Projected Notice to Proceed: 9/18/2026
- Anticipated construction completion: 1/29/2027 (about 95 working days)
- Staffing levels will be adjusted based on Contractor's approved schedule and field requirements. Budgets were developed based on the following average weekly staffing levels:
  - 10 CM hours per week
  - 28 inspector hours per week
  - 5 CM administrative hours per week

Materials testing: West Yost will retain Crawford & Associates to perform materials testing up to the budget amount shown in the fee.

Coatings inspection: Bay Area Coatings Consultants, under contract with HydroScience, will provide daily Quality Assurance (QA) coating inspection and documentation for the exterior coating operations of repairs at Zone 4 Tank and East Tank No. 1 as follows:

- **Surface Preparation:** Verification of cleanliness and profile in accordance with specified SSPC/AMPP standards.
- **Environmental Conditions:** Monitoring ambient conditions to confirm compliance with application requirements.
- **Coating Application:** Observation of application methods, workmanship, and stripe coating.
- **Film Thickness:** Dry Film Thickness (DFT) measurements per SSPC-PA 2.
- **Cure/Recoat:** Verification of cure and recoat windows, including solvent rub testing as required.
- **Holiday Testing:** Verification of coating continuity and repair of discontinuities.
- **Documentation:** Daily reports including inspection results, environmental conditions, and photographic documentation.
- **Non-Conformance:** Identification and reporting of work not in compliance with project requirements.

Services will follow applicable SSPC/AMPP, ASTM standards, manufacturer requirements, and project specifications.

Deliverables

- Weekly construction meeting agendas and meeting minutes
- Project correspondence and document control records
- Daily inspection reports documenting observed work, site conditions, and non-conforming work
- Materials testing and special inspection reports
- Non-conformance reports and corrective action tracking (as required)
- Change order and change request logs, including evaluation memoranda and recommendations
- Claims and disputes documentation, including correspondence and resolution records (if applicable)
- Progress payment review documentation and payment recommendation summaries
- Labor compliance tracking documentation (as required by the City)
- SWPPP compliance observation notes and deficiency tracking
- Punch list documents and punch list tracking logs
- Final inspection documentation and acceptance recommendations
- Project closeout checklist and closeout documentation coordination (As-built drawings, O&M manuals, warranties, test reports, training confirmation)

Scope Assumptions, Exclusions, and Notes

- The scope of improvements to each tank are as described on Pages 1-2 of the City's RFP as clarified by City via email.

- Mixers will be provided with local on/off control for operations. Automation of the mixers is not included.
- Scope does not include a new geotechnical investigation. Any available past reports/data will be reviewed by HydroScience if provided.
- P&IDs are not included in the design and are considered unnecessary.
- Sufficient power capacity and spare breaker capacity exists at all sites for the addition of mixers and other powered improvements specified in the RFP.
- The entire project will be bid as one construction package with one set of bid documents.
- Rights of way and easement acquisitions are not required.
- Potholing is not included in this scope. Required potholes will be identified in the contract documents and completed by the contractor.

Project Schedule

HydroScience anticipates completing the design phase in accordance with the preliminary schedule provided in **Attachment B**. All external reviews will need to be accelerated to meet the schedule.

Proposed Fee

The proposed fee schedule for these services has been provided to the City as a separate document per the RFP instructions.

HydroScience appreciates the opportunity to propose our services to the City. I can be contacted at (916) 605-6633 or bslenter@hydroscience.com if you have any questions regarding this proposal.

Sincerely,
HYDROSCIENCE ENGINEERS, INC.

Bill Slenter, P.E.
Principal

Attachments:

A. Resumes
B. Preliminary Project Schedule
C. Fee Spreadsheet (Bound Separately)

HydroScience

Eric Jones, PE

Project Manager

HydroScience

Eric is a project manager, construction manager and project engineer with 26 years of experience in water, wastewater, and recycled water facility planning, design and construction assistance. His specific areas of focus have included pump station design, pipeline design including trenchless technologies, water and wastewater treatment design, feasibility studies and construction management. He has played key roles in several design and construction services teams for many projects throughout California and Australia. Eric has significant experience with rehabilitation and upgrade of existing wastewater treatment plants, including complex coordination with electrical design.

EDUCATION

B.S., Mechanical Engineering (Environmental Engineering emphasis), University of California, Santa Barbara

REGISTRATION

Civil Engineer, California, Registration No. 68550

SELECT PROJECT EXPERIENCE

Folsom Tower Tank Rehabilitation

City of Folsom, California

Project Manager. This project involves the rehabilitation and operational improvements of five potable water storage tanks in the City of Folsom, addressing compliance, safety, and functionality needs. Two tanks require upgrades to meet California Division of Drinking Water (DDW) standards. Challenges include a four-month design window and strict sequencing during low-demand winter months to maintain system operations. Improvements to the Tower Tank include structural modifications (vent, rafters, bracing), a staircase replacing the ladder, safety upgrades, a THM reduction mixer, and electrical, SCADA, and utility enhancements, along with antenna relocation, drainage, sampling, coatings, and a cathodic protection system. East Tank #2 upgrades focus on overflow, drain, and vent modifications, exterior coating repairs, and drainage adjustments to meet DDW compliance. Foothills Tanks (1 & 2) improvements include staircases, a catwalk bridge, safety anchors, THM mixers, access upgrades, monitoring cabinets, and SCADA and electrical updates, along with coatings and a prefabricated canopy. The South Tank upgrades involve overflow, drain, and vent modifications, exterior repairs, and drainage improvements, ensuring compliance and operational efficiency.

Folsom FPA and FSAG Pipeline and Pump Station

City of Folsom, California

Design Support. The Folsom South Area Group (FSAG) Transmission Pipeline is required to supply the Folsom Plan Area (FPA) with water as it approaches the buildout phase. All water supply to the FPA is from the City of Folsom through upgrades and extensions of existing infrastructure. The 3.5 mile, 24-inch transmission pipeline associated with this project extends under Highway 50 to a new booster pump station (BPS) located at the City's Water Treatment Plant. The new BPS is planned to have 8,700 gpm firm capacity, 6 vertical turbine pumps, a standby generator, new power transformer, and a surge tank. HydroScience completed the 100% design for the project and is currently rephasing the project in coordination with the CIty. HydroScience also rephased the project to improve Z3 hydraulics and provide hydraulic benefits to the Z3 system north of Highway 50. Major design elements included routing the new pipeline through sensitive public rights-of-way that are outside of the roadway, the trenchless crossing of two creeks, coordination of the pump station design with existing WTP operations, and significant regrading to improve site drainage along East Bidwell St.

Ashland Water Pipeline Rehabilitation Project II

City of Folsom, California

Project Manager. This project consisted of improvements to allow for abandonment of an existing water main by extending 6 existing branch mains, replacing 22 water services and replacing 3 fire hydrant service and connection the new and extended services to an existing parallel active 14-inch water main located along Baldwin Dam Road. The project also included slurry seal of the entire roadway, evaluation of the benefits for providing a new PRV station, and demolition of an existing

vacant pump station. Once completed the existing transmission line provided fully isolated section of main between all branch tie-ins. HydroScience incorporated many measures in design to minimize disruption to customers, including hot tap sleeves for connecting new service to the active ACP and steel pipeline. Outage maps were provided to the Contractor as an attachment to the specifications for each of the planned outages. These maps showed exactly which customers and fire hydrants would be affected by the outage to help the contractor coordinate the notification process during construction.

Red Hawk Wastewater and Recycled Water Improvements

Shingle Springs Rancheria, El Dorado County, California

Project Engineer. HydroScience designed a new membrane bioreactor (MBR) wastewater treatment plant, recycled water pumping, and effluent disposal systems for Red Hawk Casino. These facilities were commissioned in 2009. Red Hawk retained HydroScience in 2020 to evaluate and design upgrades to support expansion of the resort with a new hotel and entertainment facilities. Upgrades included two new 3.0 million gallon welded steel tanks, a new recycled water booster pump station with two VFD-driven 75-hp vertical turbine pumps, upgrade of existing chlorine contact basin effluent pumps, improvements to the existing sewer lift station, and a new coarse screening facility. The project is currently in the later stages of construction. The project was implemented as a collaborative delivery (progressive design-build) arrangement and involved significant coordination with the facility operator.

Griffith Water Reclamation Plant Upgrade Concept Design

Griffith City Council, New South Wales, Australia

Project Engineer. HydroScience was retained by the City of Griffith to design a 2.8 MGD municipal MBR WWTP. The new plant was designed to produce recycled water to supply the City's ambitious recycled water program. Design features included use of the existing primary sedimentation tanks to peak wet weather flows. Other design features included a 4 train membrane bioreactor, UV disinfection system, sludge dewatering building, operations building, and SCADA control system. HydroScience services also included commissioning and start-up.

Ashland Water Pipeline Rehabilitation Project I

City of Folsom, California

Project Manager. This project rehabilitates 1,500 linear feet of an existing 20 and 21-inch water transmission pipeline with ductile iron and fusion bonded epoxy steel pipe using open-cut construction and trenchless rehabilitation technologies of the existing pipeline. SCADA was added to an existing PRV station, and miscellaneous replacements of failed valves. The project required coordination with USBR to obtain a temporary construction easement for rehabilitation of the pipeline within USBR property.

Willow Hill Pipeline Rehabilitation

City of Folsom, California

Project Engineer (Phases 1 & 2) / Construction Manager (Phase 2). This project included assessment, preliminary design, final design, construction engineering, construction management, and inspection services for rehabilitation of a 20,585 LF existing raw water main (30- to 48-inch diameter RCP) and potential conversion of that main to future potable water pressure service. The project included both rehabilitation and realignment segments. The preliminary design included preparation of technical memoranda (TMs) for predesign criteria development and hydraulics, condition assessment, rehabilitation technology/methods and rehabilitation/alignment assessments. Final design included realignment using HDPE and fusible PVC pipe as well as HDPE sliplining. Construction management and inspection services included daily field presence at the worksite, written and photographic documentation, pay request and change order processing, issue resolution, inspection, City coordination, and property owner coordination. Specific services provided by Eric include design and preparation of final construction documents, including plans, specification and engineer's opinion of probable cost and fulfilling the role of construction manager during construction and some inspection services. Construction management duties include establishing an electronic, cloud-based construction document tracking, filing, and communication system, evaluate potential change orders to provide recommendations to the City, lead any negotiation process with the City and Contractor, coordinate and review contractor progress payment, review contractor's schedule, serve as a central coordination role with all project parties including coordinate construction activities with stakeholder agencies and lead weekly meetings, prepare project punch list, schedule inspection services, review and finalize daily field reports and review and signoff on extra work orders.

Folsom Ashland PRV Project

City of Folsom, California

ESDC / Project Engineer. HydroScience designed improvements and modifications to three existing Pressure Reducing Valve (PRV) stations on the City's water distribution system. Tasks included the removal and retirement of one PRV station, the relocation of one PRV station to a separate system, the reconfiguration of hydrants as blowoffs for system flushing, raising the PRVs above grade to eliminate immersion potential, and the replacement of an isolation valve between two zones with an above-grade PRV station. All designs were completed in accordance with CDPH requirements. Specific services provided by Eric included design and preparation of the final construction documents and engineering services during construction.

Bill Slenter, PE

Principal-in-Charge

HydroScience

Bill is a civil engineer with 34 years of experience. His areas of expertise include permitting, funding, planning, design, and construction support of wastewater, water, and recycled water systems. A principal with HydroScience, he has served as principal, project manager and project engineer on a wide range of water-related projects.

EDUCATION
B.S., Civil Engineering, San Francisco State University

REGISTRATION
Civil Engineer, California, Registration No. 57640

AFFILIATIONS
California Water Environment Association (CWEA)

Central Valley Clean Water Association – Outreach Committee Chairperson

Former Chairperson, CWEA San Francisco Bay Section Communications Committee

CWEA Sacramento Area Section

SELECT PROJECT EXPERIENCE

Folsom Tower Tank Rehabilitation

City of Folsom, California

Principal-in-Charge. This project involves the rehabilitation and operational improvements of five potable water storage tanks in the City of Folsom, addressing compliance, safety, and functionality needs. Two tanks require upgrades to meet California Division of Drinking Water (DDW) standards. Challenges include a four-month design window and strict sequencing during low-demand winter months to maintain system operations. Improvements to the Tower Tank include structural modifications (vent, rafters, bracing), a staircase replacing the ladder, safety upgrades, a THM reduction mixer, and electrical, SCADA, and utility enhancements, along with antenna relocation, drainage, sampling, coatings, and a cathodic protection system. East Tank #2 upgrades focus on overflow, drain, and vent modifications, exterior coating repairs, and drainage adjustments to meet DDW compliance. Foothills Tanks (1 & 2) improvements include staircases, a catwalk bridge, safety anchors, THM mixers, access upgrades, monitoring cabinets, and SCADA and electrical updates, along with coatings and a prefabricated canopy. The South Tank upgrades involve overflow, drain, and vent modifications, exterior repairs, and drainage improvements, ensuring compliance and operational efficiency.

Ashland Water Pipeline Rehabilitation Project II

City of Folsom, California

Principal-in-Charge. This project consisted of improvements to allow for abandonment of an existing water main by extending 6 existing branch mains, replacing 22 water services and replacing 3 fire hydrant service and connection the new and extended services to an existing parallel active 14-inch water main located along Baldwin Dam Road. The project also included slurry seal of the entire roadway, evaluation of the benefits for providing a new PRV station, and demolition of an existing vacant pump station. Once completed the existing transmission line provided fully isolated section of main between all branch tie-ins. HydroScience incorporated many measures in design to minimize disruption to customers, including hot tap sleeves for connecting new service to the active ACP and steel pipeline. Outage maps were provided to the Contractor as an attachment to the specifications for each of the planned outages. These maps showed exactly which customers and fire hydrants would be affected by the outage to help the contractor coordinate the notification process during construction.

Water Treatment and Storage Facility

Lytton Rancheria, Sonoma County, California

Principal-in-Charge and QA/QC. HydroScience is providing design engineering and engineering support of construction for new groundwater wells, groundwater treatment, treated water storage, and booster pumping facility to serve the Lytton Rancheria Project, a tribal residential development located near Windsor, CA. HydroScience's role is design engineer-of-record as part of a design/build project team. The facility will produce an average day flow of approximately 120K gpd at buildout. New wells will deliver raw water to a water treatment system to reduce concentrations of arsenic and manganese in the groundwater to below primary maximum contaminant levels. The treatment process will include pH adjustment, oxidation, coagulation/filtration, post-filtration adsorption, and backwash thickening. Dosing of sodium hypochlorite followed by storage in on-site welded steel storage tanks will follow. A booster pump station consisting of banks of low and high flow pumps followed by a hydropneumatic tank will deliver water

to the distribution system for residential demands and fire flows. The treatment and pumping equipment will be housed in a new CMU building, which will also contain an operations office, lab, power distribution, and control systems. The design phase has been completed and HydroScience will provide construction phase support including review of RFIs and submittals, field visits, and commissioning support.

Red Hawk Wastewater and Recycled Water Improvements

Shingle Springs Rancheria, El Dorado County, California

Project Manager. HydroScience designed a new membrane bioreactor (MBR) wastewater treatment plant, recycled water pumping, and effluent disposal systems for Red Hawk Casino. These facilities were commissioned in 2009. Red Hawk retained HydroScience in 2020 to evaluate and design upgrades to support expansion of the resort with a new hotel and entertainment facilities. Upgrades included two new 3.0 million gallon welded steel tanks, a new recycled water booster pump station with two VFD-driven 75-hp vertical turbine pumps, upgrade of existing chlorine contact basin effluent pumps, improvements to the existing sewer lift station, and a new coarse screening facility. The project is currently in the later stages of construction. The project was implemented as a collaborative delivery (progressive design-build) arrangement and involved significant coordination with the facility operator.

Folsom Ashland PRV

City of Folsom, California

Principal-in-Charge. HydroScience designed improvements and modifications to three existing Pressure Reducing Valve (PRV) stations on the City's water distribution system. Tasks included the removal and retirement of one PRV station, the relocation of one PRV station to a separate system, the reconfiguration of hydrants as blowoffs for system flushing, raising the PRVs above grade to eliminate immersion potential, and the replacement of an isolation valve between two zones with an above-grade PRV station. All designs were completed in accordance with CDPH requirements.

Folsom Plan Area PRV

City of Folsom, California

Principal-in-Charge. The PRV Stations project is part of the initial infrastructure phase to provide potable water distribution system pressure and flow regulation for the Folsom Plan Area (FPA). HydroScience provided preliminary design, final design, and engineering services during bidding and construction for four pressure reducing valve stations (PRV stations), utility and agency coordination, and pipe stub-outs for connection by others to the FPA water supply system. The PRV stations design includes a magnetic flowmeter; and above-ground valve manifolds in insulated enclosures with a separate PRV sized for domestic and fire use.

Ashland Water Pipeline Rehabilitation Project I

City of Folsom, California

Principal-in-Charge. This project rehabilitates 1,500 linear feet of an existing 20 and 21-inch water transmission pipeline with ductile iron and fusion bonded epoxy steel pipe using open-cut construction and trenchless rehabilitation technologies of the existing pipeline. SCADA was added to an existing PRV station, and miscellaneous replacements of failed valves. The project required coordination with USBR to obtain a temporary construction easement for rehabilitation of the pipeline within USBR property.

Hinkle Creek Pipeline Rehabilitation

City of Folsom, California

Principal-in-Charge. HydroScience was retained to provide construction management, inspection, and engineering expertise for the rehabilitation of 5,200 LF of 6- to 10-inches vitrified clay gravity sewer main utilizing Cured-In-Place-Pipe (CIPP) trenchless pipeline rehabilitation technology. The work was conducted in a sensitive corridor adjacent to Hinkle Creek and the backyards of homes. Bypass pumping during sewer lining was carefully managed to prevent spills and maintain continuous service. The project also included repair of 25 manholes, installation of six flow level monitoring systems that included SCADA integration, and a complete creek bypass. HydroScience conducted a peer review of the CIPP technical specifications prior to contract bidding, and quickly respond to issues that arose throughout construction.

Willow Hill Pipeline Rehabilitation

City of Folsom, California

Principal-in-Charge for HydroScience. This project included assessment, preliminary design, final design, construction engineering, construction management, and inspection services for rehabilitation of a 20,585 LF existing raw water main (30- to 48-inches diameter RCP) and potential conversion of that main to future potable water pressure service. The project included both rehabilitation and realignment segments. The preliminary design included preparation of technical memoranda (TMs) for predesign criteria development and hydraulics, condition assessment, rehabilitation technology/methods and rehabilitation/alignment assessments. Final design included realignment using HDPE and fusible PVC pipe as well as HDPE sliplining. Construction management and inspection services included daily field presence at the worksite, written and photographic documentation, pay request and change order processing, issue resolution, inspection, City coordination, and property owner coordination.

Austin Poulson

Project Engineer

HydroScience

Austin has 11 years of engineering design experience, including the design of wastewater and water treatment systems, sewer lift stations, sewer and water pipelines, booster pump stations, water storage tanks, site drainage, grading and paving, and fire protection systems. He has also served as a construction manager on fire protection projects. Austin's capabilities include site civil design in AutoCAD Civil3D and encompasses grading, paving, drainage, and design of retention basins.

EDUCATION

B.S., Civil Engineering, California State University, Sacramento

SELECT PROJECT EXPERIENCE

Folsom Tower Tank Rehabilitation

City of Folsom, California

Project Engineer. This project involves the rehabilitation and operational improvements of five potable water storage tanks in the City of Folsom, addressing compliance, safety, and functionality needs. Two tanks require upgrades to meet California Division of Drinking Water (DDW) standards. Challenges include a four-month design window and strict sequencing during low-demand winter months to maintain system operations. Improvements to the Tower Tank include structural modifications (vent, rafters, bracing), a staircase replacing the ladder, safety upgrades, a THM reduction mixer, and electrical, SCADA, and utility enhancements, along with antenna relocation, drainage, sampling, coatings, and a cathodic protection system. East Tank #2 upgrades focus on overflow, drain, and vent modifications, exterior coating repairs, and drainage adjustments to meet DDW compliance. Foothills Tanks (1 & 2) improvements include staircases, a catwalk bridge, safety anchors, THM mixers, access upgrades, monitoring cabinets, and SCADA and electrical updates, along with coatings and a prefabricated canopy. The South Tank upgrades involve overflow, drain, and vent modifications, exterior repairs, and drainage improvements, ensuring compliance and operational efficiency.

Folsom Zone 3 and Zone 4 Potable Water Storage Tanks – Conceptual Design and Zone 3 Phase 1 Final Design

City of Folsom, California

Project Engineer. Both the Zone 3 and Zone 4 storage tanks will be located within the newly developed Folsom Plan Area (FPA). The Zone 3 distribution system will be served at buildout by two tanks, each partially buried AWWA D110 prestressed concrete tanks with an operating volume of 3 million gallons (MG). The Zone 4 tank will be an above grade AWWA D110 prestressed concrete tank with an operating volume of 2 MG. The Zone 3 tanks will receive water from the FPA/FSAG transmission pipeline and may also feed the Zone 4 tank. The Conceptual Design phase evaluated each zone's tank and site layouts within City-owned parcels and established preliminary design criteria. Both Zone 3 and 4 conceptual design information were presented to the developers, City, and stakeholders through separate PowerPoint presentations. These presentations and meeting minutes established the basis of design for each zone's tank final design. For Zone 3, the first tank will be installed during Phase 1. When demand increases, the second Zone 3 tank will be constructed. HydroScience completed the Z3 tank final design, which will include provisions for the future installation of the second tank. Design of the Z4 tank is in progress.

Bickford Ranch Off-Site Water Infrastructure

Bickford Ranch, Placer County, CA

Design Support. HydroScience prepared a potable water hydraulic model to serve this 1,928 acre development in Placer County. The design includes development of a new greenfield tank and pump site adjacent to the Catta Verdera neighborhood in Lincoln, CA. New water facilities include one 1.4 MG tank to mitigate impacts of peak hour deliveries from Placer County Water Agency (PCWA) and provide operational storage, a 7.5 mgd booster pump station with canned vertical turbine pumps, 10,000 gallon hydropneumatic tank

for pressure control, CMU pump station building, 4,000 LF of 18-inch transmission main pipeline, and 4,000 LF extension of PCWA's 60-inch Ophir transmission pipeline. HydroScience also designed the development's 18-inch off-site sewer trunk. Portions of the sewer alignment parallels Hwy 193 and is within Caltrans right-of-way. As part of the Caltrans Encroachment Permit process, Placer County is obtaining a cooperative agreement with Caltrans because of this complex project.

Water Treatment and Storage Facility

Lytton Rancheria, Sonoma County, California

Project Engineer. HydroScience is providing design engineering and engineering support of construction for new groundwater wells, groundwater treatment, treated water storage, and booster pumping facility to serve the Lytton Rancheria Project, a tribal residential development located near Windsor, CA. HydroScience's role is design engineer-of-record as part of a design/build project team. The facility will produce an average day flow of approximately 120K gpd at buildout. New wells will deliver raw water to a water treatment system to reduce concentrations of arsenic and manganese in the groundwater to below primary maximum contaminant levels. The treatment process will include pH adjustment, oxidation, coagulation/filtration, post-filtration adsorption, and backwash thickening. Dosing of sodium hypochlorite followed by storage in on-site welded steel storage tanks will follow. A booster pump station consisting of banks of low and high flow pumps followed by a hydropneumatic tank will deliver water to the distribution system for residential demands and fire flows. The treatment and pumping equipment will be housed in a new CMU building, which will also contain an operations office, lab, power distribution, and control systems. The design phase has been completed and HydroScience will provide construction phase support including review of RFIs and submittals, field visits, and commissioning support.

Red Hawk Wastewater and Recycled Water Improvements

Shingle Springs Rancheria, El Dorado County, California

Support Engineer. HydroScience designed a new membrane bioreactor (MBR) wastewater treatment plant, recycled water pumping, and effluent disposal systems for Red Hawk Casino. These facilities were commissioned in 2009. Red Hawk retained HydroScience in 2020 to evaluate and design upgrades to support expansion of the resort with a new hotel and entertainment facilities. Upgrades included two new 3.0 million gallon welded steel tanks, a new recycled water booster pump station with two VFD-driven 75-hp vertical turbine pumps, upgrade of existing chlorine contact basin effluent pumps, improvements to the existing sewer lift station, and a new coarse screening facility. The project is currently in the later stages of construction. The project was implemented as a collaborative delivery (progressive design-build) arrangement and involved significant coordination with the facility operator.

Placer Vineyards Sewer Lift Station #2

Placer County, California

Project Engineer. HydroScience was retained to provide design for a sewer lift station in support of the Placer Vineyards development. HydroScience prepared a Basis of Design Report to recommend upgrades and construction phasing for the improvements. Design included a 40-feet deep cast in place concrete wet well with 1,232 gpm submersible pumps, a 600,000 gallon emergency overflow storage facility using 10-ft diameter reinforced concrete pipe upstream wastewater, MCC/ Chemical Building, control provisions, electrical and controls, and standby power generator. A 32,000 cubic yard excavation will be required for the wet well and emergency storage with provisions in the contract document for off haul of 10,000 cubic yards of soil. Austin's duties include design of lift station, site grading, site piping and equipment, chemical storage building, and overflow storage tanks.

Cordova Hills Special Planning Area Sewer Pump Station

Rancho Cordova, California

Project Engineer. HydroScience is planning and designing the sewer pump station that will serve the Cordova Hills Special Planning Area, a 2,400+ acre planned development located east of Grant Line Road and south of Douglas Road. HydroScience is working with Cordova Hill's engineer and SacSewer's Development Services Group to design the required sewer facilities that must meet the initial through buildout sewer flow demands. At buildout, this pump station will serve 11,718 equivalent single family dwelling units. The design includes a new sewer pump station with dual wet wells and parallel 14-inch and 20-inch force mains to allow flexibility in phasing of the pumping capacity to meet the phasing of the Cordova Hills development. Austin's duties include design of lift station, site grading, site piping, electrical building, and overflow storage tanks.

Thinh Le, PE

Lead Electrical Engineer

HydroScience

Thinh Le has 23 years of experience serving as Project Manager, Lead E&IC Engineer on a variety of water, wastewater, and recycled water projects. He has knowledge of ISA, IEEE, NEC, NFPA, and codes applicable to electrical and I&C system design and construction. He has worked in both electrical and I&C roles on design and construction management projects and has an extensive working knowledge of electrical project development from analysis, SCADA systems, network & communication security, industrial automation controls, emergency and standby power, and electrical power systems including low and medium voltage electrical systems.

EDUCATION

M.S., Electrical Engineering, California State University, Sacramento

B.S., Electrical Engineering, California State University, Sacramento

REGISTRATION

Electrical Engineer, California, Registration No. E18362

SELECT PROJECT EXPERIENCE

Folsom Tower Tank Rehabilitation

City of Folsom, California

Electrical Engineer. This project involves the rehabilitation and operational improvements of five potable water storage tanks in the City of Folsom, addressing compliance, safety, and functionality needs. Two tanks require upgrades to meet California Division of Drinking Water (DDW) standards. Challenges include a four-month design window and strict sequencing during low-demand winter months to maintain system operations. Improvements to the Tower Tank include structural modifications (vent, rafters, bracing), a staircase replacing the ladder, safety upgrades, a THM reduction mixer, and electrical, SCADA, and utility enhancements, along with antenna relocation, drainage, sampling, coatings, and a cathodic protection system. East Tank #2 upgrades focus on overflow, drain, and vent modifications, exterior coating repairs, and drainage adjustments to meet DDW compliance. Foothills Tanks (1 & 2) improvements include staircases, a catwalk bridge, safety anchors, THM mixers, access upgrades, monitoring cabinets, and SCADA and electrical updates, along with coatings and a prefabricated canopy. The South Tank upgrades involve overflow, drain, and vent modifications, exterior repairs, and drainage improvements, ensuring compliance and operational efficiency.

Bickford Ranch Water Infrastructure Phasing

Placer County, California

Electrical Engineer. HydroScience prepared a potable water hydraulic model to serve this 1,928 acre development in Placer County. The design includes development of a new green-field tank and pump site adjacent to the Catta Verdera neighborhood in Lincoln, CA. New water facilities include one 1.4 MG tank to mitigate impacts of peak hour deliveries from Placer County Water Agency (PCWA) and provide operational storage, a 7.5 mgd booster pump station with canned vertical turbine pumps, 10,000 gallon hydropneumatic tank for pressure control, CMU pump station building, 4,000 LF of 18-inch transmission main pipeline, and 4,000 LF extension of PCWA's 60-inch Ophir transmission pipeline. HydroScience also designed the development's 18-inch off-site sewer trunk. Portions of the sewer alignment parallels Hwy 193 and is within Caltrans right-of-way. As part of the Caltrans Encroachment Permit process, Placer County is obtaining a cooperative agreement with Caltrans because of this complex project.

Water Treatment and Storage Facility

Lytton, Sonoma County, California

E&C. HydroScience is providing design engineering and engineering support of construction for new groundwater wells, groundwater treatment, treated water storage, and booster pumping facility to serve the Lytton Rancheria Project, a tribal residential development located near Windsor, CA. HydroScience's role is design engineer-of-record as part of a design/build project team. The facility will produce an average day flow of approximately 120K gpd at buildout. New wells will deliver raw water to a water treatment system to reduce concentrations of arsenic and manganese in the groundwater to below primary maximum contaminant levels. The treatment process will include pH adjustment, oxidation, coagulation/filtration,

post-filtration adsorption, and backwash thickening. Dosing of sodium hypochlorite followed by storage in on-site welded steel storage tanks will follow. A booster pump station consisting of banks of low and high flow pumps followed by a hydropneumatic tank will deliver water to the distribution system for residential demands and fire flows. The treatment and pumping equipment will be housed in a new CMU building, which will also contain an operations office, lab, power distribution, and control systems. The design phase has been completed and HydroScience will provide construction phase support including review of RFIs and submittals, field visits, and commissioning support.

Pump Station 15 Improvements

City of Santa Rosa, CA

Project Manager. HydroScience designed and prepared bid plans and specifications for the improvement of City of Santa Rosa's Pump Station 15. This project included, recoating the hydropneumatic tank (inside and out), new 4-inch Flow Switch, new magnetic flow meters, and the replacement of the existing Automatic Transfer Switch, natural gas generator, fire pump starter, PLC, operator terminal, and pressure transmitters. The pump station is the only supply of pressure for the City's R15 pressure zone, therefore the pump station continued to operate during construction to supply water to the zone. HydroScience developed a construction constraints and sequencing plan and vetted this with City staff. This plan was then reflected in the bid documents and includes construction phasing, shutdown and bypass prerequisites, and temporary construction provisions to maintain facility operations.

Buena Vue Casino Water and Wastewater Facilities

Buena Vue Rancheria, Amador County, California

Electrical Engineer. HydroScience is providing detailed design services for a 100,000 gpd MBR that will provide tertiary treatment to serve the casino and produce Title-22 compliant effluent for discharge in accordance with an NPDES permit and onsite irrigation reuse. The flat-plate MBR system includes influent pumps, fine screens, nitrification/denitrification and emergency storage. The facility includes an ultraviolet disinfection and a solids handling system. Water treatment will be designed for groundwater from onsite wells and water will be stored in a 1.25 MG water storage tank. Our scope includes design of power distribution, an emergency generator, and controls. The project will be constructed via the design-build project delivery method.

Wolfe-Evelyn Water Plant Reconstruction

City of Sunnyvale, Santa Clara County, California

Electrical Engineer. HydroScience provided planning, design and construction services for the City of Sunnyvale at the Wolfe-Evelyn Water Plant to replace four existing and aged pumps with new VFD controlled pumps with a capacity of approximately 7.9 MGD. The design allows the plant to safely remain on-line while the new electrical system is installed and each existing pump is replaced and tested in succession. The entire outdated electrical system was removed and updated with arc-clash compliant motor control centers. Other site upgrades include site paving around the existing pump building, grading and access road improvements around the storage tank, a vehicle tire wash down station, and seismic upgrades to the existing pump building. HydroScience prepared the CEQA documentation for Categorical Exemption for the City, as well as assist in the preparation and acquisition of any other required permitting or documentation.

Recycled Water Project Implementation

City of Hayward, Alameda County, California

Electrical Engineer. HydroScience has been working with the City of Hayward to implement multiple portions of their new recycled water project. HydroScience is providing Engineering Review Services for the design of 10 miles of recycled water distribution system, the new recycled water storage tank and recycled water pump station. HydroScience helped the City optimize the recycled water pipeline, fix significant issues with the 75% design drawings, and ensure that the PS&E contained the information required to result in a constructible project. HydroScience is the engineer-of-record for the design of all 35 of the recycled water retrofit designs to be connected to the new recycled water distribution system.

Regional Wastewater Control Facilities

Stockton, San Joaquin County, California

Lead EI&C. HydroScience played a lead role on the rehabilitation of the primary clarifiers and sludge and scum pumping systems as part of this Progressive Design-Build project. The existing clarifiers consisted of three discrete banks constructed at different times (as far back as the 1940s) and configured differently. Two of the clarifiers were "squircular" (circular mechanisms in square tanks) while the remaining ones are rectangular. HydroScience performed a mechanical condition assessment, utilized a facility mass balance to determine anticipated future sludge removal rates and flows for pumping, developed proposed rehabilitation approaches for the clarifiers, worked with the contractor to refine construction approach and develop cost estimates for the improvements, and presented our findings in a workshop to City staff. HydroScience helped develop the process control narratives and finalized the construction plans and specifications and provided review of construction submittals. The updated clarifiers now have a total capacity of 80 MGD.

Brad Friederichs, SE

Structural Engineer

VE Solutions

Brad has over 40 years of experience as a structural engineer for wastewater, water treatment, commercial, industrial, agricultural, retail and residential structures. His expertise is in cast-in-place concrete, prestressed concrete, steel, wood and masonry construction. His specialty is in producing completely detailed, contractor friendly, value-oriented construction documents resulting in projects that bid well with few change orders.

EDUCATION
B.S., Civil Engineering with honors, California State University, Sacramento

REGISTRATION
Structural Engineer, California, Registration No. S2780

AFFILIATIONS
Structural Engineers Association of Central California, president 1989-90

American Society of Civil Engineers

American Concrete Institute

American Institute of Steel Construction

PROJECTS AS SUBCONSULTANT TO HYDROSCIENCE

WTP On-Site Residuals Management

San Juan Water District, California

Structural Engineer. HydroScience evaluated the District's WTP on-site residuals handling practices with respect to current and future regulations. Evaluations included quantifying the solids produced and determining the solids drying area required under current and buildout conditions. Based on the preliminary evaluations, HydroScience proposed improvements to the solids drying area to better retain solids and capture rain runoff. The recommended improvements include provisions to return runoff into the WTP process stream. HydroScience prepared a Technical Memorandum that summarized the evaluation results and preliminary design parameters for a solids retention bed (for additional drying) and for a sump and pump to collect surface runoff from the solids retention bed.

El Macero Sewer Lift Station and Force Main Re-Design

City of Davis, California

Structural Engineer. HydroScience is helping the City of Davis replace the aging Sewer Lift Station No. 1 (SLS #1), originally built in 1975, due to significant maintenance, safety, and reliability issues. Located in the El Macero community, the new SLS #1 will be constructed on an adjacent City-acquired property and will include submersible pumps with VFDs, a wet well, odor control, bypass provisions, and connections to both interim (14-inch) and future (12-inch) force mains. It will be designed to meet current City standards and blend with the neighborhood. To support the new lift station, a new 12-inch sanitary sewer force main approximately 9,744 feet in length will be constructed in two phases, phase I will begin from SLS #1 up to the I-80 crossing and phase II includes crossing I-80 and UPRR to connect with the City's sewer collection system. HydroScience previously completed the 2015 Lift Station Assessment and 2017 Feasibility Study, which identified SLS #1 for major upgrades, and is now leading the design with a focus on minimizing construction impacts and improving O&M efficiency.

Eagle View Well Site Improvements

City of Morgan Hill

Structural Engineer. HydroScience is designing a new well for the City that will improve water supply redundancy and provide an additional source of drinking water to the City's Boy's Ranch pressure zone..The well design criteria include 800 GPM capacity at a depth of 370 feet bgs, 16-inch well casing and using vertical turbine pumps. The project includes Phase I for well development with drilling and testing, and Phase II for well equipping with site improvements, a climate-controlled building, chemical treatment, electrical equipment and other utilities. Phase I has been bid and design of Phase II is ongoing.

North Fork Mono Casino Water Treatment Plant, Well, Pump Station, and Storage Tank

North Fork Rancheria of Mono Indians, Madera, California

Structural Engineer. HydroScience served as engineer-of-record for the design-build project to design and construct new water supply and wastewater treatment facilities serving this casino. HydroScience also prepared the original water and wastewater feasibility study in 2008. The project included site grading, all wet/dry utilities, electrical, I&C, and SCADA, as well as operations space, restroom/shower facilities, and process laboratory, and an on-site diesel backup generator. Water facilities include two wells, a sodium hypochlorite system; a 1-million-gallon steel potable water storage tank, and a booster pumping station. Wastewater facilities include a pre-fabricated MBR WWTP producing disinfected

tertiary recycled water for reuse as within the Rancheria. The WWTP includes influent screening, equalization storage, sludge storage and dewatering, treatment, ultraviolet disinfection, and effluent pumping.

North Fork Mono Casino Water Treatment Plant, Well, Pump Station, and Storage Tank

North Fork Rancheria of Mono Indians, Madera, California

Structural Engineer. HydroScience served as engineer-of-record for the design-build project to design and construct new water supply and wastewater treatment facilities serving this property. HydroScience also prepared the original water and wastewater feasibility study in 2008. The project included site grading, all wet/dry utilities, electrical, I&C, and SCADA, as well as operations space, restroom/shower facilities, and process laboratory, and an on-site diesel backup generator. Water facilities include two wells, a sodium hypochlorite system; a 1-million-gallon steel potable water storage tank, and a booster pumping station. Wastewater facilities include a pre-fabricated MBR WWTP producing disinfected tertiary recycled water for reuse as within the Rancheria. The WWTP includes influent screening, equalization storage, sludge storage and dewatering, treatment, ultraviolet disinfection, and effluent pumping.

Florin Pump Station Ventilation Improvements

City of Sacramento, California

Structural Engineer. Florin Pump Station, a large below-ground water booster pump station, had excessive levels of carbon monoxide and methane gases. HydroScience worked closely with City engineering staff to develop a detailed project scope, evaluate ventilation improvement alternatives, and implement a ventilation improvements design to improve worker health and safety and comply with OSHA thresholds. Improvements include: modification of exhaust stack outlets to improve dispersion of gases, installation of a separate air supply and cooling for the control room, and supply and exhaust ducting and fan additions in the equipment room. HydroScience also designed electrical power and controls modifications to operate the new equipment.

Eagle View Well Site Improvements

City of Morgan Hill, California

Structural Engineer. HydroScience is designing a new production well for the City that will supply 800 gpm of drinking water while meeting primary and secondary water quality standards. The project will increase the water supply redundancy and provide additional source of water to the City's Boy's Ranch pressure zone. The well design criteria include 800 GPM capacity at a depth of 370 feet bgs, 16-inch well casing and using vertical turbine pumps. The project includes phase I for well development with drilling and testing, and phase II for well equipping with site improvements, a climate-controlled building, chemical treatment, electrical equipment and other utilities.

Manteca Well 29 TCP Treatment

City of Manteca, California

Structural Engineer. HydroScience designed a new wellhead treatment system to remove 1,2,3 -Trichloropropane (TCP) from the City of Manteca's Well 29, a 2,000 gpm well located in Yosemite Village Park. The new treatment system uses granular activated carbon (GAC) filters, which were successfully implemented by the HydroScience team for TCP removal on several other City wells. The DDW had a tight compliance deadline that required careful identification and management of critical path items from the outset and efficient execution of the preliminary and final designs. Challenges included minimizing aesthetic impacts to the park and residents, facilitating media changeouts and O&M, maximizing media life, completing CEQA documentation on a short timeline, and meeting the fast-track schedule.

CalPoly Water Reclamation Facility

San Luis Obispo, California

Structural Engineer. HydroScience is designing a 1 MGD membrane bioreactor reclamation facility to produce recycled water for on-site irrigation reuse. This facility will treat a portion of the campus wastewater that is currently discharged to the city treatment plant, facilitate beneficial reuse, and reduce campus reliance on potable water supplies. This project is being implemented through a unique progressive design-build model in partnership with a general contractor and the campus. The treatment system will utilize factory-assembled and tested stainless steel treatment biological and membrane filtration treatment units. It will also utilize a packaged sludge storage, aeration, and dewatering system utilizing screw presses. Recycled water will be stored in a new 85 acre-foot lined reservoir and distributed to irrigation uses around the campus.

Wastewater Treatment and Effluent Management Facilities

Lytton Rancheria, Sonoma County, California

Structural Engineer. As part of a design/build team, HydroScience completed design of wastewater and recycled water facilities serving a new tribal residential development in Sonoma County. The Lytton Rancheria project consists of construction of new homes, a community center, and a retreat center. HydroScience designed a complete Membrane Bioreactor (MBR) Wastewater Treatment Facility utilizing shop-fabricated treatment units to treat 250,000 gpd of peak dry weather flow. The design includes an administration building, UV disinfection, solids dewatering system using screw presses, effluent storage pond, and recycled water pump station. The design was developed through a

J.P. Davis, PE, CCM, QSP

Staff Title: Construction Management Business Sector Lead / Construction Manager IV

Office Location: Sacramento, CA

Years of Experience: 27

Years with West Yost: 11

Professional Registrations

- Professional Civil Engineer, California No. C66826
- Certified Construction Manager, Construction Management Certification Institute, ID No. 4505
- Qualified SWPPP Practitioner, Certificate No. 25223
- 10-Hour Cal OSHA Construction Safety Certification, January 2021

Education

- BS, Civil Engineering, University of California, Irvine

Certifications

- Confined Space Competent Person & Confined Space Entry and Non-Entry Rescue, April 2024
- First Aid and CPR/AED, American Heart Association, Certified December 2024
- Fall Protection, December 2025
- US Army Corps of Engineers Construction Quality Management for Contractors #784

Professional Affiliations

- American Public Works Association
- Construction Management Association of America
- American Society of Civil Engineers

J.P. has experience in civil engineering, construction management, and construction inspection for commercial, industrial, and capital improvement projects. His focus is on water/wastewater infrastructure projects, including pretreatment and filtration structures, pump stations, reservoirs, large diameter underground piping, and hydropneumatic surge tanks. His experience as a construction manager, resident engineer, and inspector includes constructability review, management of construction documentation, management of staff and subconsultants, contract and change order negotiations, budget and schedule review tracking and analysis, schedule of values and progress payment review, chairing of progress meetings and lead inspection, and project tracking, including written and photographic documentation of daily construction activities.

J.P. also has a strong background in geotechnical engineering and materials testing and inspection. His experience in these fields includes borehole soil logging and sampling; performance and oversight of laboratory soils and construction materials testing; preparation of geotechnical investigation/compaction reports; grading and AC paving observation/inspection; field in situ compaction testing; and special inspection. It also includes forensic destructive/nondestructive data compilation and analysis for geotechnical expert testimony in residential construction defect litigation. In addition to being a Certified Construction Manager (CCM), J.P. is a California licensed Professional Engineer and a Qualified SWPPP Practitioner (QSP).

EXPERIENCE

Tower Tank Rehabilitation Project, City of Folsom, CA: Project/Construction Manager for the $5 million Tower Tank Rehabilitation project to meet State of California Department of Drinking Water requirements, provide safer and more efficient maintenance access for City staff, and increase longevity of potable water utility assets. The project consists of rehab and modification of five (5) existing water storage tanks throughout the City. The project is located at four sites throughout the City including the (1) East Tank No. 2, (2) South Tank, (3) Foothills Tanks Nos. 1 & 2, and (4) Tower Tank sites. Key modifications and/or upgrades include but are not limited to: crow's nest installation; beams, bracing, and rafter replacement; interior roof plate seal welds; staircase, catwalk, and guardrail installation; tank overflow system modifications; tank cathodic protection improvements; tank mixer & power vent system installation; interior and exterior tank coatings; storm drain and drain piping installation; and electrical, instrumentation, and SCADA upgrades.

Reservoir No. 2 Rehabilitation Project, City of Folsom, CA: Construction Manager during rehabilitation of this $1.3 million project involving the City of Folsom's existing Reservoir Nos. 1 and 2 water tanks located at the Water Treatment Plant. Modifications consisted of rerouting the inlet and outlet piping, installing a cathodic protection system, stairs, and flexible connections, and recoating the interior of Reservoir No. 2 and exteriors of Reservoir Nos. 1 and 2. A key project challenge included tank outage constraints, limiting construction to the low-demand season between November and April. The project went over schedule due to several contributing factors, including insufficient and unqualified construction personnel, lack of management/supervision by the contractor, and unforeseen conditions that were not vetted out by the contractor during the early stages of the project. Due to the late completion of the project, liquidated damages were assessed, and J.P. successfully negotiated coating of two additional 2.5 MG tanks to offset the losses incurred by the City.

Cimarron, Nimbus, and Reservoir No. 2 Rehabilitation Project, City of Folsom, CA: Construction Manager for rehabilitation of the City of Folsom's existing Cimarron, Nimbus, and Reservoir No. 2 steel water tanks. The project consisted of multiple improvements, including rerouting the inlet piping above ground and installing a seismic flexible coupling, Tideflex mixing header, cathodic protection system, roof vent, and stairs, and recoating the exterior roof and all interior components of the Cimarron tank. Also included were roof vent replacements at the Nimbus and Reservoir 2 tanks. Key project challenges included strict site access requirements as the Cimarron Tank is located within the Prison Industry Authority (PIA) property and a tight construction completion schedule with multiple milestone completion dates. The 80 calendar day construction schedule with a liquidated damage penalty of $1,000 for each day beyond the completion date was enforced to impress upon the contractor the importance of getting the tanks back in service before increase in water demand. The project went over schedule due to several contributing factors, including insufficient and unqualified construction personnel, lack of management/supervision by the contractor, and several days in which no work was performed on controlling operations. J.P. saw the project through to successful completion while diligently documenting the project, successfully negotiating over $250,000 in liquidated damages to offset the losses incurred by the City.

Bickford Ranch Water Tank No. 1 and Pump Station No. 1, Placer County Water Agency (PCWA): Construction Manager. West Yost is providing construction management and inspection services on behalf of PCWA for this developer driven, $9 million project that includes water distribution, storage, and pumping equipment and facilities to serve the new Bickford Ranch housing development in unincorporated Placer County, California. The project consists of a new pumping station with four 200 hp and two 25 hp jockey vertical turbine pumps with VFDs, controls, valves and all other related mechanical and electrical components, site piping including pump suction and discharge, site water, irrigation and drainage, an approximately 1,650 sq. ft. pump station structure, backup generator, 10,000 gallon hydropneumatic tank and air compressors, a 1.4-MG welded steel water storage tank, approximately 4,500 feet of new 18 inch ductile iron distribution pipeline, approximately 1,800 feet of new 60 inch welded steel transmission pipeline, a new 24 foot wide paved access road to Pump Station No. 1 including a new concrete box culvert for crossing the Caperton Canal, and associated side work including grading, paving, landscaping, retaining walls, equipment pads structural foundations, and retention pond.

East Tank No. 1 Rehabilitation Project, City of Folsom, CA: Construction Manager during rehabilitation of this $3.1 million project involving the City's existing steel 3 MG East Tank Nos. 1 and 2, 4 MG Zone 4 Tank, 3 MG Zone 5 Tank, and 3 MG South Tank. Modifications consisted of recoating the interior of East Tank No. 1 and the exterior of all four tanks listed above, modifying tank piping and structural roof support systems, constructing two stairways, retrofitting or replacing various tank features, and installing a new cathodic protection system in East Reservoir, Tank No. 1.

Zones 4 and 5 Pump Station (PS) and Zone 6 PS/Zone 5 Tank, City of Folsom, CA: Lead Inspector for these two projects with a combined value of $10 million, constructed for supplying potable water to the new Folsom Plan Area (FPA) development south of Hwy 50. The Zones 4 and 5 PS project included construction of a new booster pump station with three 125 hp 1280-GPM vertical turbine pumps (VTP) and infrastructure for build out to the future Zone 4 Tank. The Zones 4 and 5 PS delivers water from the City's existing water system to a new 2.5 MG steel tank (Zone 5 Tank) and gets further distributed to the City's Zone 6 region with two 3,000-GPM fire flow and three 400-GPM VTP pumps to service the ongoing FPA developments.

Water System Rehabilitation Project #2, City of Folsom, CA: Construction Manager. This $1.4 million project covered the construction of numerous valves and connections to help improve the reliability and redundancy of the water system in the City and performing related, required work. There are 12 different locations which are in the public right of way and/or on private property. Project Size: Multiple locations requiring construction of valves and connections to new water system pipes.

JM Pike Park Stormwater to Sanitary Sewer Cross Connection Removal and Water Main, City of Modesto, CA:
Project/Construction Manager for the $30.6 million J.M. Pike Park project which aims to address peak wet weather flows in the north central portion of the City. It involves removal of nine (9) stormwater to sanitary sewer cross connections, installation of approximately 10,566 linear feet of new storm drain systems that will carry the runoff to an underground stormwater pre-treatment facility at J.M. Pike Park. To minimize disruption to the public and unnecessary replacement of asphalt paving, the Project also includes replacement of existing, deteriorating and undersized water mains in the same general areas where the new storm drain system will be installed. The new potable water line piping will consist of approximately 17,213 LF of 8-inch and 5,675 LF of 12-inch water mains, and associated appurtenances.

Jason C. Bergh, QSP

Staff Title: Resident Inspector (Prevailing Wage Group 2)

Office Location: Sacramento, CA

Years of Experience: 21

Years with West Yost: 3

Education

- MBA, Business Administration, Chapman University, Orange, CA
- Graduate Certificate, Organizational Leadership, Orange, CA
- BA, Organizational Leadership, Chapman University, Orange, CA
- AA, Cosumnes River College, Sacramento, CA

Certifications

- International Code Council (ICC) No. 8356420
  - Commercial Building Inspector
  - Commercial Mechanical Inspector
  - Commercial Plumbing Inspector
  - Reinforced Concrete
  - Prestressed Concrete
  - Soils Special Inspector
  - Spray-Applied Fireproofing Special Inspector
  - Structural Masonry Special Inspector
  - Structural Steel and Bolting Special Inspector
  - Structural Welding Special Inspector
  - Master of Special Inspection
  - American Concrete Institute (ACI)
  - Concrete Field-Testing Technician – Grade I
- 10-Hour Cal OSHA Construction Safety Certification, July 2022
- Troxler - Nuclear Moisture – Density Gauge
- CASQA - Qualified SWPPP Practitioner (QSP/CESWI)
- Radiation Safety Officer Training - (RSO) Certified
- California Department of Insurance – Licensed Producer
- California Department of Real Estate – Licensed Broker

Jason Bergh has extensive experience in construction observation, materials testing, and special inspections. He has managed materials testing for various projects, including private and large-scale residential housing, apartments, multi-story commercial buildings, recreational facilities, parking structures, and municipality infrastructure and improvements. As an International Code Council certified Master of Special Inspection, he provides quality control, monitoring, and inspection for reinforced concrete, masonry, structural steel, and fireproofing. Additionally, he has a strong background in soil identifications, mass grading, evaluation and testing of roadway subgrade, aggregate base, and asphalt placement. He is knowledgeable about the use of geotextiles and chemical treatments for mitigating unstable surfaces. Jason is a certified erosion, sediment, and stormwater inspector and a Qualified SWPPP Practitioner (QSP) in the state of California. His experience includes testing and monitoring of stormwater, providing recommendations, and implementing corrective measures to comply with local, state, and federal regulations.

EXPERIENCE

Tower Tank Rehabilitation Project, City of Folsom, CA: Resident Engineer/Inspector for the $5 million Tower Tank Rehabilitation project to meet State of California Department of Drinking Water requirements, provide safer and more efficient maintenance access for City staff, and increase longevity of potable water utility assets. The project consists of rehab and modification of five (5) existing water storage tanks throughout the City. The project is located at four sites throughout the City including the (1) East Tank No. 2, (2) South Tank, (3) Foothills Tanks Nos. 1 & 2, and (4) Tower Tank sites. Key modifications and/or upgrades include but are not limited to: crow's nest installation; beams, bracing, and rafter replacement; interior roof plate seal welds; staircase, catwalk, and guardrail installation; tank overflow system modifications; tank cathodic protection improvements; tank mixer & power vent system installation; interior and exterior tank coatings; storm drain and drain piping installation; and electrical, instrumentation, and SCADA upgrades.

Bickford Ranch Water Tank No. 1 and Pump Station No. 1, Placer County Water Agency (PCWA), CA: Resident Inspector. Providing inspection services on behalf of PCWA for this developer driven, $9 million project that includes water distribution, storage, and pumping equipment and facilities to serve the new Bickford Ranch housing development in Unincorporated Placer County, California. The project consists of a new pumping station with four 200 hp and two 25 hp jockey vertical turbine pumps with VFDs, controls, valves and all other related mechanical and electrical components, site piping including pump suction and discharge, site water, irrigation and drainage, an approximately 1,650 sq. ft. pump station structure, backup generator, 10,000 gallon hydropneumatic tank and air compressors, a 1.4-MG welded steel water storage tank, approximately 4,500 feet of new 18 inch ductile iron distribution pipeline, approximately 1,800 feet of new 60 inch welded steel transmission pipeline, a new 24 foot wide paved access road to Pump Station No. 1 including a new concrete box culvert for crossing the Caperton Canal, and associated side work including grading, paving, landscaping, retaining walls, equipment pads structural foundations, and retention pond.

Zones 4 and 5 Pump Station (PS) and Zone 6 PS/Zone 5 Tank, City of Folsom, CA: Special Inspector for these two projects with a combined value of $10 million, constructed for supplying potable water to the new Folsom Plan Area (FPA) development south of

Highway 50. The Zones 4 and 5 PS project included construction of a new booster pump station with three 125 hp 1280-gpm vertical turbine pumps (VTP) and infrastructure for build out to the future Zone 4 Tank. The Zones 4 and 5 PS delivers water from the City's existing water system to a new 2.5-MG steel tank (Zone 5 Tank) and gets further distributed to the City's Zone 6 region with two 3,000-gpm fire flow and three 400-gpm VTP pumps to service the ongoing FPA developments.

Owner's Representative Services, Well 80, Sacramento Suburban Water District, CA: Resident Inspector. West Yost is providing Construction Management and Inspection services as part of its Owners Representative's role beginning with the first of up to four new monitoring wells and four new groundwater wells and associated pumping and treatment facilities. The projects are being constructed under a progressive design build project delivery process. As the Owner's Representative West Yost is representing the district in the contracting and management of the progressive design build team.

Lagoon Valley Project, City of Vacaville, CA: Resident Inspector. West Yost is providing CM Services on several areas under this contract. Sewage Lift Station: 2.5 MGD lift station with cast-in-place concrete wet well, submersible chopper pumps, associated valving and piping, approximately 20 feet of dual 10 inch force main; one sanitary sewer manhole; 120 feet of VCP sanitary sewer; control building to house electrical and emergency generator equipment, variable frequency drives and power distribution equipment; foul air system; site work; landscaping; electrical and instrumentation work; and miscellaneous improvements for a complete and operational facility. Construction under this Contract involves modification of facilities at the existing operating wastewater collection system, which must continue to meet requirements of State and Federal regulating agencies. Lagoon Valley Water Storage Reservoir: Partially buried 2.54 MG circular prestressed concrete potable water storage reservoir, valve vault and access roadway. Reservoir is a 136-foot diameter, 27-foot-tall buried concrete tank with a separate buried 26-foot by 21-foot concrete valve vault and associated site work and piping. Water Booster Pump Station: Booster pumping station with four, 50 hp pumps in a CMU building, two (2) valve vaults, and access roadway. The work includes all site preparation; environmental and erosion control measures; excavation; subgrade preparation; concrete work; process piping; drainage piping; reservoir accessories; electrical power and instrumentation; leak testing; disinfection; backfilling; landscape restoration; irrigation; and fencing. Northern Utilities Offsite Improvements: Approximately 8,000 LF of 6 inches to 18 inches in diameter sewer and 23 precast concrete manholes; 5,500 LF of 12 inches to 18 inches in diameter waterline and associated valves, hydrants, blow offs and ARV's; and 435 LF of 15 inches to 48 inches in diameter storm drainpipe. This work will include pavement restoration and tie into existing infrastructure. These projects must be in compliance with NSF/ANSI 61 Standards.

Alder Creek Parkway Sewer Lift Station and Force Main, Mangini Improvement Company, Folsom, CA: As Inspector, Jason conducted testing during earthwork operations and installation of sewer improvements for a sanitary sewer lift station and force main. Special inspection services included epoxy placement and concrete observation and testing. (Completed under prior employment.)

Water Treatment Plant, Rancho Murietta Community Services District, Rancho Murietta, CA: Inspector for this project that included expansion and improvement of an existing water treatment plant. Observed mass grading and underground utility installation for the expansion and improvement of an existing wastewater treatment plant. Performed compaction testing as well as numerous special inspection tasks. (Completed under prior employment.)

Greenback Sewer and Lift Pump Station, City of Folsom, CA: Office/Resident Engineer for this project involving comprehensive construction management and inspection services for upgrades to Pump Station No. 3 (PS3) and sewer system modifications along Greenback to improve operational flexibility. Key components included piping and sanitary sewer manhole modifications, new flow control structures, and pipeline abandonment, as well as interior changes to manholes to redirect flow from PS3 to Pump Station No. 2 (PS2). Additional work included relocating city-owned sewer mains, reconnecting private sewer connections, and site improvements around PS3 such as drainage modifications, fencing, and new bypass pumping connections. The project also involved equipment upgrades at PS3 and PS2, abandonment of an existing force main, and procurement, startup, and testing of two new portable bypass pumps.

Harvest Water Program Central South Distribution Pipelines Project, Sacramento Regional County Sanitation District (Regional San), CA: Resident Engineer. West Yost is providing construction management and inspection services for the Harvest Water Program, $40M Central South Pipeline Project as a subconsultant to Psomas. West Yost's $2.1 million scope supports Regional San's $1.6 billion recycled water Harvest Water Program, which delivers highly treated tertiary water to agricultural users south of Sacramento. This project is for installation of large diameter recycled water pipelines forming the Central South conveyance backbone throughout the City of Elk Grove to farmers in the region. The work includes daily field oversight, documentation, schedule and cost monitoring, coordination with operations & maintenance staff, public outreach, and quality assurance to verify compliance with project specifications. The Harvest Water Program supports Regional San's broader goal of reusing up to 50,000 acre-feet of treated wastewater annually, reducing river discharges while improving groundwater sustainability and agricultural resilience. Date Completed: 12/2025 (est.)

Jesse Shah

Staff Title: Resident Inspector (Prevailing Wage - Group 2)

Office Location: Sacramento, CA

Years of Experience: 21

Years with West Yost: 6

Certifications

- International Code Council No. 5298462:
  - Structural Masonry Special Inspector (2025)
  - Structural Steel/Welding Inspector (2025)
  - Reinforced Concrete Special Inspector (2025)
- American Concrete Institute, Field Testing Technician, Grade I
- American Portable Nuclear Gauge Association, Nuclear Gauge Training Certification
- California Department of Transportation, Materials Engineering and Testing Services, California Test Methods: 125, 127, 216, 231, 375, 504, 518, 533, 539, 540, 556, 557
- Confined Space Competent Person & Confined Space Entry and Non-Entry Rescue, June 2021
- First Aid and CPR/AED, American Heart Association, Certified August 2020
- 10-Hour Cal OSHA Construction Safety Certification, January 2021
- Fall Protection, November 2021

Jesse is experienced in the construction and steel fabrication industry. He has performed special inspection and testing services on a variety of building and infrastructure projects, including wastewater treatment plants, hospitals, schools, commercial buildings, and highway projects in accordance with Caltrans, AASHTO, federal, and local quality assurance/quality control test methods. Jesse's experience includes soils, reinforced concrete, masonry, and structural steel inspection and testing.

EXPERIENCE

Tower Tank Rehabilitation Project, City of Folsom, CA: Construction inspector for the $5 million Tower Tank Rehabilitation project to meet State of California Department of Drinking Water requirements, provide safer and more efficient maintenance access for City staff, and increase longevity of potable water utility assets. The project consists of rehab and modification of five (5) existing water storage tanks throughout the City. The project is located at four sites throughout the City including the (1) East Tank No. 2, (2) South Tank, (3) Foothills Tanks Nos. 1 & 2, and (4) Tower Tank sites. Key modifications and/or upgrades include but are not limited to: crow's nest installation; beams, bracing, and rafter replacement; interior roof plate seal welds; staircase, catwalk, and guardrail installation; tank overflow system modifications; tank cathodic protection improvements; tank mixer & power vent system installation; interior and exterior tank coatings; storm drain and drain piping installation; and electrical, instrumentation, and SCADA upgrades.

Construction Management Services for the EchoWater Project Procurement 1, Sacramento Regional County Sanitation District (Regional San), Sacramento, CA: Construction Inspector for the $33 million Site Preparation project as part of the $1.5 billion EchoWater Program. The project consisted of installing over six miles of various pipelines (reclaimed water, digested sludge, secondary effluent, potable and non-potable water, and storm drain) using HDPE, PVC, and RCP materials throughout the Plant site. The project also included approximately three miles of 12 kV and signal duct banks and manholes; replacement of signal wiring with fiber optic cabling; new plant access roads; security fencing; construction water well and access road; construction field office complex with wireless communication system; and a new main construction entrance that included a six-lane entrance, security card readers, automatic security gates, and a manned remote security guard facility.

CM for Water Treatment Plant Pretreatment System Improvements Project, City of Folsom, CA: Resident Inspector. This $2.088 million project consists of modifications to the existing Actiflo and Basin 5 pretreatment systems to increase the City's treatment and distribution capacity. These upgrades will allow the City to meet the increased demand for the FPA development south of Hwy 50, as well as provide redundancy. General upgrades include the addition of tie downs over the lamellar settling tubes at Actiflo Trains 1 and 2 which will re rate each train from 20-MGD to 25-MGD, modifications to the raw water inlet piping into Sedimentation Basin 5, installation of a slide gate to prevent settled water from entering the basin from Actifo when the City performs its annual cleaning, modifications to existing baffle and weir walls within Basin 5 to accommodate change in hydraulics due to increase in flow, and installation of 32 plate settlers which will increase the pretreatment capacity in Basin 5 from 15-MGD to 25-MGD. The project was completed in 500 calendar days.

River Trunk Realignment – Gravity System, Modesto, CA: Construction Inspector. West Yost is providing inspection for this $22 million construction project that includes trenching, conduit, and pipe placement; backfill and compaction for approximately two miles of large diameter piping. This includes construction of concrete junction structures and requires a large public outreach effort and coordination with multiple stakeholders.

River Trunk Realignment – Shackleford Pump Station, City of Modesto, CA: Construction Inspector. West Yost is providing construction management and inspection for the $10 million construction of a 7 MGD sewage pump station, new pressure and gravity pipelines up to 36 inch diameter, and associated structures located in the City of Modesto and unincorporated Stanislaus County, CA. New facilities will include a sewage pump station with three submersible screw centrifugal pumps located in a belowground cast in place concrete structure; associated pump station valves and flow meter located in a cast in place belowground concrete structure; a pump station electrical building, outdoor generator, and monorail crane; force main pipelines that operate under pressure, including ductile iron and polyvinyl chloride pipe materials, installed on a pump station site and through Dryden Park Golf Course; and sanitary sewer pipelines that flow by gravity installed on pump station site, within public right of way and Golf Course. It will also include asphalt pavement replacement within public right of way and Golf Course; reinforced concrete junction structures and manholes along the new sanitary sewer pipeline alignments; a paved pump station site with retaining wall and fencing; a grinder pump station located on the Golf Course; and sod restoration for all disturbed area on the Golf Course.

Lagoon Valley Project, City of Vacaville, CA: Construction Inspector. West Yost is providing CM Services on several areas under this contract. Sewage Lift Station: 2.5 MGD lift station with cast-in-place concrete wet well, submersible chopper pumps, associated valving and piping, approximately 20 feet of dual 10 inch force main; one sanitary sewer manhole; 120 feet of VCP sanitary sewer; control building to house electrical and emergency generator equipment, variable frequency drives and power distribution equipment; foul air system; site work; landscaping; electrical and instrumentation work; and miscellaneous improvements for a complete and operational facility. Construction under this Contract involves modification of facilities at the existing operating wastewater collection system, which must continue to meet requirements of State and Federal regulating agencies. Lagoon Valley Water Storage Reservoir: Partially buried 2.54 MG circular prestressed concrete potable water storage reservoir, valve vault and access roadway. Reservoir is a 136-foot diameter, 27-foot-tall buried concrete tank with a separate buried 26-foot by 21-foot concrete valve vault and associated site work and piping. Water Booster Pump Station: Booster pumping station with four 50 hp pumps in a CMU building, two (2) valve vaults, and access roadway. The work includes all site preparation; environmental and erosion control measures; excavation; subgrade preparation; concrete work; process piping; drainage piping; reservoir accessories; electrical power and instrumentation; leak testing; disinfection; backfilling; landscape restoration; irrigation and fencing. Northern Utilities Offsite Improvements: Approximately 8,000 LF of 6 inches to 18-inch diameter sewer and 23 precast concrete manholes; 5,500 LF of 12- to-18-inch diameter waterline and associated valves, hydrants, blow offs and ARV's; and 435 LF of 15 inch to 48 inch diameter storm drain pipe. This work will include pavement restoration and tie into existing infrastructure. These projects must follow NSF/ANSI 61 Standards.

EchoWater Project Nitrifying Sidestream Treatment, Regional San, Sacramento, CA: Resident Inspector for a $45 million Nitrifying Sidestream Treatment project that involved construction of three Sequential Batch Reactor (SBR) rectangular concrete tanks that nitrify highly concentrated wastewater from the final solid storage basins using high-speed turbo air blowers and an automated decanter system. Supporting the process includes a fine screen facility, influent lift station, dedicated electrical building, and a dry lime storage and slurry feed facility that adjusts the alkalinity of the SBRs. In addition, a basin washdown pump station, and a stormwater pump station were constructed.

Headworks and Dryden Box and Influent Plume Improvements Project, City of Modesto, CA: Construction Inspector for the $18.6 million Headworks and Dryden Box Project at the City of Modesto's Primary Sutter Avenue treatment plant that is currently under construction by general contractor, C. Overaa & Co. The project involves constructing numerous buried junction structures tying into existing pipelines, installation of several hundred feet of large diameter fiberglass and RCP pipe, new process equipment, odor control improvements, and major electrical improvements that include replacing motor control centers and upgrading control systems with PLCs to improve remote automated control via the existing SCADA system. The work includes pumped bypasses, shutdowns, temporary systems, tie ins, and startups requiring manipulation of existing system valves and gates to test the new system in a loop prior to incorporation into the process with small windows of opportunity for testing and confirming reliability. The junction structures require control of groundwater and complicated shoring systems to construct the structures, and temporary bypasses to demolish existing piping within the new tie in structures, while minimizing impacts to the operation of the existing treatment plant processes. The project started in November 2018 and is scheduled to be completed on or before November 2020.

Main Pump Station Emissions Control Study, City of Milpitas, CA: Construction Inspector including special inspection services for an alternatives analysis of odor control technologies that could be implemented at the Main Pump Station to identify a technology best suited to reliably control all types of odorous emissions, fit within available space at the Main Pump Station site, and minimize life cycle costs. Odor emission control technologies assessed included biofiltration, activated carbon filtration, and liquid phase technologies (oxygen balance, chemical oxidation, precipitation, substitute oxygen sources, pH control, and biological control).

Amy Rangel

Staff Title: Construction Manager I

Office Location: Sacramento, CA

Years of Experience: 20

Years with West Yost: 8

Certifications

- Confined Space Competent Person & Confined Space Entry and Non-Entry Rescue, June 2021
- First Aid and CPR/AED, American Heart Association, Certified December 2023
- 10-Hour Cal OSHA Construction Safety Certification, January 2021

Amy is a construction project manager and administrator providing support for construction management and design of environmental and engineering projects focused on wastewater and potable water treatment facilities and associated infrastructure ranging from $4 million to $47 million in value. Amy has excellent organization, communication, and project management skills. Her experience includes document tracking and distribution using Procore, Ebuilder, CMIS, Primavera and MS Access databases. She is experienced in all phases of project administration and effectively manages all documentation between the Design Engineer, Contractor, and Project Owner. Her experience also includes managing daily operations for projects with multiple field locations, construction administration, and vendor coordination.

EXPERIENCE

Tower Tank Rehabilitation Project, City of Folsom, CA: Construction Administrator for the $5 million Tower Tank Rehabilitation project to meet State of California Department of Drinking Water requirements, provide safer and more efficient maintenance access for City staff, and increase longevity of potable water utility assets. The project consists of rehab and modification of five (5) existing water storage tanks throughout the City. The project is located at four sites throughout the City including the (1) East Tank No. 2, (2) South Tank, (3) Foothills Tanks Nos. 1 & 2, and (4) Tower Tank sites. Key modifications and/or upgrades include but are not limited to: crow's nest installation; beams, bracing, and rafter replacement; interior roof plate seal welds; staircase, catwalk, and guardrail installation; tank overflow system modifications; tank cathodic protection improvements; tank mixer & power vent system installation; interior and exterior tank coatings; storm drain and drain piping installation; and electrical, instrumentation, and SCADA upgrades.

Bickford Ranch Water Tank No. 1 and Pump Station No. 1, Placer County Water Agency (PCWA): Construction Administrator. West Yost is providing administration for construction management and inspection services on behalf of PCWA for this developer driven, $9 million project. The project includes water distribution, storage, and pumping equipment and facilities to serve the new Bickford Ranch housing development in Unincorporated Placer County, California. The project consists of a new pumping station with four 200 hp and two 25 hp jockey vertical turbine pumps with VFDs, controls, valves and all other related mechanical and electrical components, site piping including pump suction and discharge, site water, irrigation and drainage, an approximately 1,650 sq. ft. pump station structure, backup generator, 10,000 gallon hydropneumatic tank and air compressors, a 1.4 MG welded steel water storage tank, approximately 4,500 feet of new 18 inch ductile iron distribution pipeline, approximately 1,800 feet of new 60 inch welded steel transmission pipeline, a new 24 foot wide paved access road to Pump Station No. 1 including a new concrete box culvert for crossing the Caperton Canal, and associated side work including grading, paving, landscaping, retaining walls, equipment pads structural foundations, and retention pond.

Owner's Representative Services, Well 80, Sacramento Suburban Water District, CA: Construction Administrator. West Yost is providing Construction Management and Inspection services as part of its Owners Representative's role beginning with the first of up to four new monitoring wells and four new groundwater wells and associated pumping and treatment facilities. The projects are being constructed under a progressive design build project delivery process. As the Owner's Representative West Yost is representing the district in the contracting and management of the progressive design build team.

River Trunk Realignment – Gravity System, City of Modesto, CA: Construction Administrator for a $22 million construction project that includes trenching, conduit and pipe placement; backfill and compaction for approximately two miles of large diameter piping.

This includes construction of concrete junction structures and requires a large public outreach effort and coordination with multiple stakeholders. The project consists of installation of approximately 1.7 miles of new 42-inch to 60-inch diameter Fiberglass Reinforced Polymer Mortar Pipe (FRPMP) sanitary sewer pipeline, small diameter sewer collection pipelines, and smaller diameter potable water distribution pipelines, and construction of associated reinforced concrete junction structure and appurtenances at depths over 30 feet below existing ground surface. Key challenges to be addressed for successful completion of this project include extensive public outreach and traffic control as approximately ¾ of the alignment is routed along residential streets, deep excavation monitoring requiring engineered shoring and strict safety protocol adherence, vibration monitoring services due to proximity of the work to residences, permit tracking, and coordination with multiple stakeholders such as the Modesto Irrigation District (MID) and various private utility companies that will be impacted by the project. Primary administrator for the Construction Management Team, and was responsible for receiving, tracking, and distributing all submittals and RFIs via CMIS document management system, as well as, preparing and issuing all Contract Change Orders (using Ebuilder document management system) and field directives. Attended progress meeting and prepared detailed agendas and minutes as well as monthly status reports for the Owner.

River Trunk Realignment – Shackleford Pump Station, City of Modesto, CA: Construction Administrator for the $10 million construction of a 7-MGD sewage pump station, new pressure and gravity pipelines up to 36 inch diameter, and associated structures located in the City of Modesto and unincorporated Stanislaus County, CA. New facilities include a sewage pump station with three submersible screw centrifugal pumps located in a belowground cast in place concrete structure; associated pump station valves and flow meter located in a cast in place belowground concrete structure; a pump station electrical building, outdoor generator, and monorail crane; force main pipelines that operate under pressure, including ductile iron and polyvinyl chloride pipe materials, installed on a pump station site and through Dryden Park Golf Course; and sanitary sewer pipelines that flow by gravity installed on pump station site, within the public right of way and Golf Course. Responsible for submittal management (documenting, routing, tracking), RFI management, change order creation, and preparing various status reports. Attended weekly progress meetings, prepare and distributed meeting agendas and minutes.

Greenback Sewer and Lift Pump Station, City of Folsom, CA: Construction Administrator for this $2.5 million project that includes upgrades to Pump Station No. 3 (PS3) and sewer system modifications along Greenback to improve operational flexibility. Key components included piping and sanitary sewer manhole modifications, new flow control structures, and pipeline abandonment, as well as interior changes to manholes to redirect flow from PS3 to Pump Station No. 2 (PS2). Additional work included relocating city-owned sewer mains, reconnecting private sewer connections, and site improvements around PS3 such as drainage modifications, fencing, and new bypass pumping connections. Served as the primary administrator and coordinator using Procore Construction Management Software for all project related documents, such as submittals and RFIs. Responsible for tracking all potential changes and preparing and issuing change orders and field directives and assisted with processing monthly pay applications. Attended progress meeting and prepared detailed agendas and minutes.

Ashland Water Rehabilitation Project 1, City of Folsom, CA: Construction Administrator for this $2.3 million project consisting of the replacement of approximately 450 lineal feet (LF) of existing 20-inch ductile iron pipe (DIP) water main along Greenback Lane on the north and south sides of the Rainbow Bridge, relocation of existing and installation of new isolation valves, rehabilitation of existing blowoff and air release valves, and closed-circuit television (CCTV) inspection of the existing 21-inch and 18-inch water main on Greenback Lane to the intersection at Folsom-Auburn Boulevard, and northbound along Folsom-Auburn Boulevard to Hillswood Drive. Served as the primary administrator and coordinator using Procore Construction Management Software for all project related documents, such as submittals and RFIs. Responsible for tracking all potential changes and preparing and issuing change orders and field directives and assisted

Sanitation Lift Station SCADA Improvements, City of Garden Grove, CA: Construction Administrator for the Garden Grove Sanitation SCADA project consisting of a complete replacement of each control panel, modifications to existing power feeds, installation of new field instrumentation, and integration of signals from MCCs, ATSs, and the generator at each of the three lift station sites. Served as the primary administrator and coordinator using Procore Construction Management Software for all project related documents, such as submittals and RFIs. Responsible for tracking all potential changes and preparing and issuing change orders and field directives and assisted with processing monthly pay applications. Attended progress meeting and prepared detailed agendas and minutes.

Benjamin D. Crawford, PE, GE

Principal

Ben Crawford is the Founder and President of Crawford & Associates, Inc. He has managed complex projects including bridges, roadways, pavement rehabilitation, water and wastewater, parks, and trails. Ben leads the Crawford team in providing geotechnical construction observation and testing services. He oversees testing and inspection including soil backfill compaction testing; aggregate base compaction testing; asphalt concrete observation and testing; and concrete special inspection, sampling and testing.

EDUCATION

B.S. Civil Engineering, California Polytechnic State University, San Luis Obispo, 2002

REGISTRATIONS

Civil Engineer, CA #68457

Geotechnical Engineer, CA #2861

ORGANIZATIONS

- Geoprofessional Business Association
- American Public Works Association
- Modesto Engineers Club
- American Council of Engineering Companies
- County Engineers Association of California

EXPERIENCE

At Crawford: 11 years

Total: 21 years

AVAILABILITY

35%

REPRESENTATIVE PROJECTS

River Trunk Realignment: Beard Brook Siphon and Cannery Segregation, Modesto, CA

Principal Geotechnical Engineer. Prepared a Draft Geotechnical Study to upgrade and improve the River Trunk, Beard Brook Siphon, and Cannery Segregation Diversion Structures. Improvements include rehabilitation of the existing Sutter Trunk; replacement of the existing River Trunk with force main and gravity systems; installation of a pump station; replacement of the existing Beard Brook Siphon with a new gravity sewer beneath Dry Creek; reroute Shackelford Siphon to the new River Trunk gravity sewer; and utilization of the existing River Trunk facilities for future Cannery Segregation Line capacity needs. Design issues include deep excavation, dewatering, horizontal directional drilling, and liquefaction mitigation.

River Trunk Pipeline Rehabilitation at Gallo Winery, Modesto, CA

As Principal Geotechnical Engineer, Ben oversaw the preparation of a Geotechnical Report for the River Trunk Pipeline Rehabilitation project located within the Gallo Winery property in Modesto, CA. The City of Modesto recently experienced a failure along the River Trunk Pipeline within the Gallo property. The failure occurred near the roof of the pipe due to fatigue and was likely not caused by a lack of soil support. Through this area the River Trunk Pipeline consists of a 45 to 60 inch diameter reinforced concrete pipe (RCP) approximately 10 feet below existing grade. Improvements to the pipeline will include slip lining the existing pipeline. Crawford analyzed subsurface and surface conditions and completed laboratory testing to provide geotechnical considerations for grading; soil excavatability and stability; scarification and compaction; and fill placement and backfill.

Modesto River Trunk Pipeline Realignment & Pump Station Project, Modesto, CA

The overall project includes about 23,000 lineal feet of 15-60” diameter pipeline, new pump station with ancillary support structures, and various manhole and vault structures. Crawford performed Cone Penetrometer Tests and exploratory test borings and installed vibrating wire piezometers during drilling to monitor groundwater conditions. Prepared a Geotechnical Report with analysis of subsurface conditions and provided pipeline, trench sidewalls, backfill material, and compaction recommendations. Foundation recommendations for the pump station and ancillary structures include Mat Foundations and Strip or Spread footings. Key geotechnical considerations include the variability in soil strata throughout the alignment and the presence of loose/soft soils within the planned pipe zone, and groundwater presence within the required deep excavations for the pump station.

Materials Testing for NVRRWP Turlock Component, Turlock, CA

Principal-In-Charge. Oversaw staff providing grading observation and compaction testing as well as periodic concrete, bolt, and welding special inspection depending on material selection of the reservoir. Crawford staff were on-site to observe the placement of the rebar cages and concrete for CIDH piles. Reviewed daily field reports.

Materials Testing Industrial Tank No. 13 and Pump Station, Modesto, CA

Principal-In-Charge. Oversaw staff provide the required grading observation and compaction testing, and periodic concrete, masonry, steel, and welding special inspection. Crawford staff also performed laboratory testing on sampled materials, and prepared and provided daily field reports with findings, descriptions of the daily events, test results, and provided Geotechnical consulting services during construction.

BACC BAY AREA COATING CONSULTANTS INC.

Ed F. Darrimon
President/CEO

NACE No. 106

NACE Certified Level 3

(45 years of industry experience)

Professional Affiliations

Ed formed *B.A.C.C.* in 1987 and has 45 years of experience in the Coatings & Linings Field. Ed has completed thousands of projects in the past 45 years.

Ed administers the daily operations and provides high performance technical coating and lining specifications, failure analysis, surveys, and technical consulting in the water and wastewater industry.

Ed Darrimon started his career (1976) with East Bay Municipal Utility District for eleven years in the Engineering & Maintenance Departments as supervising coating specialist. Mr. Darrimon designed and developed the District's physical coating and lining testing lab for accelerated testing and the Districts Rehabilitation program of 170 reservoirs, water treatment plants, and two hydroelectric plants including penstocks.

ACCOMPLISHMENTS

STEEL STRUCTURES PAINTING COUNCIL: (S.S.P.C.)
* National Board of Directors from 1988-92 (Pittsburg PA). Re-elected in 1992-96 to serve second four-year term.
* National award 1989 for Outstanding Chairman award.
* Past President and Founder of the first S.S.P.C. chapter in the U.S.A and which has won the most chapter awards since 1986.
* Member of numerous committees, Education, Lead Removal, Urethane, Zinc, Epoxy, and Inspection.

NATIONAL ASSOCIATION OF CORROSION ENGINEERS: (N.A.C.E).
*Past Chairperson / Bay Area Section
NACE Certified Level III Inspector #106

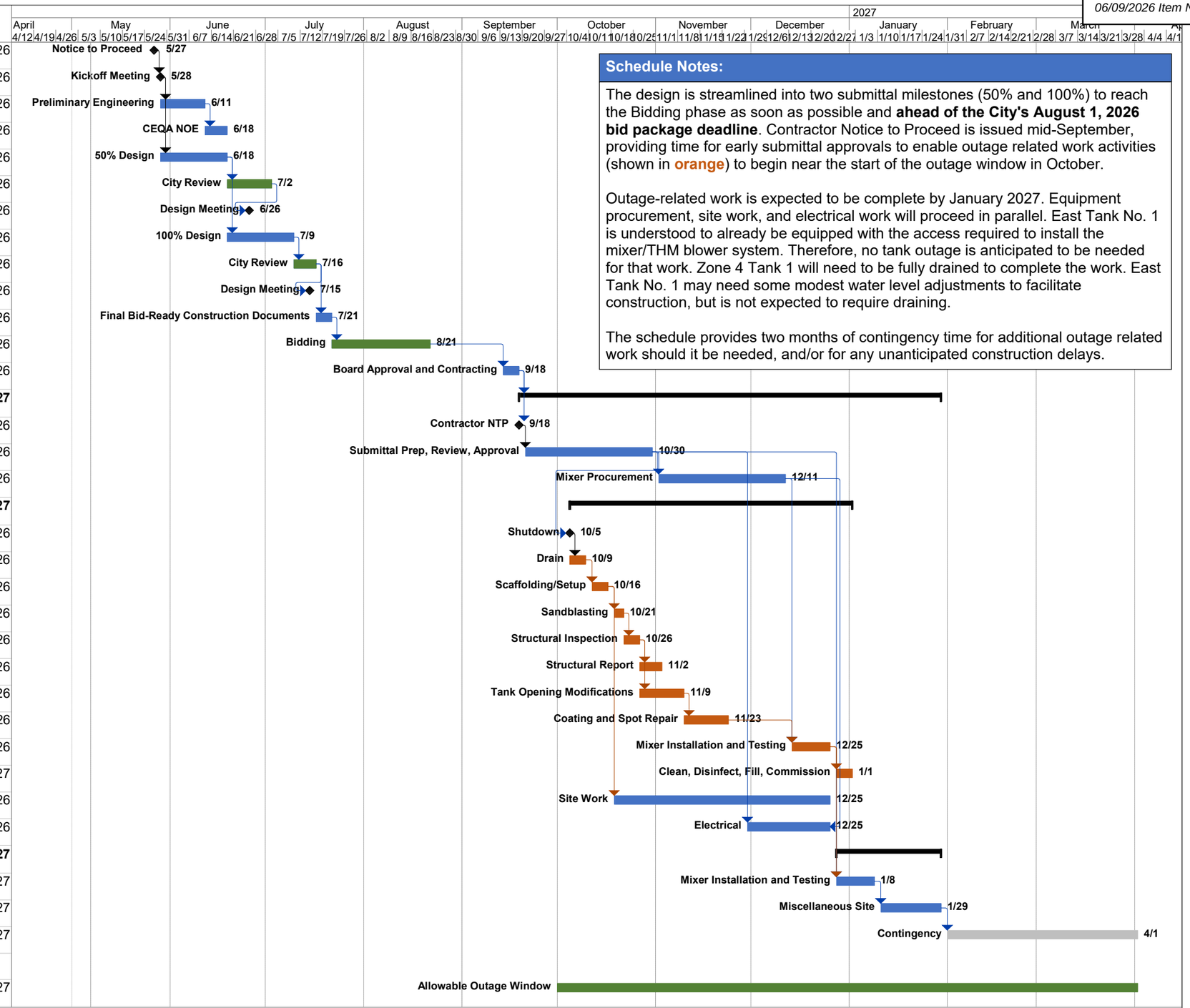
AMERICAN WATER WORKS ASSOCIATION: (A.W.W.A)
* Committee Member National D-100, 103, 104, 106, 108, & 102 Standards Committee approval (35+ Years -present) Life Member award 2020
* Cal/NV Corrosion Committee. * Cal/NV past Vice Chairman Maintenance Committee.

Mr. Darrimon has presented numerous talks to the following Organizations: A.W.W.A., N.A.C.E., & S.S.P.C. on the following topics: * Tank linings, 100% solids technology using epoxies and polyurethanes, Tank inspection, Specifications, Abrasive blasting, & Dehumidification use. Ed has published articles for the National Association of Corrosion Engineers on 100% solids usage, technology and performance. Published author in Material Performance on tank linings.

Past Projects:

- **Silicon Valley Water Authority**- Numerous projects over the past twenty years, including headworks, digesters, clarifiers, and contact basins.
- **SFPUC**-Southeast/Oceanside WWTP. Numerous projects over the past twenty years, including headworks, digesters, clarifiers, and contact basins.
- **Ora Loma WWTP**- Numerous projects over the twelve years, including headworks, digesters, clarifiers, and contact basins.
- **Delta Diablo WWTP** Numerous projects over the past eighteen years, including headworks, digesters, clarifiers, and contact basins.
- **Truckee Me onal WWTP** Numerous projects over the past twenty-five years, including headworks, digesters, clarifiers, and contact basins.

ID	Task Name	Duration	Start	Finish
1	Notice to Proceed	0 days	Wed 5/27/26	Wed 5/27/26
2	Kickoff Meeting	0 days	Thu 5/28/26	Thu 5/28/26
3	Preliminary Engineering	10 days	Fri 5/29/26	Thu 6/11/26
4	CEQA NOE	5 days	Fri 6/12/26	Thu 6/18/26
5	50% Design	15 days	Fri 5/29/26	Thu 6/18/26
6	City Review	10 days	Fri 6/19/26	Thu 7/2/26
7	Design Meeting	0 days	Fri 6/26/26	Fri 6/26/26
8	100% Design	15 days	Fri 6/19/26	Thu 7/9/26
9	City Review	5 days	Fri 7/10/26	Thu 7/16/26
10	Design Meeting	0 days	Wed 7/15/26	Wed 7/15/26
11	Final Bid-Ready Construction Documents	3 days	Fri 7/17/26	Tue 7/21/26
12	Bidding	23 days	Wed 7/22/26	Fri 8/21/26
13	Board Approval and Contracting	5 days	Mon 9/14/26	Fri 9/18/26
14	**Construction Phase**	**95 days**	**Fri 9/18/26**	**Fri 1/29/27**
15	Contractor NTP	0 days	Fri 9/18/26	Fri 9/18/26
16	Submittal Prep, Review, Approval	30 days	Mon 9/21/26	Fri 10/30/26
17	Mixer Procurement	30 days	Mon 11/2/26	Fri 12/11/26
18	**Zone 4 Tank 1**	**65 days**	**Mon 10/5/26**	**Fri 1/1/27**
19	Shutdown	0 days	Mon 10/5/26	Mon 10/5/26
20	Drain	5 days	Mon 10/5/26	Fri 10/9/26
21	Scaffolding/Setup	5 days	Mon 10/12/26	Fri 10/16/26
22	Sandblasting	3 days	Mon 10/19/26	Wed 10/21/26
23	Structural Inspection	3 days	Thu 10/22/26	Mon 10/26/26
24	Structural Report	5 days	Tue 10/27/26	Mon 11/2/26
25	Tank Opening Modifications	10 days	Tue 10/27/26	Mon 11/9/26
26	Coating and Spot Repair	10 days	Tue 11/10/26	Mon 11/23/26
27	Mixer Installation and Testing	10 days	Mon 12/14/26	Fri 12/25/26
28	Clean, Disinfect, Fill, Commission	5 days	Mon 12/28/26	Fri 1/1/27
29	Site Work	50 days	Mon 10/19/26	Fri 12/25/26
30	Electrical	20 days	Mon 11/30/26	Fri 12/25/26
31	**East Tank No. 1**	**25 days**	**Mon 12/28/26**	**Fri 1/29/27**
32	Mixer Installation and Testing	10 days	Mon 12/28/26	Fri 1/8/27
33	Miscellaneous Site	15 days	Mon 1/11/27	Fri 1/29/27
34	Contingency	44 days	Mon 2/1/27	Thu 4/1/27
35				
36	**Allowable Outage Window**	131 days	Thu 10/1/26	Thu 4/1/27



Schedule Notes:

The design is streamlined into two submittal milestones (50% and 100%) to reach the Bidding phase as soon as possible and **ahead of the City's August 1, 2026 bid package deadline**. Contractor Notice to Proceed is issued mid-September, providing time for early submittal approvals to enable outage related work activities (shown in **orange**) to begin near the start of the outage window in October.

Outage-related work is expected to be complete by January 2027. Equipment procurement, site work, and electrical work will proceed in parallel. East Tank No. 1 is understood to already be equipped with the access required to install the mixer/THM blower system. Therefore, no tank outage is anticipated to be needed for that work. Zone 4 Tank 1 will need to be fully drained to complete the work. East Tank No. 1 may need some modest water level adjustments to facilitate construction, but is not expected to require draining.

The schedule provides two months of contingency time for additional outage related work should it be needed, and/or for any unanticipated construction delays.

City of Folsom - Zone 4 Phase 1 Tank Design and Construction Schedule
Date: Thu 5/7/26

Task | Milestone ◆ | Summary | City Task | By Others

ATTACHMENT B: PRELIMINARY PROJECT SCHEDULE

HydroScience Engineers

Proposed Fee: City of Folsom Zone 4 Phase 1 Tank Rehabilitation Project

May 8, 2026

Task	Description	Bill Slenter, PIC	Eric Jones, Project Manager	Austin Poulson, Project Engineer	Thinh Le, Electrical Lead	Electrical Support	CAD Manager	Hours	Fee	ODCs	VE Solutions - Structural	West Yost - CM&I	Bay Area Coatings Consultants - Coatings QA	Expense Subtotal with Markup	Total Fee	Phase Totals
	Labor Classification	Princ	E-VI	E-II	E-IX	E-III	CADM									
	Hourly Rate	$330	$280	$258	$319	$240	$179									
1	**Project Management and Coordination**															**$16,310**
	Project Management		16					**16**	**$4,480**					**$0**	**$4,480**	
	Project Communications		10					**10**	**$2,800**					**$0**	**$2,800**	
	QA/QC	8						**8**	**$2,640**					**$0**	**$2,640**	
	Design Phase Meetings		10	10	3			**23**	**$6,337**	$50				**$53**	**$6,390**	
2	**Preliminary Engineering**															**$8,689**
	Schedule		2	6				**8**	**$2,108**					**$0**	**$2,108**	
	Field Investigation		6	6	6			**18**	**$5,142**	$100				**$105**	**$5,247**	
	CEQA NOE		2	3				**5**	**$1,334**					**$0**	**$1,334**	
3	**Design Phase Services**															**$91,816**
	Water System Permit Updates		1	3				**4**	**$1,054**					**$0**	**$1,054**	
	Cost Estimate		2	6	2			**10**	**$2,746**					**$0**	**$2,746**	
	50% Design		35	70	18	55	16	**194**	**$49,666**					**$0**	**$49,666**	
	100% Design		25	40	15	24	8	**112**	**$29,297**					**$0**	**$29,297**	
	Final Design		5	20	2	4	5	**36**	**$9,053**					**$0**	**$9,053**	
4	**Bid Phase Services**															**$10,810**
	Inquiries and Addenda (up to 3)		3	6	2	4		**15**	**$3,986**					**$0**	**$3,986**	
	Attend Pre-Bid Meeting		4	4				**8**	**$2,152**	$50				**$53**	**$2,205**	
	Conformed Set (up to 3 plan updates)		3	6	1	2	8	**20**	**$4,619**					**$0**	**$4,619**	
5	**Construction Phase Services**															**$123,238**
	Structural Evaluation and Report							**0**	**$0**		$14,500			**$15,225**	**$15,225**	
	Meetings (3 In person, 13 virtual)		14	18	4			**36**	**$9,840**					**$0**	**$9,840**	
	Submittals (40 plus 20 resubmittals)		24	100	18	26		**168**	**$44,502**					**$0**	**$44,502**	
	RFIs (20 total) and General Proj Coord	8	40	30	8	16		**102**	**$27,972**					**$0**	**$27,972**	
	Design Modifications (3 total)		6	12	2	6	4	**30**	**$7,570**					**$0**	**$7,570**	
	Project Coordination (3 PCOs reviews)		3	6	3			**12**	**$3,345**					**$0**	**$3,345**	
	Site Visits (up to 3)		3	6	3			**12**	**$3,345**	$100				**$105**	**$3,450**	
	Startup and Testing Support		4		2	10		**16**	**$4,158**					**$0**	**$4,158**	
	Punchlist		4		4	4		**12**	**$3,356**					**$0**	**$3,356**	
	Record Drawings		3	6			8	**17**	**$3,820**					**$0**	**$3,820**	
6	**Construction Management and Inspection**															**$223,179**
	CM&I Services							**0**	**$0**			$197,071		**$206,925**	**$206,925**	
	Coatings Inspection							**0**	**$0**				$15,480	**$16,254**	**$16,254**	
	TOTAL BASE FEE	**16**	**225**	**358**	**93**	**151**	**49**	**892**	**$235,322**	**$300**	**$14,500**	**$197,071**	**$15,480**	**$238,719**	**$474,041**	

Notes:
1. See next page for CM&I fee detail.

Task 6 Fee Detail for West Yost Associates

West Yost Associates **PROJECT: City of Folsom Zone 4 Phase 1 Tank Rehabilitation Project - CM&I Services**	CM IV $318 JP D.	RI_G2 $247 Jason B./ Jesse S.	CM I $222 Amy R.	PE/PS/PG II $355 Jim M.	Labor Hours	Labor Fee	CFD	Costs Sub. w/ markup 10%	Costs Other Direct	Costs Total Costs
Task 1	***Preconstruction Phase (9/1/26 through 10/15/26)***									
1.01 Preconstruction Conference	2	2	4		8	$ 2,018				$ 2,018
1.02 Project Setup & Review	2	4	4		10	$ 2,512				$ 2,512
1.03 Preconstruction Photographic & Video Documentation		4			4	$ 988				$ 988
Subtotal, Task 1 (hours)	**4**	**10**	**8**	**0**	**22**					
Subtotal, Task 1 ($)	**$ 1,272**	**$ 2,470**	**$ 1,776**			**$ 5,518**				**$ 5,518**
Task 2	***Construction Phase***									
2.01 Construction Coordination	96				96	$ 30,528				$ 30,528
2.02 Conduct Weekly Construction Meetings	24		32		56	$ 14,736				$ 14,736
2.03 Change Order, Changes, and Claims Management	8				8	$ 2,544				$ 2,544
2.04 Progress Payments	8				8	$ 2,544				$ 2,544
2.05 RFI & Submittal Management			45		45	$ 9,990				$ 9,990
2.06 Construction Observation/Inspection Services		420			420	$ 103,740				$ 103,740
2.07 Health & Safety Awareness		2			2	$ 494				$ 494
2.08 Material Sampling and Testing					0		$ 5,000	$ 5,500		$ 5,500
2.09 Labor Compliance			28		28	$ 6,216				$ 6,216
2.10 SWPPP Compliance		4			4	$ 988				$ 988
2.11 Project Closeout (Punch List, Final Inspections, and Startup/Testing)	2	4	4	2	12	$ 3,222				$ 3,222
Subtotal, Task 2 (hours)	**138**	**430**	**109**	**2**	**679**					
Subtotal, Task 2 ($)	**$ 43,884**	**$ 106,210**	**$ 24,198**	**$ 710**		**$ 175,002**		**$ 5,500**		**$ 180,502**
Task 3	***ODCs***									
3.01 Vehicle Usage					0				$ 8,138	$ 8,138
3.02 Annual Rate Increase (Assume 5%)					0				$ 2,914	$ 2,914
Subtotal, Task 3 (hours)	**0**	**0**	**0**	**0**	**0**					
Subtotal, Task 3 ($)									**$ 11,051**	**$ 11,051**
TOTAL (hours)	**142**	**440**	**117**	**2**	**701**					
TOTAL ($)	**$ 45,156**	**$ 108,680**	**$ 25,974**	**$ 710**		**$ 180,520**	**$ 5,000**	**$ 5,500**	**$ 11,051**	**$ 197,071**
Est. Level of Effort % (TOTAL HRS/Max HRS)	22%	69%	18%	0%						

WEST YOST
Water. Engineered.

Folsom City Council
Staff Report

MEETING DATE:	5/26/2026
AGENDA SECTION:	Consent Calendar
SUBJECT:	Resolution No. 11624 - A Resolution Authorizing the City Manager to Execute Non-Exclusive Agreements for On-Call Engineering, Construction Inspection, and Surveying Services up to appropriated and available project specific budgets with 4LEAF, Inc., BKF Engineers, Boswell & Associates, REY Engineers, Inc., and Unico Engineering
FROM:	Public Works Department

RECOMMENDATION / CITY COUNCIL ACTION

The Public Works Department recommends that the City Council pass and adopt Resolution No. 11624 - A Resolution Authorizing the City Manager to Execute Non-Exclusive Agreements for On-Call Engineering, Construction Inspection, and Surveying Services up to appropriated and available project specific budgets with 4LEAF, Inc., BKF Engineers, Boswell & Associates, REY Engineers, Inc., and Unico Engineering.

BACKGROUND

The Public Works Department oversees City right of way surveying and acquisition, drainage infrastructure, roadway maintenance and capital improvement projects. Many project deliverables and activities require specific technical involvement, including: environmental reports, construction drawings, right of way appraisal/acquisition, utility coordination, and implementation of locally, state, and federally funded projects. Additional duties of Public Works staff include extensive coordination related to development projects, state stormwater permitting, regional agency coordination, encroachment permits, special event permits, and asset management. Currently, Public Works has two vacancies (Associate/Assistant Civil Engineer and Senior Civil Engineer) and carries a full workload staffed at half capacity.

In September of 2025, in collaboration with the Community Development Department, staff posted a Request for Proposal for On-Call Engineering, Construction Inspection, and On-Call Surveying Services. Five Consultant Firms submitted proposals for one or more of the solicited contract services and included specialty subconsultants such as geotechnical and traffic engineering. Staff rated the Proposals and selected all five firms to provide the City with On-

Call Services. Firms were ranked based on services offered, staff expertise and availability, specialty skills, and expenditure. Those firms include 4LEAF, Inc., BKF Engineers, Boswell & Associates, REY Engineers, Inc., and Unico Engineering. In November of 2026, City Council approved Resolution No. 11501 to approve on-call contracts for the Community Development Department. This is a replication of that effort for the Public Works Department to support capital project delivery and department workload.

Staff is recommending that the City Manager be authorized to execute these five non-exclusive agreements for a three-year period (June 1, 2026, through June 1, 2029), by utilizing appropriated and available project specific budget.

POLICY / RULE

In accordance with Chapter 2.36 of the Folsom Municipal Code, contracts greater than $77,426 shall be awarded by the City Council.

ANALYSIS

Folsom has experienced consistently high volumes of capital project delivery, engineering permit review, and inspections with limited staff capacity. To meet community needs, Folsom has consistently utilized on-call consultant service contracts for engineering, surveying, and inspection services. This resolution would authorize the execution of non-exclusive agreements with five firms to support the Public Works Department. Funding for on-call services is identified through appropriated project budget and services procured through these contracts would be billed directly to capital project budgets.

In implementing these contracts for consulting services, staff will allocate work among the five selected consultants based on workload, technical need, expertise, and service costs. It is important to note that the Public Works Department will retain the flexibility to assign work to one or more of the selected firms. In other words, selected firms are not guaranteed assignment of work and are not limited to a fair share of the total. This allows Staff to determine how best to meet service needs as they arise. Example services include:

- Right of Way Surveying and Acquisition Services
- Geotechnical Engineering and Materials Testing
- Traffic Engineering and Analysis Support
- Civil and Structural Engineering (roadway, bridges and retaining walls)

For larger and state or federally funded projects with intentional scope of work, staff will continue to prepare Requests for Proposals to meet the requirements of the Caltrans Local Assistance Procedures Manual. For smaller efforts, staff will continue to prepare a cost-benefit analysis of high contract service costs against additional full-time staff to meet project delivery needs while making prudent use of the City's limited resources. The proposed on-call service solution allows flexibility in how the City meets capital project needs and does not preclude alternative or supplemental solutions (e.g., full-time permanent staff, part-time temporary contract staff, pass through funding contracts).

FINANCIAL IMPACT

The cost of third-party engineering, inspection, and on-call surveying services is offset by project funding and appropriated revenue adopted by City Council Resolution. Should additional funding be necessary to support on-call services, an item would be brought back to City Council for further review and appropriation of project specific funding.

ENVIRONMENTAL REVIEW

The project is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061 b (3) (General Rule Exemption) of the CEQA Guidelines.

ATTACHMENT

Resolution No. 11624 - A Resolution Authorizing the City Manager to Execute Non-Exclusive Agreements for On-Call Engineering, Construction Inspection, and Surveying Services up to appropriated and available project specific budgets with 4LEAF, Inc., BKF Engineers, Boswell & Associates, REY Engineers, Inc., and Unico Engineering.

Respectfully Submitted,

_____

Rebecca Neves, Public Works Director/City Engineer

Attachment 1

RESOLUTION NO. 11624

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE NON-EXCLUSIVE AGREEMENTS FOR ON-CALL ENGINEERING, CONSTRUCTION INSPECTION, AND SURVEYING SERVICES UP TO APPROPRIATED AND AVAILABLE PROJECT SPECIFIC BUDGETS WITH 4LEAF, INC., BKF ENGINEERS, BOSWELL & ASSOCIATES, REY ENGINEERS, INC., AND UNICO ENGINEERING

WHEREAS, the Public Works Department has established the need for on-call engineering, construction inspection, and on-call surveying services; and

WHEREAS, funds have been appropriated and adopted by City Council and are available under various project budgets for the purpose of project delivery and any additional appropriation request will be offset by a corresponding increase in revenue related to adopted project budgets; and

WHEREAS, the consultant firms have been selected based on their response to a professional services solicitation that outlined each firm's professional qualifications, experience, and cost; and

WHEREAS, the agreement will be in a form acceptable to the City Attorney:

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom authorizes the City Manager to Execute Non-Exclusive Agreements for On-Call Engineering, Construction Inspection, and Surveying Services up to appropriated and available project specific budgets with 4LEAF, Inc., BKF Engineers, Boswell & Associates, REY Engineers, Inc., and Unico Engineering

PASSED AND ADOPTED this 26th day of May, 2026, by the following roll-call vote:

AYES: Councilmember(s):
NOES: Councilmember(s):
ABSENT: Councilmember(s):
ABSTAIN: Councilmember(s):

_____
Justin Raithel, MAYOR

ATTEST:

_____
Christa Freemantle, CITY CLERK

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CITY OF
FOLSOM
DISTINCTIVE BY NATURE

Folsom City Council
Staff Report

MEETING DATE:	5/26/2026
AGENDA SECTION:	Consent Calendar
ITEM TITLE:	Benevento Family Park i. Resolution No. 11631– A Resolution Authorizing the City Manager to Execute a Contract Amendment (Contract No. 173-2123-027) with Helix Environmental for Benevento Family Park Environmental Consulting Services in the Amount of $42,250 from the Park Improvements Fund (412) for a New Total Contract Amount Not-To-Exceed $120,500 ii. Resolution No. 11632– A Resolution Authorizing the City Manager to Execute a Contract Amendment (Contract No. 173-2120-045) with Wilson Design Studios for Benevento Family Park and Prospector Park Design Services in the Amount of $277,980 from the Park Improvements Fund (Fund 412) and $2,463 from the Folsom Plan Area Specific Plan Capital Fund (Fund 472) for a New Total Contract Amount Not-To-Exceed $1,167,980
FROM:	Parks and Recreation Department

RECOMMENDATION / CITY COUNCIL ACTION

Staff recommend the City Council approve the following:

Resolution No. 11631– A Resolution Authorizing the City Manager to Execute a Contract Amendment (Contract No. 173-2123-027) with Helix Environmental for Benevento Family Park Environmental Consulting Services in the Amount of $42,250 from the Park Improvements Fund (412) for a New Total Contract Amount Not-To-Exceed $120,500; and

Resolution No. 11632– A Resolution Authorizing the City Manager to Execute a Contract Amendment (Contract No. 173-2120-045) with Wilson Design Studios for Benevento Family Park and Prospector Park Design Services in the Amount of $277,980 from the Park Improvements Fund (Fund 412) and $2,463 from the Folsom Plan Area Specific Plan Capital Fund (Fund 472) for a New Total Contract Amount Not-To-Exceed $1,167,980

BACKGROUND / ISSUE

The Benevento Family Park Master Development Plan project has experienced a multi-year pause followed by renewed project activity beginning in 2025. As the project resumes and advances toward completion, additional professional services are required to update environmental documentation, reflect current regulatory requirements, and complete design work aligned with updated community input and project direction.

The Folsom Parks & Recreation Commission reviewed the Benevento Family Park Master Development Plan at its March 31, 2026, meeting and voted to recommend approval to the Folsom City Council.

On April 28, 2026, the Folsom City Council unanimously approved the Benevento Family Park Master Development Plan. As part of its action, the City Council also authorized the inclusion of three additive alternates to be considered as part of the project. These additive alternates provide a strategic framework to expand project scope in alignment with available funding, while ensuring the base project remains financially responsible and constructible.

To support continued project advancement, staff is seeking authorization to execute contract amendments for both Helix Environmental and Wilson Design Studio. The amendment with Helix Environmental will provide the necessary environmental consulting services to update and complete project-specific environmental documentation in accordance with current regulatory requirements. The amendment with Wilson Design Studio will support ongoing planning, design refinement, preparation of construction documents, and construction support services to ensure the project remains consistent with the approved Master Development Plan and responsive to community input.

These contract amendments are necessary to maintain project momentum and ensure a coordinated approach between environmental compliance and design development as the Benevento Family Park project progresses toward implementation.

Helix Environmental

On March 30, 2023, the City entered into a contract with Helix Environmental to provide environmental consulting services for the Benevento Family Park Project. The original contract amount was $78,248. Services included preparation of technical environmental studies, California Environmental Quality Act (CEQA) documentation, regulatory permit support, and project management services.

To date, approximately $41,859 has been expended, with approximately $36,389 remaining. Helix completed several technical studies and prepared an administrative draft of the CEQA document.

However, due to refinements to the project design and scope by the City and the project design team, work was placed on hold in Spring 2024.

As the project is now resuming, certain environmental studies and documentation require updating due to the passage of time, changes in site conditions, and revised project design. In addition, regulatory agencies generally consider biological studies to have a limited "shelf life," and updated information is required to proceed with CEQA and permitting.

Wilson Design Studios
In August 2020, the City entered into a single professional services agreement with Wilson Design Studios (WDS) in the amount of $890,000 to provide planning, design, and construction support services for two park projects: Prospector Park ($490,000, Fund 472) and Benevento Family Park ($400,000, Fund 412). While each project is funded from a separate fund, both are administered under the same purchase order. The Prospector Park project has since been completed, with total WDS services amounting to $492,463, which is $2,463 above the original contract allocation for Prospector Park. Sufficient funding remains available within the overall Prospector Park project budget in Fund 472 to cover the additional costs.

For Benevento Family Park, the City's commitment to transparency and rebuilding trust with the community led staff to re-engage the public after a multi-year pause in project activity. What began as a single community meeting in September 2025 expanded into three community meetings to better reflect current community priorities and expectations. Community feedback led to revisions to the master plan, the development of multiple design options, and additional public presentation materials. The final phase of work includes updating the construction documents to reflect the community-preferred design. This amendment formalizes these additional services, ensures contract compliance, and supports the City's goal of delivering high-quality, fiscally responsible, and community-driven park projects.

POLICY / RULE
In accordance with Chapter 2.36 of the Folsom Municipal Code, contracts greater than $77,426 shall be awarded by the City Council.

ANALYSIS
Helix Environmental Contract Amendment
Helix has submitted a request for a contract amendment to augment their scope of work and update their fee schedule to reflect current conditions and regulatory requirements as of Spring 2026. The proposed amendment includes the following:

1. Escalation of Rates (2022–2026)
   Adjustment of labor rates to reflect Helix's current rate schedule, as the original proposal was prepared in 2022.

2. Rare Plant Surveys
   Two focused botanical surveys during the appropriate bloom season to determine whether rare or listed plant species are present, as required by mitigation measures in the previously prepared draft biological resources evaluation.

3. Revisions to Technical Studies and Reports
   Updates to previously prepared technical documents, including:
   - Biological Resources Evaluation
   - Noise Study and pickleball noise assessment memo
   - Cultural Resources Evaluation

   These updates are necessary due to the passage of time and refinements to the project design.

4. Regulatory Permitting Consultation Support
   Additional staff time to assist the City in navigating agency review and approval of regulatory permit applications, including responding to agency comments and revising documents as needed.

The requested amendment amount is **$42,250**, increasing the total contract amount to **not-to-exceed $120,500**.

Wilson Design Studios Contract Amendment
Additional services for Benevento Family Park were driven primarily by the City's commitment to transparency, rebuilding community trust, and ensuring that the final park design reflects current community needs and expectations. After a multi-year pause in project activity, staff initiated renewed outreach beginning with a community meeting in September 2025. Based on community interest and feedback, this initial meeting expanded into two additional public meetings to provide meaningful opportunities for input and collaboration. This approach reflects the City's commitment to transparency, responsiveness, and community-driven design. Community feedback led to significant revisions to the master plan, including the development of multiple design alternatives, the consolidation and reconfiguration of park amenities, and updates to cost estimates. These revisions were necessary to align the project with current community priorities, funding realities, and operational considerations. WDS provided additional services to support these efforts, including preparation of revised master plans, visual materials, and technical documentation for public meetings. These services ensured that community feedback could be meaningfully incorporated into the design process and that decision-makers had accurate and up-to-date information.

Since June 2024, WDS has provided multiple rounds of master plan revisions and community engagement support in response to evolving City direction, environmental review needs, budget constraints, and extensive public input. These services include updating the 2022 master plan for CEQA analysis; preparing 3D visualizations and attending community meetings; developing several revised master plan options (Options B, C, D, and E) that progressively adjusted park amenities, layout, and costs based on community feedback; and preparing updated cost estimates and renderings to support decision-making at Parks & Recreation Commission meetings.

Following the master plan approval on April 28, WDS will proceed with final design development and the remaining phases of work. Due to the project's extended timeline, remaining design, bidding, and construction administration services are proposed to be adjusted to current 2026 rates,

and additional effort is needed to update partially completed construction documents and coordinate sub-consultants.

These additional services and rate adjustments are necessary to complete the project and deliver construction-ready documents aligned with the community-approved master plan and the City's budget.

The following is a summary of the additional services associated with Benevento Family Park.

1. Master Plan Revisions - $1,732.50
   In June 2024, WDS was asked to update the Master Development Plan (MDP) approved by Folsom's Parks & Recreation Commission (PRC) in 2022. The design was refined with some minor items removed or added. This was to provide an updated MDP for Helix Environmental to complete the CEQA study/documentation.

2. Additional Community Meeting Support - $4,700.00
   The City asked WDS to provide a 3D rendering of the updated MDP to use at a new community meeting to be held in September 2025. The 3D was requested to assist the community in understanding the topography of the site and how the proposed amenities would be located.

3. Revised Master Plan Option B - $7,515.00
   Based on input from the September community meeting, WDS revised the MDP to significantly reduce park amenities. Programmed and active elements were relocated to the lowest level of the park, and the upper levels were reduced to a pedestrian pathway connection from the upper neighborhood down to the lower level. This plan was presented at a second community meeting in October 2025.

4. Revised Master Plan Option C - $18,172.50
   Input received during the October meeting indicated the community felt the design was scaled back too far and wanted passive amenities added back to the park's two upper levels. An updated cost estimate was provided to accompany this design. The design was presented at the December 10, 2025, community meeting and the January 6, 2026, PRC meeting. Public comment at the December meeting indicated support for the plan. However, public comments at the PRC meeting led to the PRC deciding not to take action on the revised MDP. They instead asked for staff to continue working with the community and evaluate other amenities, including the dock.

5. Coordination for March 3, 2025, PRC Workshop Option D - $6,517.50
   A new community group was organized in early 2026 to create a survey, vote for preferred amenities, and develop a community prepared master plan for City consideration. WDS assisted staff in preparation for the meeting, which was used as a workshop to gather more input. WDS developed a new Master Plan Option D, which added 4 pickleball courts and a U9 soccer field to the lower terrace, while adding back parking, a group picnic structure, and children's play areas to the upper and middle terraces. An updated cost estimate was also provided.

6. Revised Master Development Plan Option E - $25,611.25
   The City issued a survey to the community as a result of the March 3 PRC meeting/workshop. Based on the results, WDS developed Master Plan Option E (and cost estimate), aligning with the community's votes and the $6,000,000 park construction budget. This plan was presented and approved at the March 31 PRC special meeting as the MDP for Benevento Family Park. Additional community input was received and the City asked WDS to develop an alternate version of the PRC-approved MDP that included 3 additive alternates and an updated cost estimate. The 3 additive alternates included adding lights to the basketball court, adding 2 lighted sand volleyball courts to the middle terrace, and extending an accessible concrete pathway to a new pond pier. Both the PRC-approved MDP and the second version with the 3 additive alternates were presented at the April 28 City Council meeting. City Council approved the alternate version that includes the 3 additive alternates.

7. Updated Fees for Remaining Design and Engineering Services- $144,168.00
   This addresses increased consultant costs associated with the extended project schedule, updated 2026 billing rates, and revisions to the construction documents resulting from changes to the approved project scope. Prior to the project pause and subsequent redesign efforts, construction documents had progressed to approximately 50–60% completion. Following City Council approval of the revised Master Development Plan, Wilson Design Studio (WDS) and Bennett Engineering resumed preparation of final bid-level construction documents, requiring portions of the previous work to be revised or recreated to reflect the updated design.

   The requested amendment includes updated fees for the remaining construction document, bidding, and construction assistance phases, including rate escalations from 2020 to the current 2026 rates, additional design coordination, and supplemental effort needed to revise previously completed work and advance the plans to final bid-ready status.

8. Inclusion of Additive Alternates - $67,100
   At the April 28, 2026, City Council meeting, staff was directed to incorporate additive alternates into the project scope. This amendment includes supplemental design and engineering services necessary to advance the optional project elements identified in the approved Master Development Plan. The additive alternates include basketball court lighting, two sand volleyball courts on the middle terrace requiring relocation of the group picnic area, and a fishing dock at the pond with an ADA-accessible concrete pathway surrounding the pond area.

   The requested services include concept refinement, design development, preparation of construction documents, and development of the additive alternate bid package for the proposed improvements. The work also includes coordination among supporting disciplines, including civil, electrical, irrigation, and stormwater engineering, to ensure the alternates are feasible and fully integrated into the overall project design.

The requested amendment amount is **$277,980**, increasing the total contract amount to **not-to-exceed $1,167,980.**

Contract Compliance and Fiscal Stewardship
These amendments ensure that all additional professional services are formally authorized and incorporated into the existing agreements, bringing the contracts into full compliance. The additional costs are supported by available project funding and reflect the necessary work to address unforeseen conditions, extended timelines, and enhanced community engagement.
By formalizing these services, the City reinforces sound contract management practices, transparency in public expenditures, and accountability in project delivery. Approval of these amendments will allow the City to continue advancing the Benevento Family Park project while maintaining compliance with procurement and contracting requirements.

Sufficient funds are available within the approved project budgets and designated capital improvement program funds. Funding for both contract amendments is available within the approved project budget and will be paid from the Park Improvements Fund (412). There is no impact to the General Fund.

Helix Environmental	
Original Contract Amount	$78,248
Amendment #1	$42,250
New Total	$120,500
Wilson Design Studios	
Prospector Park (completed)	$492,463
Benevento	$400,000
Amendment#1 for Benevento	$275,517
New Total:	$1,167,980

The total contract amount for WDS associated with the completed Prospector Park project is $492,463. The revised contract amount associated with the Benevento Park project is $675,516.70, resulting in a combined contract total of $1,167,980.

The approved FY 2025-26 budget for the Benevento Park Project is $7,973,288.

Funding Summary:

Item		**Cost**
Park Construction		$6,000,000
(includes 10% construction contingency)		
Design & Engineering		
Topographic Survey	$10,000	
Geotechnical	$69,070	
CEQA (Helix)	$120,500	
Design & Engineering (WDS)	$675,517	
Subtotal Design & Engineering		$875,087
Permit Fees		$65,000
Staff Administration		$220,000
Project Contingency		$813,201
Total		**$7,973,288**

FINANCIAL IMPACT

An additional $2,463 is required from the Prospector Park (Project No. PK2101) project budget within Fund 472 to reconcile final costs associated with the Wilson Design Studios agreement for the completed Prospector Park project. Sufficient funds are available within the existing Prospector Park project budget to support this additional cost.

Benevento Family Park (Project No. 2604) has a total project budget of $7,973,288, funded through the Park Dedication Quimby Fund (Fund 240) in the amount of $500,000, the Supplemental Park Fee Fund (Fund 411) in the amount of $290,864, and the Park Improvements Fund (Fund 412) in the amount of $7,182,424.

If approved, the amendment to the agreement with Helix Environmental for additional environmental consulting services in the amount of $42,250 will be funded through the Park Improvements Fund (Fund 412) within the Benevento Family Park project (Project No. 2604), increasing the total contract amount to a not-to-exceed amount of $120,500.

If approved, the amendment to the agreement with Wilson Design Studios for additional design services in the amount of $277,980 will increase the total shared contract amount to a not-to-exceed amount of $1,167,980. Of this amount, $675,517 ($400,000 from the original agreement and $275,517 from the proposed amendment) is budgeted within the Park Improvements Fund (Fund 412) for the Benevento Family Park project (Project No. 2604). An additional $492,463 ($490,000 from the original agreement and $2,463 from the proposed amendment) associated with the completed Prospector Park project (Project No. PK2101) will be funded through the Prospector Park project budget within Fund 472 to reconcile final contract costs under the shared Wilson Design Studios agreement.

Sufficient funds are budgeted and available within the Benevento Family Park project (Project No. 2604) to support the proposed contract amendments and associated increased costs.

ENVIRONMENTAL REVIEW

This action is not a project as defined under the California Environmental Quality Act (CEQA) and is therefore exempt pursuant to CEQA Guidelines Section 15378, as it involves administrative and contractual actions that do not result in a direct or indirect physical change in the environment.

ATTACHMENTS

1. Resolution No. 11631 – A Resolution Authorizing the City Manager to Execute a Contract Amendment (Contract No.173-2123-027) with Helix Environmental for Benevento Family Park Environmental Consulting Services in the Amount of $42,250 from the Park Improvements Fund (412) for a New Total Contract Amount Not-To-Exceed $120,500.
2. Resolution No. 11632– A Resolution Authorizing the City Manager to Execute a Contract Amendment (Contract No. 173-2120-045) with Wilson Design Studios for Benevento Family Park and Prospector Park Design Services in the Amount of $277,980 from the Park Improvements Fund (Fund 412) and $2,463 from the Folsom Plan Area Specific Plan Capital Fund (Fund 472) for a New Total Contract Amount Not-To-Exceed $1,167,980

Submitted,

Kelly Gonzalez, Parks & Recreation Director

Attachment 1

RESOLUTION NO. 11631
A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT AMENDMENT (CONTRACT NO. 173-2123-027)WITH HELIX ENVIRONMENTAL FOR THE BENEVENTO FAMILY PARK ENVIRONMENTAL CONSULTING SERVICES IN THE AMOUNT OF $42,250 FROM THE PARK IMPROVEMENTS FUND (412) FOR A NEW TOTAL CONTRACT AMOUNT NOT-TO-EXCEED $120,500

WHEREAS, on March 30, 2023, the City of Folsom entered into a contract with Helix Environmental to provide environmental consulting services for the Benevento Family Park Project; and

WHEREAS, the original contract amount was $78,248, and Helix has completed various technical studies and environmental documentation associated with the project; and

WHEREAS, due to refinements to the project design and the passage of time, certain environmental studies and documentation require updating, and additional regulatory consultation services are needed to proceed with project approvals; and

WHEREAS, Helix Environmental has submitted a request for a contract amendment in the amount of $42,250 to update labor rates, conduct rare plant surveys, revise technical studies, and provide regulatory permitting consultation support; and

WHEREAS, sufficient funds are budgeted and available in the Park Improvements Fund (Fund 412) as part of the Benevento Family Park project (Project No.2604) to support this contract amendment; and

WHEREAS, the agreement will be in a form acceptable to the City Attorney:

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom authorizes the City Manager to execute a contract amendment (Contract No. 173-2123-027) with Helix Environmental in the amount of $42,250 for environmental consulting services for the Benevento Family Park Project, increasing the total contract amount to not-to-exceed $120,500.

PASSED AND ADOPTED this 26th day of May 2026, by the following roll-call vote:

AYES: Councilmember(s):
NOES: Councilmember(s):
ABSENT: Councilmember(s):
ABSTAIN: Councilmember(s):

_____
Justin Raithel, MAYOR

ATTEST:

_____
Christa Freemantle, CITY CLERK

Attachment 2

RESOLUTION NO. 11632

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT AMENDMENT (CONTRACT NO. 173-21.20-045) WITH WILSON DESIGN STUDIOS FOR BENEVENTO FAMILY PARK AND PROSPECTOR PARK DESIGN SERVICES IN THE AMOUNT OF $277,980 FROM THE PARK IMPROVEMENTS FUND (FUND 412) AND $2,463 FROM THE FOLSOM PLAN AREA SPECIFIC PLAN CAPITAL FUND (FUND 472) FOR A NEW TOTAL CONTRACT AMOUNT NOT-TO-EXCEED $1,167,980

WHEREAS, in August 2020, the City of Folsom entered into a professional services agreement with Wilson Design Studios (WDS) in the amount of $890,000 to provide planning, design, and construction support services for Prospector Park and Benevento Family Park; and

WHEREAS, the professional services agreement with WDS included both Prospector Park and Benevento Family Park under the same purchase order; and

WHEREAS, for Benevento Family Park, the City's commitment to transparency and rebuilding trust with the community resulted in renewed public engagement, multiple community meetings, significant design revisions, and the need to update construction documents to reflect the community-preferred design; and

WHEREAS, this contract amendment formalizes these additional services, brings the agreement into compliance, and supports the City's goal of delivering high-quality, fiscally responsible, and community-driven park projects; and

WHEREAS, this action is not a project as defined by the California Environmental Quality Act (CEQA) and is exempt pursuant to CEQA Guidelines Section 15378; and

WHEREAS, the agreement with Wilson Design Studios for additional design services in the amount of $277,980 will increase the total shared contract amount to a not-to-exceed amount of $1,167,980. Of this amount, $675,517 ($400,000 from the original agreement and $275,517 from the proposed amendment) is budgeted within the Park Improvements Fund (Fund 412) for the Benevento Family Park project (Project No. 2604) and an additional $492,463 ($490,000 from the original agreement and $2,463 from the proposed amendment) associated with the completed Prospector Park project (Project No. PK2101) will be funded through the Prospector Park project budget within Fund 472; and;

WHEREAS, sufficient funds are budgeted and available within the Benevento Family Park project (Project #2604) and the Prospector Park project (Project No. PK2101) budgets to support the proposed contract amendment; and;

WHEREAS, the agreement will be in a form acceptable to the City Attorney:

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom authorizes the City Manager to execute a Contract Amendment (Contract No. 173-21.20-045) with

Wilson Design Studios for Benevento Family Park and Prospector Park Design Services in the Amount of $277,980 from the Park Improvements Fund (Fund 412) and $2,463 from the Folsom Plan Area Specific Plan Capital Fund (Fund 472) for a New Total Contract Amount Not-To-Exceed $1,167,980.

PASSED AND ADOPTED this 26th day of May 2026, by the following roll-call vote:

AYES: Councilmember(s):
NOES: Councilmember(s):
ABSENT: Councilmember(s):
ABSTAIN: Councilmember(s):

_____
Justin Raithel, MAYOR

ATTEST:

_____
Christa Freemantle, CITY CLERK

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CITY OF
FOLSOM
DISTINCTIVE BY NATURE

Folsom City Council
Staff Report

MEETING DATE:	5/26/2026
AGENDA SECTION:	Public Hearing
SUBJECT:	Presentation by Staff in Compliance with Assembly Bill 2561/Government Code Section 3502.3 Regarding City Vacancies, Recruitment and Retention Efforts
FROM:	Human Resources Department

RECOMMENDATION / CITY COUNCIL ACTION

Assembly Bill (AB) 2561 mandates that public agencies hold at least one (1) public hearing per fiscal year to discuss vacancies, recruitment and retention efforts. This communication, along with the public presentation, discusses the City's legal obligations under the new law, which took effect on January 1, 2025. The presentation is provided for informational purposes only and offers an overview of the City's vacancies, recruitment and retention efforts.

Staff recommend that the City Council receives the presentation for informational purposes during the public hearing. The City's recognized employee organizations have been provided with an opportunity to make a presentation on such subjects.

BACKGROUND / ISSUE

AB 2561 was introduced to address the issue of job vacancies in local government, which adversely affects the delivery of public services and employee workload. Furthermore, the purpose of the legislation is to promote transparency in public sector employment practices. The bill mandates that public agencies conduct a public hearing to present the status of vacancies, recruitment and retention efforts during a public hearing before the agency's governing body at least once per fiscal year prior to the adoption of the next fiscal year's budget (Gov. Code § 3502.3(a)(1)), and identify any necessary changes to policies, procedures, and recruitment activities that may lead to obstacles in the hiring process (Gov. Code § 3502.3(a)(3)). The bill was enacted into law and is codified as Government Code section 3502.3, effective January 1, 2025.

ANALYSIS

In compliance with the new legal obligations, the City reports the following:

1. Public Hearing – Report on Vacancies: For the 2025 calendar year, the City's annual average percentage of vacancies (i.e., regular, full-time equivalent) was 6%. The table below shows a breakdown of the percentage of vacancies (regular full-time equivalent) by month. The vacancy rate decreased in September due to the elimination of positions and staffing reorganization.

2025	Citywide Vacancies	Number of Budgeted FTE's	Percentage of Vacancies
Jan	36	505.5	7%
Feb	38	505.5	8%
March	38	505.5	8%
April	36	505.5	7%
May	38	505.5	8%
June	35	505.5	7%
July	28	513.5	5%
August	29	513.5	6%
Sept	16	493.5	3%
Oct	14	495.5	3%
Nov	16	495.5	3%
Dec	20	495.5	4%
Average			6%

Filling some of our vacant positions has proven to be a challenge, especially for roles that require specific skills or experience. Like many organizations, we're seeing a smaller pool of applicants and more competition for qualified candidates. To help address this, we have intensified our recruitment efforts by expanding job advertisements across multiple platforms, including industry-specific websites, our official website, and social media channels.

2. Employee Organization Participation: The Human Resources Department notified the six (6) represented bargaining units at the City the opportunity to present (Gov. Code § 3502.3(b)), satisfying the requirement to allow the recognized employee organization for each bargaining unit at the City to make presentations during the public hearing concerning vacancies and recruitment and retention efforts.

3. Additional Reporting for High Vacancy Rates: If vacancies within a single bargaining unit meet or exceed 20% of authorized full-time positions in that bargaining unit, upon request of the recognized employee organization for that bargaining unit, the City must provide additional information during the public hearing, including the following: (1) the total number of vacancies within the bargaining unit; (2) the number of applicants: (3) the average number of days to fill positions; and (4) opportunities to improve compensation and working conditions for employees in the bargaining unit (Gov. Code § 3502.3(c)).

In the 2025 calendar year, all bargaining units within the city maintained vacancy rates below 20%, as summarized below, which also compares last years' (2024) vacancy rates.

2024 vs. 2025 Annual Average Vacancy Rate by Employee Bargaining Unit		
Employee Bargaining Unit	**2024**	**2025**
International Union of Operating Engineers (Local 39)	6%	5%
Folsom Middle Management Group (FMMG)	17%	12%
Folsom Police Officers Association (FPOA)	7%	7%
Folsom Police Management (FPMA)	0%	-12%
Sacramento Area Firefighters (Local 522)	3%	5%
Folsom Fire Middle Management Employees (CFFDMME)	0%	1%
Unrepresented/Confidential	12%	12%

FINANCIAL IMPACT

There is no direct fiscal impact associated with conducting the public hearing required under Government Code section 3202.3.

Respectfully Submitted,

Allison Garcia, Human Resources Director

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CITY OF
FOLSOM
DISTINCTIVE BY NATURE

Folsom City Council
Staff Report

MEETING DATE:	5/26/2026
AGENDA SECTION:	Public Hearing
SUBJECT:	City of Folsom Community Facilities District No. 24 (Alder Creek West)
FROM:	Finance Department

RECOMMENDATION / CITY COUNCIL ACTION

It is recommended that the City Council conduct a public hearing and then adopt the following resolutions and conduct the first reading of the ordinance:

Resolution No. 11625- A Resolution of the City Council of the City of Folsom to Form a Community Facilities District, to Designate Improvement Areas within the District, to Designate a Future Annexation Area therein and to Levy Special Taxes therein

Resolution No. 11626- A Resolution of the City Council of the City of Folsom Deeming it Necessary to Incur Bonded Indebtedness in and for City of Folsom Community Facilities District No. 24 (Alder Creek West)

Resolution No. 11627- A Resolution of the City Council of the City of Folsom Calling Special Mailed-Ballot Election in the City of Folsom Community Facilities District No. 24 (Alder Creek West)

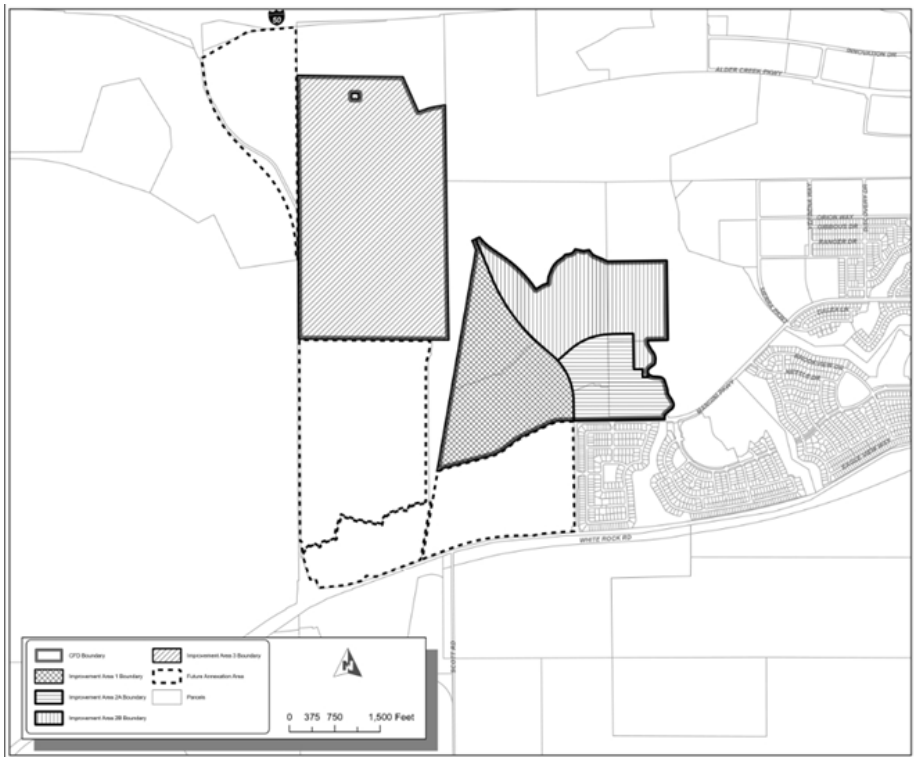
Resolution No. 11628– A Resolution of the City Council of the City of Folsom Declaring Election Results in the City of Folsom Community Facilities District No. 24 (Alder Creek West)

Ordinance No. 1370 – An Uncodified Ordinance Levying Special Taxes for the Fiscal Year 2026-27 and Following Fiscal Years Solely within and Relating to the City of Folsom Community Facilities District No. 24 (Alder Creek West) (Introduction and First Reading)

BACKGROUND / ISSUE

The Folsom Plan Area Specific Plan Public Facilities Financing Plan ("PFFP"), approved by the City Council on January 28, 2014 via Resolution 9298, is an $877 million plan that describes the backbone infrastructure and facility requirements, presents a comprehensive financing strategy, and sets forth the estimated time horizon for the development of the Folsom Plan Area ("FPA").

Landowners within the FPA requested to form the proposed City of Folsom Community Facilities District No. 24 (Alder Creek West) ("CFD No. 24"), including four separate Improvement Areas ("IA"), designated as Improvement Area No. 1, No. 2A, No. 2B and No. 3. A boundary map showing the proposed CFD 24 and the four separate improvement areas is below



Special tax revenues generated from each IA within CFD No. 24 will help fund all or a portion of the project's share of PFFP backbone infrastructure and facilities. A detailed list of authorized facilities can be found under Exhibit A of Resolution No. 11581. A summary of the facilities authorized to be funded by CFD No. 24 include, but are not limited to:

- Transportation Improvements including all public roadway improvement designed to meet the needs of development within CFD No. 24, including internal subdivision streets and related underground utilities.
- Water System Improvements
- Recycled Water System Improvements

- Drainage System Improvements
- Wastewater System Improvements
- Park, Parkway and Open Space Improvements
- Specific Plan Infrastructure Fee Infrastructure
- Other Incidental Expenses and Bond Issuance Costs

In addition, the following project-specific services are anticipated to be funded by CFD No. 24 special taxes:

- Open space maintenance
- Landscape corridors and paseos
- Street light maintenance
- Medians, entries and entry monumentation
- Neighborhood park maintenance, repair and replacement
- Community amenities
- Storm water management
- Other miscellaneous costs related to any of the items described above
- Anticipated future repairs or replacements costs.
- Public Services for Police, Fire and other emergency services

The proposed CFD No. 24 is located within the FPA and is generally bounded by U.S. Highway 50 on the north, Prairie City Road on the west, and White Rock Road on the south. Each IA within CFD No. 24 includes several Assessor's Parcel Numbers, which are identified in the proposed boundary map for CFD No. 24, included as Attachment 4. The proposed development plan for each IA within CFD No. 24 includes the following:

Improvement Area	SF/SFHD Units	MLD Units	Total Units
IA 1	276	0	276
IA 2A	0	329	329
IA 2B	296	132	428
IA 3	391	0	391
Total	**963**	**461**	**1,424**

The CFD No. 24 funding stream will be a combination of bonded indebtedness and pay-as-you-go ("PAYGO") funding, both secured by the levy of special taxes upon property within the boundaries of CFD No. 24.

On April 14, 2026, this City Council approved a proposed boundary map and declared the intention to form CFD No. 24 and to levy special taxes within CFD No. 24 by passage of Resolution No. 11581. On that same date, this City Council declared the necessity for incurring bonded indebtedness in and for CFD No. 24 and in and for each IA designated therein by passage of Resolution No. 11582.

A Public Hearing is required as part of the formation process of a Community Facilities District. Notice of the hearing was mailed to the landowners within CFD No. 24 on May 8, 2026, and published in the Folsom Telegraph on May 15, 2026. A copy of the required CFD Public Hearing Report has been made available in the City Clerk's office since May 15, 2026, and is also included with this report as Attachment 6.

POLICY / RULE

Chapter 5 of the Folsom Plan Area Public Facilities Financing Plan authorizes the formation of CFDs to finance the construction, acquisition, and servicing of FPA backbone infrastructure and public facilities

Section 2.5.3 of the First Amended and Restated Tier 1 Development Agreement authorizes the formation of infrastructure CFDs.

Resolution No. 9282 – A Resolution of the City Council of the City of Folsom Approving Goals and Policies for Community Facilities Districts

Mello-Roos Community Facilities Act of 1982

ANALYSIS

CFD No. 24 will be structured as an extended-term CFD and will provide the necessary funding to help fund all or a portion of the project's share of PFFP backbone infrastructure and facilities, including related environmental mitigation obligations. The PFFP backbone infrastructure and facilities will be financed using both bond proceeds and PAYGO special tax revenues. The extended-term CFD structure is proposed to help to meet the challenge of high-cost infrastructure and facilities while also aligning the timing of future funding availability with the need for such funding.

The PFFP backbone facilities to be funded via CFD No. 24, and listed above, were originally anticipated to be funded by either Community Facilities District No. 18 (Folsom Plan Area - Area-Wide Improvements and Services) or funded as part of project specific CFDs established for each development within the FPA.

The special tax revenue generated from taxable parcels within each IA of CFD No. 24 will be comprised of a special tax to fund facilities and a special tax to fund services. The 2026/27 maximum facilities special tax rates, set forth in each IA's Rate and Method of Apportionment (RMA), for each land use category are provided in the table below:

Land Use Category	Improvement Area	Village / Lot #	2026/27 Maximum Facilities Special Tax Rate	Per
Single-Family Detached Property - SF Zoning	IA 1	5	$3,920	Lot
Single-Family Detached Property - SFHD Zoning	IA 1	6	$3,505	Lot
Single-Family Detached Property - SF Zoning	IA 1	7A	$5,402	Lot
Single-Family Detached Property - SFHD Zoning	IA 1	7B	$4,522	Lot
Single-Family Detached Property - SF Zoning	IA 1	7B	$5,719	Lot
Single-Family Detached Property - MLD Zoning	IA 2A	1A	$2,547	Lot
Single-Family Detached Property - MLD Zoning	IA 2A	1B	$2,598	Lot
Single-Family Detached Property - MLD Zoning	IA 2A	1C	$2,498	Lot
Single-Family Detached Property - SFHD Zoning	IA 2B	2A	$2,947	Lot
Single-Family Detached Property - SFHD Zoning	IA 2B	2B	$2,563	Lot
Single-Family Detached Property - MLD Zoning	IA 2B	3A	$2,573	Lot
Single-Family Detached Property - SF Zoning	IA 2B	3B	$5,025	Lot
Single-Family Detached Property - SF Zoning	IA 2B	4A	$3,848	Lot
Single-Family Detached Property - SF Zoning	IA 2B	4B	$5,042	Lot
Single-Family Detached Property - SF Zoning	IA 3	8A	$4,237	Lot
Single-Family Detached Property - SF Zoning	IA 3	8A	$4,083	Lot
Single-Family Detached Property - SF Zoning	IA 3	8B	$5,013	Lot
Single-Family Detached Property - SF Zoning	IA 3	8C	$5,563	Lot
Single-Family Detached Property - SF Zoning	IA 3	9A	$5,086	Lot
Single-Family Detached Property - SF Zoning	IA 3	9B	$4,279	Lot
Permit Ready Multi-Family/Non-Residential Property	IA 1, IA 2B, IA3		$20,000	Acre
Large Lot Property	IA 1, IA 2B, IA3		$20,000	Acre
Undeveloped Property	IA 1, IA 2B, IA3		$20,000	Acre
Permit Ready Multi-Family/Non-Residential Property	IA 2A		$23,000	Acre
Large Lot Property	IA 2A		$23,000	Acre
Undeveloped Property	IA 2A		$23,000	Acre

The CFD No. 24 facilities special tax can be levied and collected through Fiscal Year 2085/86. Each fiscal year, commencing with 2027/28, the maximum facilities special tax rate will be increased by 2% annually.

The 2026/27 maximum services special tax rates, set forth in each IA's RMA for each land use category are provided in the table below:

Land Use Category	Improvement Area	Village / Lot #	2026/27 Maximum Services Special Tax Rate	Per
Single-Family Detached Property - SF Zoning	IA 1	5	$858	Lot
Single-Family Detached Property - SFHD Zoning	IA 1	6	$616	Lot
Single-Family Detached Property - SF Zoning	IA 1	7A	$977	Lot
Single-Family Detached Property - SFHD Zoning	IA 1	7B	$659	Lot
Single-Family Detached Property - SF Zoning	IA 1	7B	$659	Lot
Single-Family Detached Property - MLD Zoning	IA 2A	1A	$450	Lot
Single-Family Detached Property - MLD Zoning	IA 2A	1B	$470	Lot
Single-Family Detached Property - MLD Zoning	IA 2A	1C	$400	Lot
Single-Family Detached Property - SFHD Zoning	IA 2B	2A	$578	Lot
Single-Family Detached Property - SFHD Zoning	IA 2B	2B	$566	Lot
Single-Family Detached Property - MLD Zoning	IA 2B	3A	$461	Lot
Single-Family Detached Property - SF Zoning	IA 2B	3B	$857	Lot
Single-Family Detached Property - SF Zoning	IA 2B	4A	$931	Lot
Single-Family Detached Property - SF Zoning	IA 2B	4B	$840	Lot
Single-Family Detached Property - SF Zoning	IA 3	8A	$695	Lot
Single-Family Detached Property - SF Zoning	IA 3	8A	$695	Lot
Single-Family Detached Property - SF Zoning	IA 3	8B	$869	Lot
Single-Family Detached Property - SF Zoning	IA 3	8C	$816	Lot
Single-Family Detached Property - SF Zoning	IA 3	9A	$796	Lot
Single-Family Detached Property - SF Zoning	IA 3	9B	$653	Lot

The CFD No. 24 services special tax can be levied and collected until the bonds mature, or the "Transition Event", per the RMA. Each fiscal year, commencing with 2027/28, the maximum services special tax rate will be increased by the maximum of two percent (2%) or the June annualized percentage change of the Consumer Price Index for all Urban Consumers, for the San Francisco-Oakland-San Jose area, not to exceed four percent (4%).

After the Transition Event, both the facilities special tax and services special tax levies will cease, and a transition services special tax will replace the prior funding. The transition services special tax will be an amount equal to 50% of the maximum facilities special tax rate the year prior to the Transition Event plus the maximum services special tax rate the year prior to the Transition Event. Each fiscal year, commencing with the transition year, the maximum transition services special tax rate will be increased by the maximum of two percent (2%) or the June annualized percentage change of the Consumer Price Index for all Urban Consumers, for the San Francisco-Oakland-San Jose area, not to exceed four percent (4%).

As described above, CFD No. 24 will include an extended-term in order to provide the financing to fund CFD No. 24 authorized facilities through multiple CFD bond issues and the generation of PAYGO special tax revenue from the levy and collection of the special tax. The primary pledge of CFD No. 24 special tax revenues will be to service outstanding CFD No. 24 debt. Special tax revenues in excess of the annual debt service and administrative expenses will be used on a PAYGO basis. 100% of the PAYGO revenue beginning with CFD No. 24 formation through the 20th fiscal year is intended to be available to the landowners to fund eligible facilities. After that, any PAYGO revenues may be used at the City's discretion to continue to fund or acquire eligible facilities, or the City may elect to reduce the special tax levy amount to eliminate PAYGO revenues.

Approving the resolutions attached:

- Forms CFD No. 24 and designates four Improvement Areas therein
- Authorizes the levy of special taxes within each Improvement Area therein
- Deems it necessary to incur bonded indebtedness within each Improvement Area
- Calls for a special mailed ballot election within each Improvement Area
- Declares the results of the special mailed ballot election within each Improvement Area

An ordinance is also being introduced to levy special taxes within CFD No. 24 for fiscal year 2026/27 and following fiscal years. This is the first reading of the ordinance.

FINANCIAL IMPACT

The services special tax for CFD No. 24 was structured to include police, fire, and other emergency services as project-specific services.

The CFD No. 24 formation, bonded indebtedness, and expenses are solely the responsibility of CFD No. 24. The General Fund is not impacted by the CFD No. 24 Rate and Method of Apportionment.

ENVIRONMENTAL REVIEW

An Initial Study and Mitigated Negative Declaration prepared for the Folsom Plan Area Backbone Infrastructure Project were previously prepared for, and adopted by the City Council on February 24, 2015, in accordance with the requirements of the California Environmental Quality Act. Pursuant to CEQA Guidelines section 15378(c), the term "project" does not mean each separate governmental approval for an approved activity which may be subject to several discretionary approvals by governmental agencies. Additionally, the creation of government funding mechanisms which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment is not defined as a "project" under CEQA. CEQA Guidelines Section 15378(b)(4) and 15061(b)(3).

ATTACHMENTS

1. Resolution No. 11625 - A Resolution of the City Council of the City of Folsom to Form a Community Facilities District, to Designate Improvement Areas within the District, to Designate a Future Annexation Area therein and to Levy Special Taxes therein

2. Resolution No. 11626 - A Resolution of the City Council of the City of Folsom Deeming it Necessary to Incur Bonded Indebtedness in and for City of Folsom Community Facilities District No. 24 (Alder Creek West)

3. Resolution No. 11627 - A Resolution of the City Council of the City of Folsom Calling Special Mailed-Ballot Election in the City of Folsom Community Facilities District No. 24 (Alder Creek West)

4. Resolution No. 11628 – A Resolution of the City Council of the City of Folsom Declaring Election Results in the City of Folsom Community Facilities District No. 24 (Alder Creek West)

5. Ordinance No. 1370 – An Uncodified Ordinance Levying Special Taxes for the Fiscal Year 2026-27 and Following Fiscal Years Solely within and Relating to the City of Folsom Community Facilities District No. 24 (Alder Creek West) (Introduction and First Reading)

6. City of Folsom Community Facilities District No. 24 (Alder Creek West) Public Hearing Report

7. Landowner Ballots, Waivers and Consents

Submitted,

_____

Stacey Tamagni
CFO/Finance Director

Attachment 1

RESOLUTION NO. 11625

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FOLSOM TO FORM A COMMUNITY FACILITIES DISTRICT, TO DESIGNATE IMPROVEMENT AREAS WITHIN THE DISTRICT, TO DESIGNATE A FUTURE ANNEXATION AREA THEREIN AND TO LEVY SPECIAL TAXES THEREIN

WHEREAS, a community facilities district is proposed to be established (the "Community Facilities District") under the terms of the Mello-Roos Community Facilities Act of 1982, Chapter 2.5 of Division 2 of Title 5 of the California Government Code, commencing with Section 53311 (the "Act"); and

WHEREAS, pursuant to Section 53350 of the Act, four improvement areas are proposed to be designated within the Community Facilities District (each, an "Improvement Area" and, collectively, the "Improvement Areas"); and

WHEREAS, pursuant to Section 53339.2, certain property is proposed to be designated for annexation into the Community Facilities District in the future with the unanimous approval of the owner or owners of each parcel or parcels at the time that parcel or those parcels are annexed (the "Future Annexation Area"); and

WHEREAS, the boundaries of the Community Facilities District, the Future Annexation Area, and each portion of the Community Facilities District designated as an Improvement Area, are described in a boundary map on file in the office of the City Clerk of the City of Folsom (the "City Clerk"); and

WHEREAS, for the preliminary scope of the project and financing contemplated by these proceedings, reference is made to Resolutions No. 11581 (the "Resolution of Intention") and No. 11582 adopted by the City Council of the City (the "City Council") on April 14, 2026; and

WHEREAS, on May 26, 2026, at the time and place scheduled for the public hearing concerning the formation of the Community Facilities District, the designation of the Future Annexation Area and the designation of the Improvement Areas, said public hearing of protests was duly convened by the City Council, and the City Council duly heard all interested parties desiring to be heard; and

WHEREAS, the City Council determined that a majority protest under Section 53324 of the Government Code was not made at the public hearing and therefore the proposed formation of the Communities Facilities District, the designation of the Future Annexation Area and the designation of each Improvement Area and special tax to be levied within each Improvement Area have not been eliminated by majority protest pursuant to said Section 53324; and

WHEREAS, pursuant to the Act, the City Council has previously reviewed the proposed Rate and Method of Apportionment of Special Tax (the "Rate and Method") for each Improvement Area;

WHEREAS, it has been determined that certain clerical and non-substantive errors were identified within the text of the Rate and Method for Improvement Area No. 3 of the Community Facilities District, and said Rate and Method has subsequently been modified solely to correct such errors for purposes of clarity and administrative accuracy; and

WHEREAS, the City Council hereby finds and determines that, notwithstanding these clerical corrections, the probable special tax to be levied on any particular parcel within Improvement Area No. 3 remains unchanged from the amounts previously noticed and contemplated, and such modifications do not increase the maximum special tax rates or change the methodology of apportionment in a manner adverse to any property owner;

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

Section 1. The City Council finds and determines that the foregoing recitals are true and correct.

Section 2. The City Council hereby forms the Community Facilities District under the terms of the Act. The boundaries of the Community Facilities District, each Improvement Area and the Future Annexation Area are shown on the boundary map approved by the Resolution of Intention (the "Boundary Map"). A copy of the recorded Boundary Map is on file with the City Clerk and was recorded on April 16, 2026, at Book 145, Page 35 in the Book of Maps of Assessment and Community Facilities Districts in the official real estate records of the County of Sacramento. Property owners within the Future Annexation Area may annex into Community Facilities District No. 24 by unanimous consent, without further future action by the City Council.

Section 3. The name of the Community Facilities District is "City of Folsom Community Facilities District No. 24 (Alder Creek West)" ("CFD 24").

Section 4. Pursuant to Section 53350 of the Act, the City Council hereby designates the portion of CFD 24 described as Improvement Area No. 1 in the Boundary Map as an improvement area, the portion of CFD 24 described as Improvement Area No. 2A in the Boundary Map as an improvement area, the portion of CFD 24 described as Improvement Area No. 2B in the Boundary Map as an improvement area, and the portion of CFD 24 described as Improvement Area No. 3 in the Boundary Map as an improvement area.

Section 5. The names of the Improvement Areas designated within CFD 24 are "City of Folsom Community Facilities District No. 24 (Alder Creek West) Improvement Area No. 1" ("Improvement Area No. 1"), "City of Folsom Community Facilities District No. 24 (Alder Creek West) Improvement Area No. 2A" ("Improvement Area No. 2A"), "City of Folsom Community Facilities District No. 24 (Alder Creek West) Improvement Area No. 2B" ("Improvement Area No. 2B"), and "City of Folsom Community Facilities District No. 24 (Alder Creek West) Improvement Area No. 3" ("Improvement Area No. 3"), respectively.

Section 6. The types of public facilities (the "Facilities") and services (the "Services") proposed to be financed by CFD 24, and to the financing of which each Improvement Area is proposed to contribute, are set forth on Exhibit A and Exhibit B attached to this resolution,

respectively. The City Council hereby finds and determines that these Facilities and Services are necessitated to meet increased demands placed upon the City by new development occurring or anticipated within each Improvement Area.

Section 7. All of the Facilities to be financed will have an estimated useful life of at least five (5) years. They are public facilities that the City or another governmental entity is authorized by law to construct, own or operate or to which they may contribute revenue. The Facilities to be financed need not be physically located within CFD 24.

Section 8. The types of incidental expenses and bond issuance costs proposed to be incurred are set forth on Exhibit C attached to this resolution.

Section 9. Except where funds are otherwise available, special taxes sufficient to pay for all Facilities and Services will be annually levied within each Improvement Area. Upon recordation of a notice of special tax lien pursuant to Section 3114.5 of the California Streets and Highways Code, a continuing lien to secure the related levy of the special tax shall attach to all nonexempt real property within CFD 24, and the lien shall continue in force and effect until the special tax obligation (or any portion thereof) is paid or prepaid and permanently satisfied and the special tax lien is cancelled in accordance with law or until collection of the special tax by the City ceases. The rate and method of apportionment of the special tax to be levied in each Improvement Area, as modified by this Resolution, are set forth in Exhibits D-1, D-2A, D-2B and D-3, respectively, attached to this resolution. The special tax with respect to the Facilities on any parcel within each Improvement Area shall not be levied after the earlier of (i) Fiscal Year 2085-86 or (ii) the Fiscal Year occurring 50 years following (a) the Fiscal Year in which the first building permit was issued or (b) the first series of bonds or other debt issued for the respective Improvement Area. The special tax with respect to the Services shall be levied perpetually until the collection of the special tax by the City ceases. In the case of any special tax to pay for the Facilities and to be levied against any parcel used for private residential purposes, under no circumstances will the special tax levied against any parcel be increased as a consequence of delinquency or default by the owner of any other parcel or parcels within any Improvement Area by more than 10 percent of the special tax for Facilities that would be levied in that Fiscal Year but for such delinquencies or defaults.

Section 10. Advances of funds or contributions of work in kind from any lawful source, specifically including owners of property within each Improvement Area, may be reimbursed from bond proceeds or from special tax revenues or both to the extent of the lesser of the value or cost of the contribution, but any agreement to do so shall not constitute a debt or liability of the City.

To the extent the Facilities will not be constructed by the City, in the opinion of the City Council, the public interest will not be served by allowing the property owners in CFD 24 to intervene in a public bidding process pursuant to Section 53329.5(a) of the Act.

Section 11. The City intends to reserve to itself the right and authority to allow bond tenders from any interested landowner within CFD 24 to be accepted under Government Code sections 53344.1 and 53356.8 in full or partial payment of any installment of the special taxes or the interest or penalties thereon.

Section 12. The Office of Management and Budget, 50 Natoma Street, Folsom, California, (916) 355-7347, is designated as the office responsible for preparing annually a current roll of special tax levy obligations by assessor's parcel number, and for responding to inquiries regarding estimates of future special tax levies. The City Manager, the Finance Director and the Chief Financial Officer are each authorized, on behalf of the City, to negotiate and execute, from time to time, one or more contracts with private consultants to provide this service in lieu of the Office of Management and Budget, provided that the fees and charges for such private consultants will be provided for out of special tax revenues in each Improvement Area.

Section 13. Any bonds issued in these proceedings shall be callable in accordance with the provisions of the Act and as more specifically to be set forth in any resolution providing for the form, execution and issuance of bonds.

Section 14. The special tax will be billed as a separate line item on the secured property tax bills, and will be subject to the same enforcement mechanism, and the same penalties and interest for late payment, as regular *ad valorem* property taxes. However, the City reserves the right, under Section 53340, to utilize any method of collecting each special tax which it shall, from time to time, determine to be in the best interests of the City, including, but not limited to, direct billing by the City to the property owners and supplemental billing, and when lawfully available, judicial foreclosure of the special tax lien.

Section 15. This City Council hereby establishes the annual appropriations limit for Improvement Area No. 1 at $31,000,000, for Improvement Area No. 2A at $21,000,000, for Improvement Area No. 2B at $35,000,000, and for Improvement Area No. 3 at $47,000,000, each for the 2026-27 fiscal year.

Section 16. Based upon a certificate relative to voters heretofore filed with the City Clerk, the qualified electors for the election to be held in these proceedings shall be the landowners owning land within each Improvement Area. The City Clerk or her designee will conduct the election by mailed ballot and hereby designates the City Clerk as the official to conduct the mailed-ballot election.

Section 17. This City Council now finds and determines that all proceedings up to and including the adoption of this resolution were and are valid and in conformity with the requirements of the Act. This determination and finding is final and conclusive in accordance with Government Code Section 53325.1(b).

Section 18. This resolution shall take effect from and after its adoption.

PASSED AND ADOPTED this 26th day of May 2026 by the following roll-call vote:

AYES: Councilmember(s):

NOES: Councilmember(s):

ABSENT: Councilmember(s):

ABSTAIN: Councilmember(s):

_____
Justin Raithel, MAYOR

ATTEST:

_____
Christa Freemantle, CITY CLERK

EXHIBIT A

AUTHORIZED FACILITIES
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24
(ALDER CREEK WEST)

The Facilities to be financed by CFD 24 include facilities designed to meet the needs of development within CFD 24, whether such facilities are located within or outside the boundaries of CFD 24, and include but are not limited to the following:

Transportation Improvements

Eligible roadway improvements include, but are not limited to: acquisition of land and easements; roadway design; project management; bridge crossings and culverts; clearing, grubbing, and demolition; grading, soil import/export, paving (including slurry seal), and decorative/enhanced pavement concrete and/or pavers; joint trenches, underground utilities and undergrounding of existing utilities; dry utilities and appurtenances; curbs, gutters, sidewalks, bike trails (including onsite and off-site), enhanced fencing, and access ramps; street lights, signalization, and traffic signal control systems; bus turnouts; signs and striping; erosion control; median and parkway landscaping and irrigation; entry monumentation; bus shelters, Bus Rapid Transit improvements including transfer stations and regional public transit improvements; masonry walls; traffic control and agency fees; and other improvements related thereto. Eligible improvements for the roads listed herein also include any and all necessary underground potable and recycled water, sanitary sewer, and storm drainage system improvements.

Water System Improvements

Authorized facilities include any and all water facilities designed to meet the needs of development of property within CFD 24. These facilities include, but may not be limited to: water storage, treatment and distribution facilities including waterlines and appurtenances, gate valves, pressure reducing stations, flow meters, fire hydrants, and other improvements related thereto such as site clearing, grading and paving; curbs and gutters; booster pump stations and power; stand-by generators; site lighting, drainage, sanitary sewer, and water service; landscaping and irrigation; access gates, and fencing; and striping and signage.

Recycled Water System Improvements

Authorized facilities include any and all recycled water system facilities designed to meet the needs of development of property within CFD 24. These facilities include, but may not be limited to: treatment and distribution facilities including pipelines and appurtenances, gate valves, flow meters, booster pump pressurization system, and other improvements related thereto - such as site clearing, grading and paving; curbs and gutters; booster pump stations; stand-by generators; site lighting, drainage, sanitary sewer, and water service; landscaping and irrigation; access gates, and fencing; and striping and signage.

Drainage System Improvements

Authorized facilities include any and all drainage and storm drain improvements designed to meet the needs of development of property within CFD 24. These facilities include, but may not be limited to: excavation and grading, pipelines and appurtenances, outfalls and water quality measures, detention/retention basins, drainage pretreatment facilities, drainage ways/channels, pump stations, landscaping and irrigation; access roads, gates, and fencing; and striping and signage and other improvements related thereto.

Wastewater System Improvements

Authorized facilities include any and all wastewater facilities designed to meet the needs of development of property within CFD 24. These facilities include, but may not be limited to, pipelines and all appurtenances thereto; manholes; tie-in to existing main lines; force mains; lift stations; upgrades to existing lift stations; odor-control facilities; and permitting related thereto; and related sewer system improvements.

Park, Parkway and Open Space Improvements

Authorized facilities include any and all improvements to parks, parkways and open space required for development of property within CFD 24. These facilities include, but may not be limited to: grading, turf, shrubs and trees, landscaping irrigation, site lighting, drainage, sanitary sewer and water service, pedestrian and bicycle trails, protective fencing (including soundwalls), pedestrian/bicycle bridges, storm drain crossings, wetland mitigation, hawk mitigation for authorized facilities herein, access gates and fencing and related open space improvements. Authorized facilities include acquisition of any and all parkland as well as open space/bike trail/public access easements required for development of property within CFD 24.

Specific Plan Infrastructure Fee Infrastructure

Authorized facilities include any and all improvements that are included in the Specific Plan Infrastructure Fee Program adopted by the City Council on September 8, 2015, including any future amendments thereto.

Other Incidental Expenses and Bond Issuance Costs

In addition to the above facilities, other incidental expenses as authorized by the Mello-Roos Community Facilities Act of 1982, including, but not limited to, the cost of planning and designing the facilities (including the cost of environmental evaluation, remediation and mitigation); engineering and surveying; construction staking; utility relocation and demolition costs incidental to the construction of the public facilities; costs of project/construction management; costs (including the costs of legal services) associated with the formation of the Mello-Roos CFD; issuance of bonds (if any); determination of the amount of taxes; collection of taxes; payment of taxes; costs of calculating and providing reimbursements from one-time special tax payments; or costs otherwise incurred in order to carry out the authorized purposes of CFD 24; and any other expenses incidental to the formation and implementation of CFD 24 and to the construction, completion, inspection and acquisition of the authorized facilities.

EXHIBIT B

AUTHORIZED SERVICES
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24
(ALDER CREEK WEST)

The authorized services to be funded from the levy and collection of annual special taxes include those set forth below in addition to the costs associated with collecting and administering the special taxes and annual administration of CFD 24.

CFD 24 will be eligible to fund all or a portion of the costs of reconstruction and/or rehabilitation, operation, maintenance, repair and replacement, and servicing of the following items not otherwise subject to funding from the City of Folsom Community Facilities District No. 18 (Folsom Plan Area – Area-Wide Improvements and Services):

1. Open Space improvements, operations and management, monitoring, maintenance (including general maintenance, signage, City owned fence maintenance, trash and debris collection, and bike trails and their appurtenances [drainage culverts or pipes from adjacent subdivisions] within open space), creation and maintenance of fire breaks, Permits, Vandalism/Graffiti, Flood Conveyance (Vegetation/tree removals), Beaver dam removals, Outfall/drainage swale maintenance, Erosion control/bank stabilization, Native planting/replanting, Pre and post emergent, maintenance activities as required by a 404 permit and Operations and Management Plan-Conservation and Passive Recreation Open Space, dated June 9, 2017, and repair and replacement of facilities within open space areas in the Project Area.

2. The maintenance of on-site landscape corridors and paseos designed to serve land uses within CFD 24, including general maintenance, masonry walls, accent lighting, water and utility costs.

3. The maintenance of streetlights, including any utility costs related thereto.

4. The maintenance of medians, entries, and entry monumentation.

5. Neighborhood park maintenance, and repair and replacement.

6. Community amenities, such as a community clubhouse.

7. Storm water management, water quality structural controls, including drainage swales constructed between storm drain facilities and receiving waters.

8. Miscellaneous costs related to any of the items described above including planning, engineering, GIS, legal, and city and county administration costs.

9. The levy of special taxes to accumulate sinking funds for anticipated future repairs or replacement costs of landscape corridors, irrigation facilities, medians, entries and entry

monumentation, lighting, neighborhood parks, storm water management and other facilities maintained by CFD 24 as determined by the Administrator.

Annual maintenance functions and costs generally will include the installation, maintenance and servicing of ground cover, shrubs and trees, irrigation systems, street lighting, fencing, sound walls, sidewalks, monuments, enhanced open space maintenance including but not limited to maintaining the enhanced open space areas located adjacent to avoided or created habitat mitigation areas and other buffer areas between the enhanced open space and vertical development, bike trails, walkways, entry signage, street pavers, and labor, materials, supplies, utilities (including water and electricity) and equipment, as applicable, for property owned or maintained by the City. Annual maintenance costs include an allowance for long-term repair and replacement of improvements.

CFD 24 may fund any of the following related to the maintenance of the services described above: obtaining, repairing, reconstructing, furnishing, operating and maintaining equipment, apparatus or facilities related to providing the services and/or equipment, apparatus, facilities or fixtures in areas to be maintained, paying the salaries and benefits of the personnel necessary or convenient to provide the services, and other related expenses and the provision of reserves for repairs and replacements for the future provision of services. It is expected that the services will be provided by the City, either with its own employees or by contract with third parties, or any combination thereof. CFD 24 may also fund administrative fees of the City related to CFD 24.

CFD 24 will further be eligible to fund all or a portion of the costs of the following public services:

Police, fire and other emergency services that are in addition to those services that were provided within the boundaries of CFD 24 at the time of formation of CFD 24, including but not limited to (i) the costs of contracting services, (ii) related equipment, vehicles, ambulances, fire apparatus and supplies, (iii) the salaries and benefits of City and non-City staff that directly provide police, fire and emergency services, and (iv) City and non-City overhead costs associated with providing such services within CFD 24.

EXHIBIT C

INCIDENTAL EXPENSES AND BOND ISSUANCE COSTS
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24
(ALDER CREEK WEST)

It is anticipated that the following incidental expenses may be incurred for CFD 24:

Engineering services
Special tax consultant services
City review and administration
Bond counsel services
Bond counsel expenses
Disclosure counsel services
Disclosure counsel expenses
Independent municipal advisor services and expenses
Appraiser services
Market absorption study and real estate economist services
Initial bond transfer agent, fiscal agent, registrar and paying agent fees
Rebate calculation service set up charge
Bond printing
Offering memorandum printing and mailing costs
Publishing, mailing and posting of notices
Underwriter's discount
Bond reserve fund
Capitalized interest
Bond syndication costs
Governmental notification and filing costs
Credit enhancement costs
Real estate acquisition costs
Rating agency fees
Charges and fees of City other than those waived

Certain annual costs may be included in each annual special tax levy. These include:

Annual bond transfer agent, fiscal agent, registrar and paying agent fees
Annual rebate calculation costs
Special tax consultant costs and administration expenses
Other necessary consultant costs
Costs of posting and collecting the special taxes
Personnel and Administrative costs of the City
Arbitrage rebate
Continuing disclosure reporting and compliance

EXHIBIT D-1

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24
(ALDER CREEK WEST)
IMPROVEMENT AREA NO. 1

[ATTACHED]

RATE AND METHOD OF APPORTIONMENT FOR
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24
(ALDER CREEK WEST)
IMPROVEMENT AREA 1

A Special Tax, as hereinafter defined, shall be levied on each Assessor's Parcel of Taxable Property within the City of Folsom Community Facilities District No. 24 (Alder Creek West) Improvement Area 1 (CFD No. 24 IA1) and collected each Fiscal Year in an amount determined by the CFD No. 24 IA1 Administrator through the application of the Rate and Method of Apportionment as described below. All of the real property within CFD No. 24 IA1, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

A. GENERAL DEFINITIONS

The terms hereinafter set forth have the following meaning:

"Accessory Dwelling Unit" or **"ADU"** means a secondary residential unit of limited size, as defined in California Government Code Section 66313, as may be amended from time to time, that is accessory to a single-unit dwelling. The ADU may be on the same Assessor's Parcel as the single-unit dwelling or on a separate Assessor's Parcel. For purposes of clarification, where an ADU and primary Unit are on the same Assessor's Parcel, the ADU located on such Assessor's Parcel is considered a separate Unit from the primary Unit on such Assessor's Parcel for purposes of the Special Tax. Should an Assessor's Parcel contain only an ADU, such Assessor's Parcel will be taxed as an ADU only.

"Acre" or **"Acreage"** means the land area of an Assessor's Parcel as shown on County records, such as an Assessor's Parcel Map and secured roll data, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable Large Lot Map, Small Lot Final Subdivision Map, condominium plan, record of survey, or other recorded document creating or describing the parcel. If the preceding maps for a land area are not available, the Acreage of such land area may be determined utilizing available spatial data and GIS. The square footage of an Assessor's Parcel is equal to the Acreage of such parcel multiplied by 43,560.

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Division 2 of Title 5 of the Government Code of the State of California.

"Assessor's Parcel" or **"Parcel"** means a lot or parcel shown in an Assessor's Parcel Map with an assigned Assessor's Parcel number.

"Assessor's Parcel Map" means an official map of the County Assessor of the County designating lots or parcels by an Assessor's Parcel number.

"Authorized Services" means the services authorized to be financed by CFD No. 24 IA1.

"Bond Year" means a one-year period beginning on September 2nd in each year and ending on September 1st in the following year, unless defined differently in the applicable Indenture.

"Bonds" means any bonds or other debt (as defined in the Act), whether in one or more series, issued by CFD No. 24 IA1 under the Act.

"CFD No. 24 IA1" means City of Folsom Community Facilities District No. 24 (Alder Creek West) Improvement Area 1.

"CFD No. 24 IA1 Administrator" means the City's Finance Director, or designee thereof, responsible for determining the Facilities Special Tax Requirement, Services Special Tax Requirement and providing for the levy and collection of the Special Taxes.

"City" means the City of Folsom.

"City Council" means the City Council of the City, acting as the legislative body of CFD No. 24 IA1.

"County" means the County of Sacramento.

"Developed Property" means, for each Fiscal Year, all Taxable Property for which a building permit for new construction was issued prior to June 30 of the previous Fiscal Year.

"Effective Tax Rate Evaluation" means an evaluation of the Total Effective Tax Rate of Residential Property at the time of such evaluation. The Effective Tax Rate Evaluation will be based upon a prepared Price Point Study to determine the Total Effective Tax Rate for Residential Property, based upon the calculated Total Estimated Tax Burden.

"Effective Tax Rate Evaluation Maximum Facilities Special Tax" means the total maximum annual Facilities Special Tax, as determined during the Effective Tax Rate Evaluation, in accordance with the provisions of Section C.2, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate" means the maximum annual Facilities Special Tax rate for each land use category of Taxable Property that will be set forth in Attachment C, following the Effective Tax Rate Evaluation, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Effective Tax Rate Evaluation Minimum Facilities Revenue" means, following the Effective Tax Rate Evaluation, the total minimum amount of CFD No. 24 IA1 Effective Tax Rate Evaluation Maximum Facilities Special Tax, as adjusted annually by the Facilities Special Tax Escalation Factor after the Fiscal Year in which the Effective Tax Rate Evaluation occurs, less any Effective Tax Rate Evaluation Maximum Facilities Special Tax amounts partially prepaid pursuant to Section L. The Effective Tax Rate Evaluation Minimum Facilities Revenue, based on Planned Development, is set forth in Attachment D of this Rate and Method of Apportionment.

"Exempt Property" means all Assessors' Parcels that are exempt from the Special Tax pursuant to Section F.

"Facilities Administrative Expenses" means the actual or reasonably estimated costs directly related to the administration of the Facilities Special Tax including, but not limited to, the following: the costs of computing the Facilities Special Tax and preparing the annual Facilities Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Facilities Special Taxes (whether by the County, the City, or otherwise); the costs of remitting the Facilities Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of

the duties required of it under the Indenture; the costs to the City, CFD No. 24 IA1, or any designee thereof of complying with arbitrage rebate requirements or responding to questions from the IRS or SEC pertaining to any Bonds or any audit of any Bonds by the SEC or IRS; the costs to the City, CFD No. 24 IA1, or any designee thereof of providing continuing disclosure regarding the Bonds pursuant to applicable state or federal securities law; the costs associated with preparing Facilities Special Tax disclosure statements and responding to public inquiries regarding the Facilities Special Taxes; the costs of the City, CFD No. 24 IA1, or any designee thereof related to any appeal of the levy or application of the Facilities Special Tax; the costs associated with the release of funds from an escrow account, if any; and the costs associated with computing and preparing the Effective Tax Rate Evaluation, including the Price Point Study. Facilities Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 24 IA1 for any other administrative purposes, including, but not limited to, attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Facilities Special Taxes.

"Facilities Special Tax" means the annual Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Facilities Special Tax Requirement.

"Facilities Special Tax Escalation Factor" means two percent (2%) annually.

"Facilities Special Tax Requirement" means that amount of Special Tax revenue required in any Fiscal Year for CFD No. 24 IA1 to: (i) Pay Facilities Administrative Expenses in an amount designated by the City; (ii) pay annual debt service on all Outstanding Bonds due in the Bond Year beginning in such Fiscal Year; (iii) pay other periodic costs on Outstanding Bonds, including but not limited to, credit enhancement and rebate payments on Outstanding Bonds; (iv) pay any amounts required to establish or replenish any reserve funds for all Outstanding Bonds in accordance with the Indenture; (v) pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year and known upcoming delinquencies; and (vi) pay for Pay As You Go Costs; less (vii) a credit for funds available to reduce the annual Facilities Special Tax levy as determined by the CFD No. 24 IA1 Administrator pursuant to the Indenture.

"Facilities Special Tax Term" means the earlier of Fiscal Year 2085-2086 or the Fiscal Year occurring 50 years following the Fiscal Year in which the first building permit was issued, or the first series of Bonds was issued within CFD No. 24 IA1.

"Fiscal Year" means the period starting July 1 and ending on the following June 30.

"Indenture" means the indenture, fiscal agent agreement, trust agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended and/or supplemented from time to time, and any instrument replacing or supplementing the same.

"Large Lot Map" means a recorded subdivision map creating larger parcels by land use. The Large Lot Map does not create individual lots for which building permits may be issued for single-family Residential Units.

"Large Lot Property" means, for each Fiscal Year, all Taxable Property for which a Large Lot Map was recorded prior to June 30 of the previous Fiscal Year, excluding any portion(s) thereof classified as

Developed Property, Small Lot Final Map Property, or Permit Ready Multi-Family/Non-Residential Property. Large Lot Property also means, for each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property as of June 30 of the previous Fiscal Year.

"Maximum Facilities Special Tax" means the total maximum annual Facilities Special Tax, determined in accordance with the provisions of Section C, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Maximum Facilities Special Tax Rate" means the maximum annual Facilities Special Tax rate for each land use category of Taxable Property, as shown in Attachment A, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Maximum Services Special Tax" means the total maximum annual Services Special Tax, determined in accordance with the provisions of Section D, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Maximum Services Special Tax Rate" means the maximum annual Services Special Tax rate for each land use category of Taxable Property, as shown in Attachment A, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Maximum Special Tax" means, prior to the Transition Year, the total annual Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) and Maximum Services Special Tax, determined in accordance with the provisions of Section C and Section D, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

Beginning in the Transition Year, "Maximum Special Tax", means the total annual Maximum Transition Services Special Tax, determined in accordance with the provisions of Section D, which may be levied in any Fiscal Year following the Transition Event on any Assessor's Parcel of Taxable Property

"Maximum Total Effective Tax Rate" means 1.80%, unless the City determines, in its sole discretion, that a higher Maximum Total Effective Tax Rate is appropriate.

"MHD Multi-Family Attached Property" means all Assessor's Parcels for which a building permit could be issued for purposes of constructing one or more attached Residential Units per Assessor's Parcel with a permitted density range of greater than 20 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council. MHD Multi-Family Attached Property shall also include an Assessor's Parcel or that portion of an Assessor's Parcel designated as a Mixed Use Residential Parcel.

"Minimum Facilities Revenue" means the minimum amount of total CFD No. 24 IA1 Maximum Facilities Special Tax, as adjusted annually by the Facilities Special Tax Escalation Factor, less any Maximum Facilities Special Tax amounts partially prepaid pursuant to Section L. The Minimum Facilities Revenue, based on Planned Development, is set forth in Attachment B of this Rate and Method of Apportionment. Following the Transition Event, the Minimum Facilities Revenue shall be zero.

"MMD Multi-Family Attached Property" means all Assessor's Parcels for which a building permit could be issued for purposes of constructing one or more attached Residential Units per Assessor's

Parcel with a permitted density range of 12-20 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

"Mixed-Use Residential Parcel" means a mixed-use Assessor's Parcel that is designated for residential land use. If the mixed-use Assessor's Parcel contains a combination of residential land use and non-residential land use, only that portion of an Assessor's Parcel designated for residential land use shall be classified as a Mixed-Use Residential Parcel and the remaining non-residential land use of the Assessor's Parcel shall be classified as Non-Residential Property.

"Non-Residential Property" means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing non-residential buildings.

"Open Space Property" means property within the boundaries of CFD No. 24 IA1 which (a) has been designated with specific boundaries and acreage on a Small Lot Final Subdivision Map as open space, or (b) is classified by the City zoning code or County Assessor as open space, or (c) has been irrevocably offered for dedication as open space to the federal government, the State of California, the County, the City, any other public agency, a private, non-profit organization, or (d) is encumbered by an easement or other restriction required by the City limiting the use of such property to open space.

"Outstanding Bonds" means all Bonds, which remain outstanding as defined in the Indenture pursuant to which such Bonds were issued.

"Pay as You Go Costs" means that portion of the Facilities Special Tax Requirement attributable to the direct payment for the acquisition and/or construction of public improvements, which are authorized to be financed by CFD No. 24 IA1.

"Permit Ready Multi-Family/Non-Residential Property" means an Assessor's Parcel of Taxable Property zoned for multi-family or non-residential land use for which all discretionary entitlements have been obtained, including, without limitation, development plan review and improvement plan approval, such that building permits may be issued without further approvals for the construction of multi-family Residential Units or non-residential buildings within such Assessor's Parcel. The City shall have sole discretion, based upon available development information, in classifying an Assessor's Parcel as Permit Ready Multi-Family/Non-Residential Property.

"Planned Development" means the planned number of Residential Lots, MHD Multi-Family Attached Property Acreage, MMD Multi-Family Attached Property Acreage, and Non-Residential Property Acreage planned within CFD No. 24 IA1, set forth in Attachment B or, following the Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment, as amended by the future recordation of all Large Lot Maps and Small Lot Final Subdivision Maps within CFD No. 24 IA1.

"Price Point Study" means an analysis, prepared by an independent firm, to verify the estimated average sales price within each land use category of Residential Property given the project location and current market conditions.

"Property Owner Association Property" means any property within the boundaries of CFD No. 24 IA1, which is (a) owned by a property owner association or (b) designated with specific boundaries

and Acreage on a Small Lot Final Subdivision Map as property owner association property. As used in this definition, a property owner association includes any master or sub-association.

"Proportionately" means for Taxable Property that the ratio of the Facilities Special Tax levy to the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) and the Services Special Tax levy to the Maximum Services Special Tax is equal for all Assessors' Parcels within each classification (Developed Property, Single Family Final Map Property, Permit Ready Multi-Family/Non-Residential Property, Large Lot Property, etc.) within CFD No. 24 IA1.

"Public Property" means any property within the boundaries of CFD No. 24 IA1, which (a) is owned by a public agency, (b) has been irrevocably offered for dedication to a public agency, or (c) is designated with specific boundaries and Acreage on a Small Lot Final Subdivision Map as property, which will be owned by a public agency. For purposes of this definition, a public agency includes the federal government, the State of California, the County, the City, or any other public agency.

"Residential Lot" means an individual lot of land for which a building permit could be issued to construct a Residential Unit.

"Residential Property" means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing Residential Units, including Single-Family Detached Property – SF/SFHD Zoning, Single-Family Detached Property – MLD Zoning, MHD Multi-Family Attached Property, and MMD Multi-Family Attached Property.

"Residential Unit" means a residential dwelling unit, including Accessory Dwelling Units, as allowed by the City zoning code.

"Services Administrative Expenses" means the actual or reasonably estimated costs directly related to the administration of the Services Special Tax including, but not limited to, the following: the costs of computing the Services Special Taxes and preparing the annual Services Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Services Special Taxes (whether by the County, the City, or otherwise); the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Services Special Tax; and the costs of the City, CFD No. 24 IA1, or any designee thereof related to any appeal of the levy or application of the Services Special Tax. Services Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 24 IA1 for any other administrative purposes related to the Services Special Tax.

"Services Special Tax" means, prior to the Transition Event, the annual Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Services Special Tax Requirement.

"Services Special Tax Escalation Factor" means the maximum of two percent (2%) or the June annualized percentage change of the Consumer Price Index for all Urban Consumers, for the San Francisco-Oakland-San Jose area, not to exceed four percent (4%).

"Services Special Tax Requirement" means the amount of Services Special Tax revenue required for CFD No. 24 IA1, before the Transition Year, to (i) pay Services Administrative Expenses in an amount

designated by the City; (ii) pay Authorized Services expenses; (iii) pay any amounts required to establish or replenish any repair and contingency funds, capital improvement funds, or reserve funds related to the Authorized Services expenses; (iv) cover any shortfalls that exist if, in any Fiscal Year, the levy of the Facilities Special Tax on each Assessor's Parcel of Taxable Property is insufficient to pay the Facilities Special Tax Requirement in that Fiscal Year. Facilities Special Tax Requirement shortfalls shall not include Pay As You Go Costs, and (v) pay for reasonably anticipated delinquent Services Special Taxes based on the delinquency rate for Services Special Taxes levied in the previous Fiscal Year; less (vi) a credit for funds available to reduce the annual Services Special Tax levy as determined by the CFD No. 24 IA1 Administrator.

"Single-Family Detached Property – MLD Zoning" means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing one or more detached or attached Residential Units with a permitted density range of 7-12 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

"Single-Family Detached Property – SF/SFHD Zoning" means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing one or more Residential Units. Single-Family Detached Property – SF/SFHD Zoning shall consist of either single-family property with a permitted density range of 1-4 Residential Units per Acre or single-family high density property with a permitted density range of 4-7 Residential Units per Acre, which is more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

"Special Tax" means, before the Transition Year, the annual Facilities Special Tax and Services Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Facilities Special Tax Requirement and the Services Special Tax Requirement.

Beginning in the Transition Year, the annual Transition Services Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Transition Services Special Tax Requirement.

"Small Lot Final Map Property" means, for each Fiscal Year, all Taxable Property for which a Small Lot Final Subdivision Map was recorded prior to June 30 of the previous Fiscal Year.

"Small Lot Final Map Remainder Property" means an Assessor's Parcel that is created from the subdivision of Large Lot Property by the recordation of a Small Lot Final Subdivision Map that has not yet been mapped for final development approval. Small Lot Final Map Remainder Property is that portion of property for which the Small Lot Final Subdivision Map definition does not apply (i.e., does not contain individual lots for which building permits may be issued for Residential Units without further subdivision of such property). Each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property, as of June 30 of the previous Fiscal Year, will be considered Large Lot Property.

"Small Lot Final Subdivision Map" means a subdivision of property created by recordation of a final subdivision map, parcel map or lot line adjustment, approved by the City pursuant to the Subdivision

Map Act (California Government Code Section 66410 et seq.) or recordation of a condominium plan pursuant to California Civil Code 1352, that creates individual lots for which building permits may be issued for Residential Units without further subdivision of such property.

"State" means the State of California.

"Taxable Property" means all of the Assessor's Parcels within the boundaries of CFD No. 24 IA1 that are not exempt from the CFD No. 24 IA1 Special Tax pursuant to law or Section F below.

"Total Effective Tax Rate" means the percentage of the Total Estimated Tax Burden as compared to the estimated average sales price identified in the Price Point Study for each land use category of Residential Property.

"Total Estimated Tax Burden" means the total amount of overlapping property taxes anticipated to be levied upon a Residential Unit, based upon the estimated average sales price identified in the Price Point Study and existing property tax rates for the current Fiscal Year. Existing property tax rates shall reflect the actual property tax rates levied upon Taxable Property in the Fiscal Year that the Effective Tax Rate Evaluation is completed.

"Transition Event" means the earlier of (i) Fiscal Year 2085-2086 or (ii) the Fiscal Year when the CFD No. 24 IA1 Administrator determines that both of the following events have occurred (1) all Bonds secured by the levy and collection of the Facilities Special Tax in CFD No. 24 IA1 have been fully repaid and the City determines that no additional Bonds are to be issued, and (2) all Facilities Administrative Expenses have been paid or reimbursed to CFD No. 24 IA1.

"Transition Services Administrative Expenses" means the actual or reasonably estimated costs directly related to the administration of the Transition Services Special Tax including, but not limited to, the following: the costs of computing the Transition Services Special Taxes and preparing the annual Transition Services Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Transition Services Special Taxes (whether by the County, the City, or otherwise); the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Transition Services Special Tax; and the costs of the City, CFD No. 24 IA1, or any designee thereof related to any appeal of the levy or application of the Transition Services Special Tax. Transition Services Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 24 IA1 for any other administrative purposes related to the Transition Services Special Tax.

"Transition Services Special Tax" means, after the Transition Event, the annual Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Transition Services Special Tax Requirement.

"Transition Services Special Tax Escalation Factor" means the maximum of two percent (2%) or the June annualized percentage change of the Consumer Price Index for all Urban Consumers, for the San Francisco-Oakland-San Jose area, not to exceed four percent (4%).

"Transition Services Special Tax Rate" means, calculated in the Transition Year, the amount equal to the prior year's Maximum Services Special Tax Rate plus fifty percent (50%) of the prior year's

Maximum Facilities Special Tax Rate. The Transition Services Special Tax Escalation Factor shall be applied beginning in the Transition Year. Following the Transition Year, the Transition Services Special Tax Rate shall be equal to the prior year's Transition Services Special Tax Rate, increased by the Transition Services Special Tax Escalation Factor.

"Transition Services Special Tax Requirement" Beginning in the Transition Year, to (i) pay Transition Services Administrative Expenses in an amount designated by the City; (ii) pay Authorized Services expenses; (iii) pay any amounts required to establish or replenish any repair, replacement and contingency funds, capital improvement funds, or reserve funds related to the Authorized Services expenses; (iv) pay for reasonably anticipated delinquent Transition Services Special Taxes based on the delinquency rate for Transition Services Special Taxes levied in the previous Fiscal Year; less (v) a credit for funds available to reduce the annual Transition Services Special Tax levy as determined by the CFD No. 24 IA1 Administrator.

"Transition Year" means the first year in which the CFD No. 24 IA1 Administrator determines that the Transition Event occurred in the prior Fiscal Year.

"Trustee" means the entity appointed pursuant to an Indenture to act as the trustee, fiscal agent, or paying agent or a combination thereof.

"Undeveloped Property" means, for each Fiscal Year, all Taxable Property not classified as Developed Property, Small Lot Final Map Property, Permit Ready Multi-Family/Non-Residential Property, or Large Lot Property.

"Welfare Exempt Property" means, in any Fiscal Year, all Parcels within the boundaries of CFD No. 24 IA1 that (a) have been granted a welfare exemption by the County under subdivision (g) of Section 214 of the Revenue and Taxation Code indicated in the Assessor's Data finalized as of January 1 of the previous Fiscal Year, and (b) are exempt from the Special Tax pursuant to Section 53340(c) of the Act. Pursuant to Section 53340(c) of the Act, after the issuance of the first series of Bonds, as applicable, any Assessor's Parcels that receives a welfare exemption under subdivision (g) of Section 214 of the Revenue and Taxation Code shall not be classified as Welfare Exempt Property and will be subject to the Facilities Special Tax.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, using City and County records, City zoning information, and land use development plans, all Assessor's Parcels within the boundaries of CFD No. 24 IA1 shall be designated as either Taxable Property or Exempt Property.

All Taxable Property shall be further classified as Developed Property, Small Lot Final Map Property, Permit Ready Multi-Family/Non-Residential Property, Large Lot Property, or Undeveloped Property and shall be subject to the levy of the annual Special Tax determined pursuant to Sections C and D below.

C. FACILITIES SPECIAL TAX

Prior to the Transition Year, a Maximum Facilities Special Tax shall be assigned to all Taxable Property within CFD No. 24 IA1 according to the Maximum Facilities Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

Once assigned, the sum of the total Maximum Facilities Special Tax shall be equal to or greater than the Minimum Facilities Revenue, unless adjusted by an Effective Tax Rate Evaluation as described below. The Minimum Facilities Revenue for Fiscal Year 2026-2027 is set forth in Attachment B of this Rate and Method of Apportionment.

On each July 1, commencing on July 1, 2027, the Maximum Facilities Special Tax Rates and Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Maximum Facilities Special Tax Rates and Minimum Facilities Revenue in effect for the previous Fiscal Year.

C.1. Future Assessor's Parcel Changes – Prior to an Effective Tax Rate Evaluation

The Maximum Facilities Special Tax shall be assigned to all future Assessor's Parcel(s) created from a subdivision, lot line adjustment, or merger of one or more Assessor's Parcels so that the revised sum of the total Maximum Facilities Special Tax revenue is not less than the Minimum Facilities Revenue set forth in Attachment B of this Rate and Method of Apportionment.

Undeveloped Property Subdividing into Large Lot Property

When Undeveloped Property subdivides into Large Lot Property, the Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. The expected Developed Property Maximum Facilities Special Tax for any Large Lot Property and any remaining Undeveloped Property shall be based upon the Planned Development for the Large Lot Property and remaining Undeveloped Property.

If the sum of the total expected Developed Property Maximum Facilities Special Tax generated by all of the Taxable Property is greater than or equal to the Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates for the Large Lot Property created from the Undeveloped Property subdivision.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Large Lot Property created from the Undeveloped Property subdivision, until the sum of the total expected Developed Property Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Further, if the sum of the total current Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, the Maximum Facilities Special Tax Rates for the Large Lot Property and any remaining Undeveloped Property created from the Undeveloped Property subdivision shall be Proportionately increased until the sum of the total current Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Attachment B of this Rate and Method of Apportionment shall be updated to reflect any increases to the Maximum Facilities Special Tax Rates from the Undeveloped Property subdivision. The

Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property.

Large Lot Property Subdividing into Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property

When Large Lot Property subdivides into Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property, the Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. If the Large Lot Property subdivision also creates Small Lot Final Map Remainder Property, the expected Developed Property Maximum Facilities Special Tax for the Small Lot Final Map Remainder Property shall be based upon the Planned Development for the Small Lot Final Map Remainder Property. The expected Developed Property Maximum Facilities Special Tax for any remaining Large Lot Property and Undeveloped Property shall be based upon the Planned Development of the Large Lot Property and the Undeveloped Property.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is greater than or equal to the Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates for the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, and such difference is not eliminated by the partial prepayment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax pursuant to Section L, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision, until the sum of the total expected Developed Property Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Attachment B of this Rate and Method of Apportionment shall be updated to reflect any increases to the Maximum Facilities Special Tax Rates from the Large Lot Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property created prior to the Large Lot Property subdivision.

C.2. Effective Tax Rate Evaluation

Prior to the issuance of the first series of Bonds within CFD No. 24 IA1 an Effective Tax Rate Evaluation will be completed. Following the Effective Tax Rate Evaluation, Attachment C of this

Rate and Method of Apportionment will be updated to reflect the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for all Taxable Property in CFD No. 24 IA1.

Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates

As part of the Effective Tax Rate Evaluation, a Price Point Study will be prepared and an estimated average sales prices will be established for each Residential Property land use category. Using the estimated average sales price information determined in the Price Point Study, the Total Estimated Tax Burden and Total Effective Tax Rate will be calculated, using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment A, for each Residential Property land use category. If the calculated Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for a Residential Property land use category, the Maximum Facilities Special Tax Rate shall not be adjusted and will be assigned using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment A. Attachment C of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category.

If the Total Effective Tax Rate for any Residential Property land use category exceeds the Total Maximum Effective Tax Rate, the Developed Property Maximum Facilities Special Tax Rate set forth in Attachment A shall be reduced until the Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for that Residential Property land use category. Attachment C of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category.

Effective Tax Rate Evaluation Minimum Facilities Revenue

As a result of the Effective Tax Rate Evaluation, if the calculated Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for a Residential Property land use category used in the Minimum Facilities Revenue calculation, the Developed Property Maximum Facilities Special Tax Rate for the applicable Residential Property land use category shall not be adjusted and the Effective Tax Rate Evaluation Developed Property Maximum Facilities Special Tax Rate will be assigned using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment B. Attachment D of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category and the Effective Tax Rate Evaluation Minimum Facilities Revenue.

If the calculated Total Effective Tax Rate exceeds the Total Maximum Effective Tax Rate for a Residential Property land use category used in the Minimum Facilities Revenue calculation, the Effective Tax Rate Evaluation Developed Property Maximum Facilities Special Tax Rate will be assigned using the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates set forth in Attachment C. Attachment D of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum

Facilities Special Tax Rate for each Residential Property land use category and the Effective Tax Rate Evaluation Minimum Facilities Revenue.

C.3. Future Assessor's Parcel Changes – After an Effective Tax Rate Evaluation

The Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be assigned to all future Assessor's Parcel(s) created from a subdivision, lot line adjustment, or merger of one or more Assessor's Parcels so that the revised sum of the total Effective Tax Rate Evaluation Maximum Facilities Special Tax revenue is not less than the total Effective Tax Rate Evaluation Minimum Facilities Revenue set forth in Attachment D of this Rate and Method of Apportionment.

Undeveloped Property Subdividing into Large Lot Property

When Undeveloped Property subdivides into Large Lot Property, the Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. The expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for any Large Lot Property and any remaining Undeveloped Property shall be based upon the Planned Development for the Large Lot Property and remaining Undeveloped Property.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax generated by all of the Taxable Property is greater than or equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Large Lot Property created from the Undeveloped Property subdivision.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Large Lot Property created from the Undeveloped Property subdivision, until the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Further, if the sum of the total current Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Large Lot Property and any remaining Undeveloped Property created from the Undeveloped Property subdivision shall be Proportionately increased until the sum of the total current Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Attachment D of this Rate and Method of Apportionment shall be updated to reflect any increases to the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates from the Undeveloped Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as

Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property.

Large Lot Property Subdividing into Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property

When Large Lot Property subdivides into Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property, the Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. If the Large Lot Property subdivision also creates Small Lot Final Map Remainder Property, the expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for the Small Lot Final Map Remainder Property shall be based upon the Planned Development for the Small Lot Final Map Remainder Property. The expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for any remaining Large Lot Property and Undeveloped Property shall be based upon the Planned Development of the Large Lot Property and the Undeveloped Property.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is greater than or equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, and such difference is not eliminated by the partial prepayment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax pursuant to Section L, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision, until the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Attachment D of this Rate and Method of Apportionment shall be updated to reflect any increases to the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates from the Large Lot Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property created prior to the Large Lot Property subdivision.

C.4. Method of Apportionment of Facilities Special Tax

Using the definitions and procedures described herein, the CFD No. 24 IA1 Administrator shall determine the Facilities Special Tax Requirement and levy the Facilities Special Tax until the amount of Facilities Special Taxes equals the Facilities Special Tax Requirement. The Facilities Special Tax shall be levied each Fiscal Year until the Transition Year as follows:

Prior to an Effective Tax Rate Evaluation

First: The Facilities Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Facilities Special Tax in order to satisfy the Facilities Special Tax Requirement.

Second: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first step has been completed, the Facilities Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Small Lot Final Map Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Third: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first two steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Permit Ready Multi-Family/Non-Residential Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fourth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first three steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Large Lot Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fifth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first four steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Undeveloped Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

After an Effective Tax Rate Evaluation

First: The Facilities Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax in order to satisfy the Facilities Special Tax Requirement.

Second: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first step has been completed, the Facilities Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Small Lot Final Map Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Third: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first two steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Permit Ready Multi-Family/Non-Residential Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fourth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first three steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Large Lot Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fifth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first four steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Undeveloped Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

D. SERVICES SPECIAL TAX

A Services Special Tax shall be assigned to all Taxable Property within CFD No. 24 IA1 according to the Maximum Services Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

D.1. Prior to the Transition Event - Increase in the Maximum Services Special Tax

Prior to the Transition Event, on each July 1, commencing on July 1, 2027, the Maximum Services Special Tax Rates shall be increased by the Services Special Tax Escalation Factor of the Maximum Services Special Tax Rates in effect for the previous Fiscal Year.

D.2. Prior to the Transition Event - Method of Apportionment of Services Special Tax

If, in any Fiscal Year prior to the Transition Year, the Facilities Special Tax is levied against each Assessor's Parcel of Taxable Property within CFD No. 24 IA1 and the Facilities Special Tax revenues generated are insufficient to pay the Facilities Special Tax Requirement such shortfall shall be deemed a component of the Services Special Tax Requirement in that Fiscal Year, and proceeds from the levy of the Services Special Tax shall first be applied to mitigate the shortfall in the Facilities Special Tax Requirement before being used to pay for Authorized Services. The Services Special Tax revenue shall not be applied to any Facilities Special Tax Requirement shortfalls attributable to Pay As You Go Costs authorized to be financed by CFD No. 24 IA1.

Using the definitions and procedures described herein, the CFD No. 24 IA1 Administrator shall determine the Services Special Tax Requirement and levy the Services Special Tax until the amount of Services Special Tax equals the Services Special Tax Requirement. The Services Special Tax shall be levied each Fiscal Year as follows:

First: The Services Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Second: If additional monies are needed to satisfy the Services Special Tax Requirement after the first step has been completed, the Services Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Third: If additional monies are needed to satisfy the Services Special Tax Requirement after the first two steps have been completed, the Services Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Fourth: If additional monies are needed to satisfy the Services Special Tax Requirement after the three steps have been completed, the Services Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Fifth: If additional monies are needed to satisfy the Services Special Tax Requirement after the three steps have been completed, the Services Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

E. TRANSITION SERVICES SPECIAL TAX

A Transition Services Special Tax shall be assigned to all Taxable Property within CFD No. 24 IA1 according to the Maximum Transition Services Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

E.1. After the Transition Event – Method of Apportionment of Transition Services Special Tax

Using the definitions and procedures described herein, the CFD No. 24 IA1 Administrator shall determine the Transition Services Special Tax Requirement and levy the Transition Services Special Tax until the amount of Transition Services Special Tax equals the Transition Services Special Tax Requirement. The Transition Services Special Tax shall be levied each Fiscal Year as follows:

First: The Transition Services Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Transition Services Special Tax in order to satisfy the Transition Services Special Tax Requirement.

Second: If additional monies are needed to satisfy the Transition Services Special Tax Requirement after the first step has been completed, the Transition Services Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Transition Services Special Tax in order to satisfy the Transition Services Special Tax Requirement.

Third: If additional monies are needed to satisfy the Transition Services Special Tax Requirement after the first two steps have been completed, the Transition Services Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Transition Services Special Tax in order to satisfy the Transition Services Special Tax Requirement.

Fourth: If additional monies are needed to satisfy the Transition Services Special Tax Requirement after the three steps have been completed, the Transition Services Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Transition Services Special Tax in order to satisfy the Transition Services Special Tax Requirement.

Fifth: If additional monies are needed to satisfy the Transition Services Special Tax Requirement after the three steps have been completed, the Transition Services Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Maximum Transition Services Special Tax in order to satisfy the Transition Services Special Tax Requirement.

F. DELINQUENCIES

Notwithstanding the above, under no circumstances will the CFD No. 24 IA1 Facilities Special Tax levied against any Assessor's Parcel of Developed Property classified as Residential Property, in any Fiscal Year, be increased as a consequence of the delinquency or default in the payment of the CFD No. 24 IA1 Facilities Special Taxes by the owner or owners of any other Taxable Property by more than ten percent (10%) above the amount that would have been levied against such Assessor's Parcel in such Fiscal Year had there been no delinquencies or defaults.

G. EXEMPTIONS

The CFD No. 24 IA1 Administrator shall classify the following as Exempt Property: Public Property, Property Owner Association Property, Open Space Property, and Assessor's Parcels with public or utility easements making impractical their utilization for any use other than the purposes set forth in the easement.

The Maximum Facilities Special Tax obligation or, if applicable, the Effective Tax Rate Evaluation Maximum Facilities Special Tax obligation for Taxable Property which will be transferred or dedicated to a public agency and will be classified as Public Property may be fully prepaid by the seller, pursuant to Section L, prior to the transfer/dedication of such Taxable Property. Until the Maximum Facilities Special Tax obligation or, if applicable, the Effective Tax Rate Evaluation Maximum Facilities Special Tax obligation for any such Taxable Property is prepaid, the Taxable Property shall continue to be subject to the levy of the Facilities Special Tax. An exception to this may be made if an Assessor's Parcel of Public Property, such as a school site, is relocated to an Assessor's Parcel of Taxable Property, in which case the Assessor's Parcel of previously Public Property becomes Taxable Property and the Assessor's Parcel of previously Taxable Property becomes Public Property. This trading of an Assessor's Parcel from Taxable Property to Public Property will be permitted to the extent there is no loss in Maximum Facilities Special Tax revenue or, if applicable, Effective Tax Rate Evaluation Maximum Facilities Special Tax revenue, and the transfer is agreed to by the owners of all Assessor's Parcels involved in the transfer and the City Council.

If the use of an Assessor's Parcel changes so that such Assessor's Parcel is no longer eligible to be classified as one of the uses set forth in Section G.1. above that would make such Assessor's Parcel eligible to continue to be classified as Exempt Property, such Assessor's Parcel shall cease to be classified as Exempt Property and shall be deemed to be Taxable Property and subject to the Special Tax.

No Special Tax shall be levied on any Assessor's Parcel in any Fiscal Year in which such Assessor's Parcel is classified as Welfare Exempt Property; however, pursuant to Section 53340(c) of the Act, after the issuance of the first series of Bonds, as applicable, any Assessor's Parcel that receives a welfare exemption under subdivision (g) of Section 214 of the Revenue and Taxation Code shall not be classified as Welfare Exempt Property and will be subject to the Facilities Special Tax.

H. TRANSFERS

Prior to the issuance of the first series of Bonds within CFD No. 24 IA1, the City may permit the transfer of Maximum Facilities Special Tax or Effective Tax Rate Evaluation Maximum Facilities Special Tax from one Assessor's Parcel to another Assessor's Parcel. Before recordation of a Small Lot Final Subdivision Map, if a subdivision map is required, the City may permit a transfer if the number of planned Residential Units, Multi-Family Attached Property Acreage, or Non-Residential Property Acreage is transferred from one Assessor's Parcel(s) to another Assessor's Parcel(s) in any portion of Large Lot Property. The City may, in its sole discretion, allow for a transfer of the Maximum Facilities Special Tax or Effective Tax Rate Evaluation Maximum Facilities Special Tax from one Assessor's Parcel to another Assessor's Parcel provided such a transfer shall be allowed only if (1) all adjustments are agreed to in writing by the affected property owners and the City's Finance Director, and (2) there is no reduction in the sum of the total Maximum Facilities Special Tax or sum of the total Effective Tax Rate Evaluation Maximum Facilities Special Tax as a result of the transfer. Should a transfer result in an amendment to Attachment B or, following an Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment, the requesting property owner shall bear the costs to affect the transfer in the CFD No. 24 IA1 records and prepare the required amendments to Attachment B or, following an Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment.

I. INTERPRETATIONS

The City reserves the right to make minor administrative and technical changes to this document that do not materially affect the Rate and Method of Apportionment of Special Tax. In addition, the interpretation and application of any section of this document shall be at the City's discretion. Interpretations may be made by the City by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment of Special Tax.

J. REVIEW/APPEALS

The CFD No. 24 IA1 Administrator may establish such procedures, as it deems necessary to undertake the review of any such appeal. The CFD No. 24 IA1 Administrator shall interpret this Rate and Method of Apportionment of Special Tax and make determinations relative to the annual administration of the Special Tax and any property owner appeals, as herein specified.

Any property owner may file a written appeal of the Special Tax with the CFD No. 24 IA1 Administrator claiming that the amount or application of the Special Tax is not correct. The appeal must be filed not later than one calendar year after having paid the Special Taxes that are disputed, and the appellant must be current in all payments of Special Taxes. In addition, during the term of the appeal process, all Special Taxes levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Taxes are in error. The CFD No. 24 IA1 Administrator shall review the appeal, meet with the appellant if the CFD No. 24 IA1 Administrator deems necessary, and advise the appellant of its determination.

If the property owner disagrees with the CFD No. 24 IA1 Administrator's decision relative to the appeal, the owner may file a written notice with the City Manager appealing the amount of the Special Tax levied on such Assessor's Parcel. If following such consultation and action (if any by the City Manager), the property owner believes such error still exists, such person may file a written notice with the City Council appealing the amount of the Special Tax levied on such Assessor's Parcel. The decision of the City shall be final and binding to all persons. If the decision of the CFD No. 24 IA1 Administrator or subsequent decision by the City Manager or City Council requires the Special Taxes to be modified or changed in favor of the property owner, no cash refund shall be made for prior years' Special Taxes, but an adjustment shall be made to credit future Special Taxes. This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to filing any legal action by such owner.

K. MANNER OF COLLECTION

The annual Special Tax shall be collected in the same manner and at the same time as ordinary ad valorem property taxes; provided, however, that CFD No. 24 IA1, may, at the sole discretion of the City, directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner as necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on Assessor's Parcels of Taxable Property that are delinquent in the payment of Special Taxes.

L. PREPAYMENT IN PART OF FACILITIES SPECIAL TAX

The Facilities Special Tax obligation of an Assessor's Parcel of Taxable Property may be partially prepaid as described herein; provided that there are no delinquent Special Taxes with respect to such Assessor's Parcel at the time of partial prepayment. An owner of an Assessor's Parcel intending to partially prepay the Facilities Special Tax obligation shall provide the CFD No. 24 IA1 Administrator with written notice of intent to partially prepay. Within 30 days of receipt of such written notice, the CFD No. 24 IA1 Administrator shall notify such owner of the partial prepayment amount of such Assessor's Parcel. Any partial prepayment must be submitted at least 60 days before the next occurring bond redemption date, and the proceeds of such prepayment shall be provided to the Trustee for application toward bond redemption in accordance with the Indenture. The CFD No. 24 IA1 Administrator may charge a fee for providing this service.

L.1. Partial Prepayment Amount

The Facilities Special Tax may be prepaid in an amount determined at the time of prepayment based on the portion of Bonds then outstanding; provided, however, that no partial prepayment shall be accepted in an amount equal to an annual Special Tax amount less than the annual Transition Services Special Tax rate escalated to the then current fiscal year less the then current Services Special Tax rate.

Step 1: Determine the current Fiscal Year Maximum Facilities Special Tax for the Assessor's Parcel based on the assignment of the Maximum Facilities Special Tax described in Section C above. If an Effective Tax Rate Evaluation has occurred, determine the current Fiscal Year Effective Tax Rate Evaluation Maximum Facilities Special Tax for the Assessor's Parcel based on the assignment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax described in Section C above. If the Assessor's Parcel is not already classified as Developed Property, the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) shall be assigned as though the Assessor's Parcel was already designated as Developed Property.

Step 2: Calculate the annual revenue produced, by annually applying the Facilities Special Tax Escalation Factor, from the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) from the date of prepayment through the earlier of the end of the Facilities Special Tax Term or the Transition Event, except that this final date may be amended by the City no later than the time of the calculation of the prepayment. If the final date used in the prepayment calculation is amended by the City, this amended final date shall apply to any and all prepayment calculations from that point forward.

Step 3: Calculate the present value of the Assessor's Parcel's annual Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) revenue stream determined in Step 2. The present value shall be calculated using a discount rate that earns a rate of interest that, when the prepayment is invested in City permitted and available investments, would produce annual revenues equal to the amounts calculated in Step 2.

If there are Outstanding Bonds at the time of the Partial Prepayment Amount calculation, the Partial Prepayment Amount shall be first allocated to the Redemption Amount. If the Partial Prepayment Amount is insufficient to fund the Redemption Amount, then the Partial Prepayment Amount shall be increased to equal the Redemption Amount.

The Redemption Amount is calculated as follows:

Step 1: Divide the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) computed pursuant to Step 1 of Section L.1 by the total Maximum Facilities Special Taxes (or total Effective Tax Rate Evaluation Maximum Facilities Special Taxes) for the entire CFD No. 24 IA1, based on the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) that could be charged in the current Fiscal Year if all Taxable Property were designated as Developed Property, excluding any Assessor's Parcels which have prepaid the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) obligation (the "Prepayment Quotient").

Step 2: Multiply the Prepayment Quotient by the Outstanding Bonds to compute the amount of Outstanding Bonds to be redeemed (the "Bond Redemption Amount").

Step 3: Multiply the Bond Redemption Amount by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed.

Step 4: Compute the amount needed to pay interest on the Bond Redemption Amount from the first Bond interest payment date following the current Fiscal Year until the earliest redemption date for the Outstanding Bonds.

Step 5: Determine that portion of Facilities Special Taxes levied on the Assessor's Parcel in the current Fiscal Year to satisfy the Facilities Special Tax Requirement, which have not yet been paid.

Step 6: A reserve fund credit shall equal the lesser of: (a) the expected reduction in the reserve requirement (as defined in the Indenture for the Bonds), if any, associated with the redemption of Outstanding Bonds as a result of the partial prepayment, or (b) the amount derived by subtracting the new reserve requirement (as defined in the Indenture for the Bonds) in effect after the redemption of Outstanding Bonds as a result of the partial prepayment from the balance in the reserve fund on the prepayment date, but in no event shall such amount be less than zero. Such reserve fund credit will not decrease the balance in the reserve fund below the new reserve requirement.

Step 7: If any capitalized interest for the Outstanding Bonds will not have been expended at the time of the first interest and/or principal payment following the current Fiscal Year, a capitalized interest credit shall be calculated by multiplying the quotient computed pursuant to Step 1 by the expected balance in the capitalized interest fund after such first interest payment.

Step 8: The redemption amount is equal to the sum of the amounts computed pursuant to Steps 2, 3, 4, and 5, less the amount computed pursuant to Steps 6 and 7 (the "Redemption Amount").

If the Partial Prepayment Amount exceeds the Redemption Amount, then any remaining Partial Prepayment Amount, after allocating the Redemption Amount, shall be designated as Pay as You Go Costs.

The Partial Prepayment Amount shall include any fees or expenses, including the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the cost of redeeming Bonds, and the costs of recording any notices to evidence the prepayment and the redemption (the "Administrative Fees and Expenses").

In addition, the City has the authority to adjust the Partial Prepayment Amount calculated above if a portion or all of the current property tax bill and the portion attributable to the payment of the Facilities Special Tax has not been used to make an interest and/or principal payment on the Bonds.

Notwithstanding the foregoing, no partial prepayment shall be allowed unless the amount of Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes), net of any priority administration, if any as defined in the Bond documents, that may be levied on Taxable Property, in each Fiscal Year, both prior to and after the proposed partial prepayment, is at least 1.1 times the annual debt service on all Outstanding Bonds to be paid from the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) in each Fiscal Year.

M. TERM OF SPECIAL TAX

The Maximum Facilities Special Tax and Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be levied commencing in Fiscal Year 2026-2027 to the extent necessary to fully satisfy the Facilities Special Tax Requirement and shall be levied for the Facilities Special Tax Term.

The Maximum Services Special Tax shall be levied commencing in Fiscal Year 2026-2027 and shall be levied until the Transition Event to the extent necessary to fully satisfy the Services Special Tax Requirement.

The Maximum Transition Services Special Tax shall be levied commencing in the Fiscal Year following the Transition Event in perpetuity, unless and until such time the City determines that revenues are no longer needed to pay the Transition Services Special Tax Requirement.

ATTACHMENT A
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24 (ALDER CREEK WEST)
IMPROVEMENT AREA 1
MAXIMUM SPECIAL TAX RATES
(FISCAL YEAR 2026-2027)

Land Use Category	Lot / Village #	2026-2027 Maximum Facilities Special Tax Rate(1)	2026-2027 Maximum Services Special Tax Rate(2)	Taxed Per
Developed Property:				
Single-Family Detached Property – SF Zoning	5	$3,920	$858	Residential Lot
Single-Family Detached Property – SFHD Zoning	6	3,505	616	Residential Lot
Single-Family Detached Property – SF Zoning	7A	5,402	977	Residential Lot
Single-Family Detached Property – SFHD Zoning	7B	4,522	659	Residential Lot
Single-Family Detached Property – SF Zoning	7B	5,719	659	Residential Lot
Small Lot Final Map Property:				
Single-Family Detached Property – SF Zoning	5	$3,920	$858	Residential Lot
Single-Family Detached Property – SFHD Zoning	6	3,505	616	Residential Lot
Single-Family Detached Property – SF Zoning	7A	5,402	977	Residential Lot
Single-Family Detached Property – SFHD Zoning	7B	4,522	659	Residential Lot
Single-Family Detached Property – SF Zoning	7B	5,719	659	Residential Lot
Permit Ready Multi-Family/Non-Residential Property		$20,000	N/A	Acre
Large Lot Property		$20,000	N/A	Acre
Undeveloped Property		$20,000	N/A	Acre

(1) On each July 1, commencing on July 1, 2027, the Maximum Facilities Special Tax Rates shall be increased by the Facilities Special Tax Escalation Factor of the Maximum Facilities Special Tax Rates in effect for the previous Fiscal Year.

(2) On each July 1, commencing on July 1, 2027, the Maximum Services Special Tax Rates shall be increased by an amount equal to the Services Special Tax Escalation Factor of the Maximum Services Special Tax Rates in effect for the previous Fiscal Year.

ATTACHMENT B
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24 (ALDER CREEK WEST)
IMPROVEMENT AREA 1
MINIMUM FACILITIES REVENUE
(FISCAL YEAR 2026-2027)

Land Use Category	Lot / Village #	Planned Number of Residential Lots / Acres	2026-2027 Developed Property Maximum Facilities Special Tax Rate(1)(2)	2026-2027 Minimum Facilities Revenue (1)(3)
Developed Property:				
Single-Family Detached Property – SF Zoning	5	38	$3,920	$148,960
Single-Family Detached Property – SFHD Zoning	6	99	3,505	346,955
Single-Family Detached Property – SF Zoning	7A	56	5,402	302,512
Single-Family Detached Property – SFHD Zoning	7B	42	4,522	189,924
Single-Family Detached Property – SF Zoning	7B	41	5,719	234,479
Total Minimum Facilities Revenue(4)				**$1,222,870**

(1) On each July 1, commencing on July 1, 2027, the Developed Property Maximum Facilities Special Tax Rates and Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Developed Property Maximum Facilities Special Tax Rates and Minimum Facilities Revenue in effect for the previous Fiscal Year.

(2) As a result of future Assessor's Parcel changes, described in Section C.1, the assigned Maximum Facilities Special Tax Rates for Developed Property may exceed the Developed Property Maximum Facilities Special Tax Rates set forth in this table.

(3) The total Minimum Facilities Revenue may be decreased as result of a portion of Maximum Facilities Special Tax obligations being prepaid pursuant to Section L.

(4) Based upon the Developed Property Maximum Facilities Special Tax Rate for Single-Family Detached Property in Lot/Village 5, 6, 7A and 7B.

ATTACHMENT C
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24 (ALDER CREEK WEST)
IMPROVEMENT AREA 1
EFFECTIVE TAX RATE EVALUATION MAXIMUM FACILITIES SPECIAL TAX RATES
(FISCAL YEAR 2026-2027)

Land Use Category	Lot / Village #	2026-2027 Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate(1)(2)	Taxed Per
Developed Property:			
Single-Family Detached Property – SF Zoning	5	$_____	Residential Lot
Single-Family Detached Property – SFHD Zoning	6	_____	Residential Lot
Single-Family Detached Property – SF Zoning	7A	_____	Residential Lot
Single-Family Detached Property – SFHD Zoning	7B	_____	Residential Lot
Single-Family Detached Property – SF Zoning	7B	_____	Residential Lot
Small Lot Final Map Property:			
Single-Family Detached Property – SF Zoning	5	$_____	Residential Lot
Single-Family Detached Property – SFHD Zoning	6	_____	Residential Lot
Single-Family Detached Property – SF Zoning	7A	_____	Residential Lot
Single-Family Detached Property – SFHD Zoning	7B	_____	Residential Lot
Single-Family Detached Property – SF Zoning	7B	_____	Residential Lot
Permit Ready Multi-Family/Non-Residential Property		$_____	Acre
Large Lot Property		$_____	Acre
Undeveloped Property		$_____	Acre

(1) Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates will be inserted following the Effective Tax Rate Evaluation.
(2) On each July 1, commencing in the Fiscal Year after the Effective Tax Rate Evaluation occurs, the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be increased by the Facilities Special Tax Escalation Factor of the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates in effect for the previous Fiscal Year.

ATTACHMENT D
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24 (ALDER CREEK WEST)
IMPROVEMENT AREA 1
EFFECTIVE TAX RATE EVALUATION MINIMUM FACILITIES REVENUE
(FISCAL YEAR 2026-2027)

Land Use Category	Lot / Village #	Planned Number of Residential Lots / Acres[1]	2026-2027 Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate[1][2][3]	2026-2027 Effective Tax Rate Evaluation Minimum Facilities Revenue[1][2][4]
Developed Property:				
Single-Family Detached Property – SF Zoning	5	38	$_____	$_____
Single-Family Detached Property – SFHD Zoning	6	99	_____	_____
Single-Family Detached Property – SF Zoning	7A	56	_____	_____
Single-Family Detached Property – SFHD Zoning	7B	42	_____	_____
Single-Family Detached Property – SF Zoning	7B	41	_____	_____
Total Effective Tax Rate Evaluation Minimum Facilities Revenue[5]				**$_____**

(1) Planned Number of Residential Units/Acres, Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate and Effective Tax Rate Evaluation Minimum Facilities Revenue to be inserted following the Effective Tax Rate Evaluation.

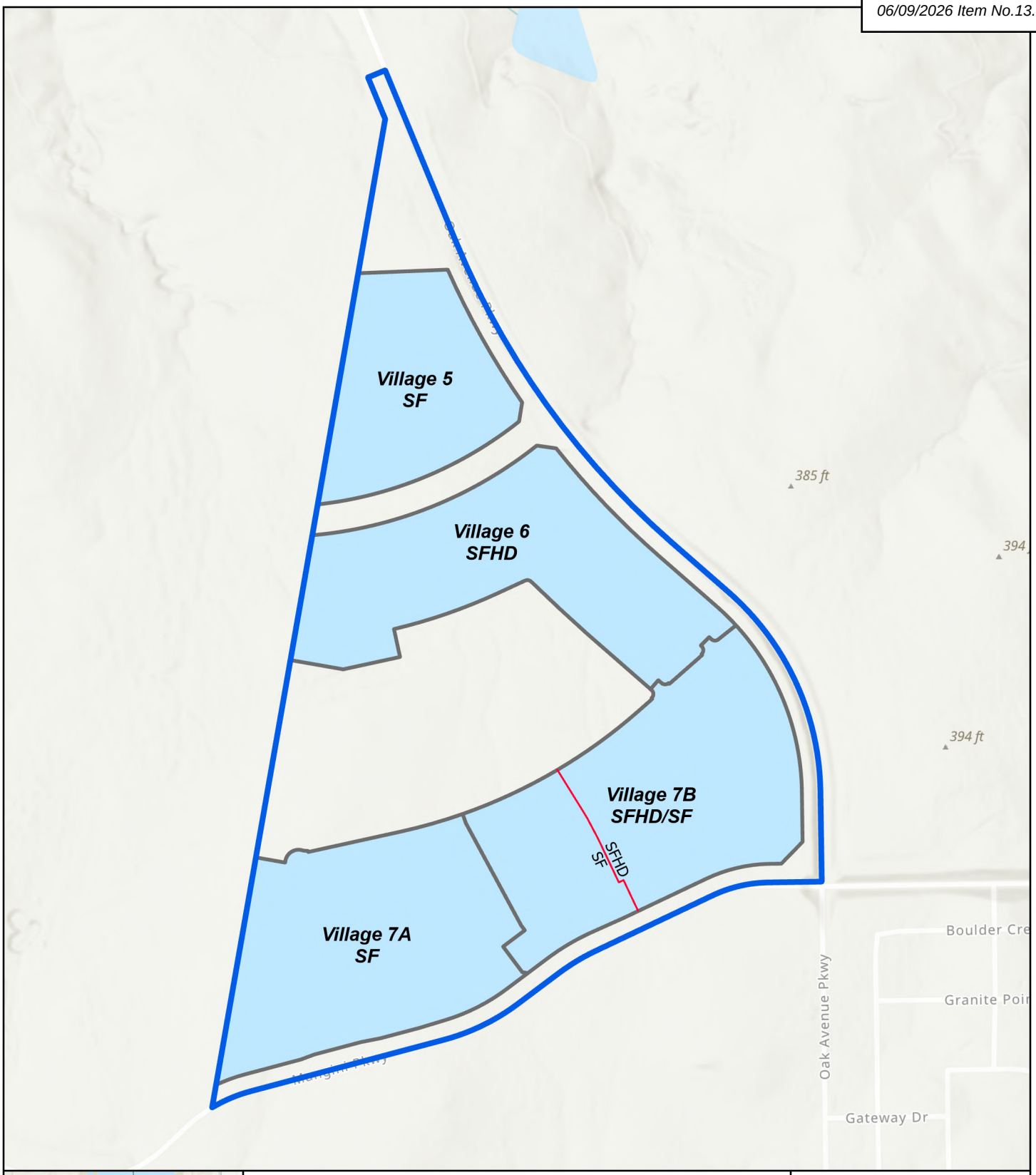
(2) On each July 1, commencing in the Fiscal Year after the Effective Tax Rate Evaluation occurs, the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates and Effective Tax Rate Evaluation Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates and Effective Tax Rate Evaluation Minimum Facilities Revenue in effect for the previous Fiscal Year.

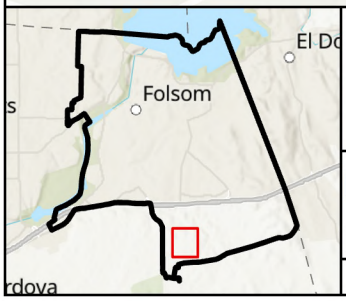
(3) As a result of future Assessor's Parcel changes, described in Section C.3, the assigned Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates may exceed the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates set forth in this table.

(4) The total Effective Tax Rate Evaluation Minimum Facilities Revenue may be decreased as result of a portion of Effective Tax Rate Evaluation Maximum Facilities Special Tax obligations being prepaid pursuant to Section L.

(5) Based upon the total Effective Developed Property Maximum Facilities Special Tax Rate Evaluation for Single-Family Detached Property in Lot/Village 5, 6, 7A and 7B.

ATTACHMENT E
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24 (ALDER CREEK WEST)
IMPROVEMENT AREA 1
MAP OF VILLAGES





City of Folsom
Community Facilities District No. 24 (Alder Creek West)
Improvement Area 1

Improvement Area 1 Boundary

Village Boundaries

2026

N

0 0.05 0.1 Mi

0 300 600 US Feet

Coordinate System: NAD 1983 State[illegible] I FIPS 0402 Feet

For illustration purposes o[illegible]ficial map.

EXHIBIT D-2A

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24
(ALDER CREEK WEST)
IMPROVEMENT AREA NO. 2A

[ATTACHED]

RATE AND METHOD OF APPORTIONMENT FOR
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24
(ALDER CREEK WEST)
IMPROVEMENT AREA 2A

A Special Tax, as hereinafter defined, shall be levied on each Assessor's Parcel of Taxable Property within the City of Folsom Community Facilities District No. 24 (Alder Creek West) Improvement Area 2A (CFD No. 24 IA2A) and collected each Fiscal Year in an amount determined by the CFD No. 24 IA2A Administrator through the application of the Rate and Method of Apportionment as described below. All of the real property within CFD No. 24 IA2A, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

A. GENERAL DEFINITIONS

The terms hereinafter set forth have the following meaning:

"Accessory Dwelling Unit" or **"ADU"** means a secondary residential unit of limited size, as defined in California Government Code Section 66313, as may be amended from time to time, that is accessory to a single-unit dwelling. The ADU may be on the same Assessor's Parcel as the single-unit dwelling or on a separate Assessor's Parcel. For purposes of clarification, where an ADU and primary Unit are on the same Assessor's Parcel, the ADU located on such Assessor's Parcel is considered a separate Unit from the primary Unit on such Assessor's Parcel for purposes of the Special Tax. Should an Assessor's Parcel contain only an ADU, such Assessor's Parcel will be taxed as an ADU only.

"Acre" or **"Acreage"** means the land area of an Assessor's Parcel as shown on County records, such as an Assessor's Parcel Map and secured roll data, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable Large Lot Map, Small Lot Final Subdivision Map, condominium plan, record of survey, or other recorded document creating or describing the parcel. If the preceding maps for a land area are not available, the Acreage of such land area may be determined utilizing available spatial data and GIS. The square footage of an Assessor's Parcel is equal to the Acreage of such parcel multiplied by 43,560.

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Division 2 of Title 5 of the Government Code of the State of California.

"Assessor's Parcel" or **"Parcel"** means a lot or parcel shown in an Assessor's Parcel Map with an assigned Assessor's Parcel number.

"Assessor's Parcel Map" means an official map of the County Assessor of the County designating lots or parcels by an Assessor's Parcel number.

"Authorized Services" means the services authorized to be financed by CFD No. 24 IA2A.

"Bond Year" means a one-year period beginning on September 2nd in each year and ending on September 1st in the following year, unless defined differently in the applicable Indenture.

"Bonds" means any bonds or other debt (as defined in the Act), whether in one or more series, issued by CFD No. 24 IA2A under the Act.

"CFD No. 24 IA2A" means City of Folsom Community Facilities District No. 24 (Alder Creek West) Improvement Area 2A.

"CFD No. 24 IA2A Administrator" means the City's Finance Director, or designee thereof, responsible for determining the Facilities Special Tax Requirement, Services Special Tax Requirement and providing for the levy and collection of the Special Taxes.

"City" means the City of Folsom.

"City Council" means the City Council of the City, acting as the legislative body of CFD No. 24 IA2A.

"County" means the County of Sacramento.

"Developed Property" means, for each Fiscal Year, all Taxable Property for which a building permit for new construction was issued prior to June 30 of the previous Fiscal Year.

"Effective Tax Rate Evaluation" means an evaluation of the Total Effective Tax Rate of Residential Property at the time of such evaluation. The Effective Tax Rate Evaluation will be based upon a prepared Price Point Study to determine the Total Effective Tax Rate for Residential Property, based upon the calculated Total Estimated Tax Burden.

"Effective Tax Rate Evaluation Maximum Facilities Special Tax" means the total maximum annual Facilities Special Tax, as determined during the Effective Tax Rate Evaluation, in accordance with the provisions of Section C.2, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate" means the maximum annual Facilities Special Tax rate for each land use category of Taxable Property that will be set forth in Attachment C, following the Effective Tax Rate Evaluation, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Effective Tax Rate Evaluation Minimum Facilities Revenue" means, following the Effective Tax Rate Evaluation, the total minimum amount of CFD No. 24 IA2A Effective Tax Rate Evaluation Maximum Facilities Special Tax, as adjusted annually by the Facilities Special Tax Escalation Factor after the Fiscal Year in which the Effective Tax Rate Evaluation occurs, less any Effective Tax Rate Evaluation Maximum Facilities Special Tax amounts partially prepaid pursuant to Section L. The Effective Tax Rate Evaluation Minimum Facilities Revenue, based on Planned Development, is set forth in Attachment D of this Rate and Method of Apportionment.

"Exempt Property" means all Assessors' Parcels that are exempt from the Special Tax pursuant to Section F.

"Facilities Administrative Expenses" means the actual or reasonably estimated costs directly related to the administration of the Facilities Special Tax including, but not limited to, the following: the costs of computing the Facilities Special Tax and preparing the annual Facilities Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Facilities Special Taxes (whether by the County, the City, or otherwise); the costs of remitting the Facilities Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of

the duties required of it under the Indenture; the costs to the City, CFD No. 24 IA2A, or any designee thereof of complying with arbitrage rebate requirements or responding to questions from the IRS or SEC pertaining to any Bonds or any audit of any Bonds by the SEC or IRS; the costs to the City, CFD No. 24 IA2A, or any designee thereof of providing continuing disclosure regarding the Bonds pursuant to applicable state or federal securities law; the costs associated with preparing Facilities Special Tax disclosure statements and responding to public inquiries regarding the Facilities Special Taxes; the costs of the City, CFD No. 24 IA2A, or any designee thereof related to any appeal of the levy or application of the Facilities Special Tax; the costs associated with the release of funds from an escrow account, if any; and the costs associated with computing and preparing the Effective Tax Rate Evaluation, including the Price Point Study. Facilities Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 24 IA2A for any other administrative purposes, including, but not limited to, attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Facilities Special Taxes.

"Facilities Special Tax" means the annual Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Facilities Special Tax Requirement.

"Facilities Special Tax Escalation Factor" means two percent (2%) annually.

"Facilities Special Tax Requirement" means that amount of Special Tax revenue required in any Fiscal Year for CFD No. 24 IA2A to: (i) Pay Facilities Administrative Expenses in an amount designated by the City; (ii) pay annual debt service on all Outstanding Bonds due in the Bond Year beginning in such Fiscal Year; (iii) pay other periodic costs on Outstanding Bonds, including but not limited to, credit enhancement and rebate payments on Outstanding Bonds; (iv) pay any amounts required to establish or replenish any reserve funds for all Outstanding Bonds in accordance with the Indenture; (v) pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year and known upcoming delinquencies; and (vi) pay for Pay As You Go Costs; less (vii) a credit for funds available to reduce the annual Facilities Special Tax levy as determined by the CFD No. 24 IA2A Administrator pursuant to the Indenture.

"Facilities Special Tax Term" means the earlier of Fiscal Year 2085-2086 or the Fiscal Year occurring 50 years following the Fiscal Year in which the first building permit was issued, or the first series of Bonds was issued within CFD No. 24 IA2A.

"Fiscal Year" means the period starting July 1 and ending on the following June 30.

"Indenture" means the indenture, fiscal agent agreement, trust agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended and/or supplemented from time to time, and any instrument replacing or supplementing the same.

"Large Lot Map" means a recorded subdivision map creating larger parcels by land use. The Large Lot Map does not create individual lots for which building permits may be issued for single-family Residential Units.

"Large Lot Property" means, for each Fiscal Year, all Taxable Property for which a Large Lot Map was recorded prior to June 30 of the previous Fiscal Year, excluding any portion(s) thereof classified as

Developed Property, Small Lot Final Map Property, or Permit Ready Multi-Family/Non-Residential Property. Large Lot Property also means, for each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property as of June 30 of the previous Fiscal Year.

"Maximum Facilities Special Tax" means the total maximum annual Facilities Special Tax, determined in accordance with the provisions of Section C, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Maximum Facilities Special Tax Rate" means the maximum annual Facilities Special Tax rate for each land use category of Taxable Property, as shown in Attachment A, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Maximum Services Special Tax" means the total maximum annual Services Special Tax, determined in accordance with the provisions of Section D, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Maximum Services Special Tax Rate" means the maximum annual Services Special Tax rate for each land use category of Taxable Property, as shown in Attachment A, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Maximum Special Tax" means, prior to the Transition Year, the total annual Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) and Maximum Services Special Tax, determined in accordance with the provisions of Section C and Section D, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

Beginning in the Transition Year, "Maximum Special Tax", means the total annual Maximum Transition Services Special Tax, determined in accordance with the provisions of Section D, which may be levied in any Fiscal Year following the Transition Event on any Assessor's Parcel of Taxable Property

"Maximum Total Effective Tax Rate" means 1.80%, unless the City determines, in its sole discretion, that a higher Maximum Total Effective Tax Rate is appropriate.

"MHD Multi-Family Attached Property" means all Assessor's Parcels for which a building permit could be issued for purposes of constructing one or more attached Residential Units per Assessor's Parcel with a permitted density range of greater than 20 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council. MHD Multi-Family Attached Property shall also include an Assessor's Parcel or that portion of an Assessor's Parcel designated as a Mixed Use Residential Parcel.

"Minimum Facilities Revenue" means the minimum amount of total CFD No. 24 IA2A Maximum Facilities Special Tax, as adjusted annually by the Facilities Special Tax Escalation Factor, less any Maximum Facilities Special Tax amounts partially prepaid pursuant to Section L. The Minimum Facilities Revenue, based on Planned Development, is set forth in Attachment B of this Rate and Method of Apportionment. Following the Transition Event, the Minimum Facilities Revenue shall be zero.

"MMD Multi-Family Attached Property" means all Assessor's Parcels for which a building permit could be issued for purposes of constructing one or more attached Residential Units per Assessor's

Parcel with a permitted density range of 12-20 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

"Mixed-Use Residential Parcel" means a mixed-use Assessor's Parcel that is designated for residential land use. If the mixed-use Assessor's Parcel contains a combination of residential land use and non-residential land use, only that portion of an Assessor's Parcel designated for residential land use shall be classified as a Mixed-Use Residential Parcel and the remaining non-residential land use of the Assessor's Parcel shall be classified as Non-Residential Property.

"Non-Residential Property" means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing non-residential buildings.

"Open Space Property" means property within the boundaries of CFD No. 24 IA2A which (a) has been designated with specific boundaries and acreage on a Small Lot Final Subdivision Map as open space, or (b) is classified by the City zoning code or County Assessor as open space, or (c) has been irrevocably offered for dedication as open space to the federal government, the State of California, the County, the City, any other public agency, a private, non-profit organization, or (d) is encumbered by an easement or other restriction required by the City limiting the use of such property to open space.

"Outstanding Bonds" means all Bonds, which remain outstanding as defined in the Indenture pursuant to which such Bonds were issued.

"Pay as You Go Costs" means that portion of the Facilities Special Tax Requirement attributable to the direct payment for the acquisition and/or construction of public improvements, which are authorized to be financed by CFD No. 24 IA2A.

"Permit Ready Multi-Family/Non-Residential Property" means an Assessor's Parcel of Taxable Property zoned for multi-family or non-residential land use for which all discretionary entitlements have been obtained, including, without limitation, development plan review and improvement plan approval, such that building permits may be issued without further approvals for the construction of multi-family Residential Units or non-residential buildings within such Assessor's Parcel. The City shall have sole discretion, based upon available development information, in classifying an Assessor's Parcel as Permit Ready Multi-Family/Non-Residential Property.

"Planned Development" means the planned number of Residential Lots, MHD Multi-Family Attached Property Acreage, MMD Multi-Family Attached Property Acreage, and Non-Residential Property Acreage planned within CFD No. 24 IA2A, set forth in Attachment B or, following the Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment, as amended by the future recordation of all Large Lot Maps and Small Lot Final Subdivision Maps within CFD No. 24 IA2A.

"Price Point Study" means an analysis, prepared by an independent firm, to verify the estimated average sales price within each land use category of Residential Property given the project location and current market conditions.

"Property Owner Association Property" means any property within the boundaries of CFD No. 24 IA2A, which is (a) owned by a property owner association or (b) designated with specific boundaries

and Acreage on a Small Lot Final Subdivision Map as property owner association property. As used in this definition, a property owner association includes any master or sub-association.

"Proportionately" means for Taxable Property that the ratio of the Facilities Special Tax levy to the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) and the Services Special Tax levy to the Maximum Services Special Tax is equal for all Assessors' Parcels within each classification (Developed Property, Single Family Final Map Property, Permit Ready Multi-Family/Non-Residential Property, Large Lot Property, etc.) within CFD No. 24 IA2A.

"Public Property" means any property within the boundaries of CFD No. 24 IA2A, which (a) is owned by a public agency, (b) has been irrevocably offered for dedication to a public agency, or (c) is designated with specific boundaries and Acreage on a Small Lot Final Subdivision Map as property, which will be owned by a public agency. For purposes of this definition, a public agency includes the federal government, the State of California, the County, the City, or any other public agency.

"Residential Lot" means an individual lot of land for which a building permit could be issued to construct a Residential Unit.

"Residential Property" means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing Residential Units, including Single-Family Detached Property – SF/SFHD Zoning, Single-Family Detached Property – MLD Zoning, MHD Multi-Family Attached Property, and MMD Multi-Family Attached Property.

"Residential Unit" means a residential dwelling unit, including Accessory Dwelling Units, as allowed by the City zoning code.

"Services Administrative Expenses" means the actual or reasonably estimated costs directly related to the administration of the Services Special Tax including, but not limited to, the following: the costs of computing the Services Special Taxes and preparing the annual Services Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Services Special Taxes (whether by the County, the City, or otherwise); the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Services Special Tax; and the costs of the City, CFD No. 24 IA2A, or any designee thereof related to any appeal of the levy or application of the Services Special Tax. Services Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 24 IA2A for any other administrative purposes related to the Services Special Tax.

"Services Special Tax" means, prior to the Transition Event, the annual Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Services Special Tax Requirement.

"Services Special Tax Escalation Factor" means the maximum of two percent (2%) or the June annualized percentage change of the Consumer Price Index for all Urban Consumers, for the San Francisco-Oakland-San Jose area, not to exceed four percent (4%).

"Services Special Tax Requirement" means the amount of Services Special Tax revenue required for CFD No. 24 IA2A, before the Transition Year, to (i) pay Services Administrative Expenses in an amount

designated by the City; (ii) pay Authorized Services expenses; (iii) pay any amounts required to establish or replenish any repair and contingency funds, capital improvement funds, or reserve funds related to the Authorized Services expenses; (iv) cover any shortfalls that exist if, in any Fiscal Year, the levy of the Facilities Special Tax on each Assessor's Parcel of Taxable Property is insufficient to pay the Facilities Special Tax Requirement in that Fiscal Year. Facilities Special Tax Requirement shortfalls shall not include Pay As You Go Costs, and (v) pay for reasonably anticipated delinquent Services Special Taxes based on the delinquency rate for Services Special Taxes levied in the previous Fiscal Year; less (vi) a credit for funds available to reduce the annual Services Special Tax levy as determined by the CFD No. 24 IA2A Administrator.

"Single-Family Detached Property – MLD Zoning" means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing one or more detached or attached Residential Units with a permitted density range of 7-12 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

"Single-Family Detached Property – SF/SFHD Zoning" means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing one or more Residential Units. Single-Family Detached Property – SF/SFHD Zoning shall consist of either single-family property with a permitted density range of 1-4 Residential Units per Acre or single-family high density property with a permitted density range of 4-7 Residential Units per Acre, which is more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

"Special Tax" means, before the Transition Year, the annual Facilities Special Tax and Services Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Facilities Special Tax Requirement and the Services Special Tax Requirement.

Beginning in the Transition Year, the annual Transition Services Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Transition Services Special Tax Requirement.

"Small Lot Final Map Property" means, for each Fiscal Year, all Taxable Property for which a Small Lot Final Subdivision Map was recorded prior to June 30 of the previous Fiscal Year.

"Small Lot Final Map Remainder Property" means an Assessor's Parcel that is created from the subdivision of Large Lot Property by the recordation of a Small Lot Final Subdivision Map that has not yet been mapped for final development approval. Small Lot Final Map Remainder Property is that portion of property for which the Small Lot Final Subdivision Map definition does not apply (i.e., does not contain individual lots for which building permits may be issued for Residential Units without further subdivision of such property). Each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property, as of June 30 of the previous Fiscal Year, will be considered Large Lot Property.

"Small Lot Final Subdivision Map" means a subdivision of property created by recordation of a final subdivision map, parcel map or lot line adjustment, approved by the City pursuant to the Subdivision

Map Act (California Government Code Section 66410 et seq.) or recordation of a condominium plan pursuant to California Civil Code 1352, that creates individual lots for which building permits may be issued for Residential Units without further subdivision of such property.

"State" means the State of California.

"Taxable Property" means all of the Assessor's Parcels within the boundaries of CFD No. 24 IA2A that are not exempt from the CFD No. 24 IA2A Special Tax pursuant to law or Section F below.

"Total Effective Tax Rate" means the percentage of the Total Estimated Tax Burden as compared to the estimated average sales price identified in the Price Point Study for each land use category of Residential Property.

"Total Estimated Tax Burden" means the total amount of overlapping property taxes anticipated to be levied upon a Residential Unit, based upon the estimated average sales price identified in the Price Point Study and existing property tax rates for the current Fiscal Year. Existing property tax rates shall reflect the actual property tax rates levied upon Taxable Property in the Fiscal Year that the Effective Tax Rate Evaluation is completed.

"Transition Event" means the earlier of (i) Fiscal Year 2085-2086 or (ii) the Fiscal Year when the CFD No. 24 IA2A Administrator determines that both of the following events have occurred (1) all Bonds secured by the levy and collection of the Facilities Special Tax in CFD No. 24 IA2A have been fully repaid and the City determines that no additional Bonds are to be issued, and (2) all Facilities Administrative Expenses have been paid or reimbursed to CFD No. 24 IA2A.

"Transition Services Administrative Expenses" means the actual or reasonably estimated costs directly related to the administration of the Transition Services Special Tax including, but not limited to, the following: the costs of computing the Transition Services Special Taxes and preparing the annual Transition Services Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Transition Services Special Taxes (whether by the County, the City, or otherwise); the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Transition Services Special Tax; and the costs of the City, CFD No. 24 IA2A, or any designee thereof related to any appeal of the levy or application of the Transition Services Special Tax. Transition Services Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 24 IA2A for any other administrative purposes related to the Transition Services Special Tax.

"Transition Services Special Tax" means, after the Transition Event, the annual Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Transition Services Special Tax Requirement.

"Transition Services Special Tax Escalation Factor" means the maximum of two percent (2%) or the June annualized percentage change of the Consumer Price Index for all Urban Consumers, for the San Francisco-Oakland-San Jose area, not to exceed four percent (4%).

"Transition Services Special Tax Rate" means, calculated in the Transition Year, the amount equal to the prior year's Maximum Services Special Tax Rate plus fifty percent (50%) of the prior year's

Maximum Facilities Special Tax Rate. The Transition Services Special Tax Escalation Factor shall be applied beginning in the Transition Year. Following the Transition Year, the Transition Services Special Tax Rate shall be equal to the prior year's Transition Services Special Tax Rate, increased by the Transition Services Special Tax Escalation Factor.

"Transition Services Special Tax Requirement" Beginning in the Transition Year, to (i) pay Transition Services Administrative Expenses in an amount designated by the City; (ii) pay Authorized Services expenses; (iii) pay any amounts required to establish or replenish any repair, replacement and contingency funds, capital improvement funds, or reserve funds related to the Authorized Services expenses; (iv) pay for reasonably anticipated delinquent Transition Services Special Taxes based on the delinquency rate for Transition Services Special Taxes levied in the previous Fiscal Year; less (v) a credit for funds available to reduce the annual Transition Services Special Tax levy as determined by the CFD No. 24 IA2A Administrator.

"Transition Year" means the first year in which the CFD No. 24 IA2A Administrator determines that the Transition Event occurred in the prior Fiscal Year.

"Trustee" means the entity appointed pursuant to an Indenture to act as the trustee, fiscal agent, or paying agent or a combination thereof.

"Undeveloped Property" means, for each Fiscal Year, all Taxable Property not classified as Developed Property, Small Lot Final Map Property, Permit Ready Multi-Family/Non-Residential Property, or Large Lot Property.

"Welfare Exempt Property" means, in any Fiscal Year, all Parcels within the boundaries of CFD No. 24 IA2A that (a) have been granted a welfare exemption by the County under subdivision (g) of Section 214 of the Revenue and Taxation Code indicated in the Assessor's Data finalized as of January 1 of the previous Fiscal Year, and (b) are exempt from the Special Tax pursuant to Section 53340(c) of the Act. Pursuant to Section 53340(c) of the Act, after the issuance of the first series of Bonds, as applicable, any Assessor's Parcels that receives a welfare exemption under subdivision (g) of Section 214 of the Revenue and Taxation Code shall not be classified as Welfare Exempt Property and will be subject to the Facilities Special Tax.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, using City and County records, City zoning information, and land use development plans, all Assessor's Parcels within the boundaries of CFD No. 24 IA2A shall be designated as either Taxable Property or Exempt Property.

All Taxable Property shall be further classified as Developed Property, Small Lot Final Map Property, Permit Ready Multi-Family/Non-Residential Property, Large Lot Property, or Undeveloped Property and shall be subject to the levy of the annual Special Tax determined pursuant to Sections C and D below.

C. FACILITIES SPECIAL TAX

Prior to the Transition Year, a Maximum Facilities Special Tax shall be assigned to all Taxable Property within CFD No. 24 IA2A according to the Maximum Facilities Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

Once assigned, the sum of the total Maximum Facilities Special Tax shall be equal to or greater than the Minimum Facilities Revenue, unless adjusted by an Effective Tax Rate Evaluation as described below. The Minimum Facilities Revenue for Fiscal Year 2026-2027 is set forth in Attachment B of this Rate and Method of Apportionment.

On each July 1, commencing on July 1, 2027, the Maximum Facilities Special Tax Rates and Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Maximum Facilities Special Tax Rates and Minimum Facilities Revenue in effect for the previous Fiscal Year.

C.1. Future Assessor's Parcel Changes – Prior to an Effective Tax Rate Evaluation

The Maximum Facilities Special Tax shall be assigned to all future Assessor's Parcel(s) created from a subdivision, lot line adjustment, or merger of one or more Assessor's Parcels so that the revised sum of the total Maximum Facilities Special Tax revenue is not less than the Minimum Facilities Revenue set forth in Attachment B of this Rate and Method of Apportionment.

Undeveloped Property Subdividing into Large Lot Property

When Undeveloped Property subdivides into Large Lot Property, the Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. The expected Developed Property Maximum Facilities Special Tax for any Large Lot Property and any remaining Undeveloped Property shall be based upon the Planned Development for the Large Lot Property and remaining Undeveloped Property.

If the sum of the total expected Developed Property Maximum Facilities Special Tax generated by all of the Taxable Property is greater than or equal to the Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates for the Large Lot Property created from the Undeveloped Property subdivision.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Large Lot Property created from the Undeveloped Property subdivision, until the sum of the total expected Developed Property Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Further, if the sum of the total current Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, the Maximum Facilities Special Tax Rates for the Large Lot Property and any remaining Undeveloped Property created from the Undeveloped Property subdivision shall be Proportionately increased until the sum of the total current Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Attachment B of this Rate and Method of Apportionment shall be updated to reflect any increases to the Maximum Facilities Special Tax Rates from the Undeveloped Property subdivision. The

Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property.

Large Lot Property Subdividing into Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property

When Large Lot Property subdivides into Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property, the Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. If the Large Lot Property subdivision also creates Small Lot Final Map Remainder Property, the expected Developed Property Maximum Facilities Special Tax for the Small Lot Final Map Remainder Property shall be based upon the Planned Development for the Small Lot Final Map Remainder Property. The expected Developed Property Maximum Facilities Special Tax for any remaining Large Lot Property and Undeveloped Property shall be based upon the Planned Development of the Large Lot Property and the Undeveloped Property.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is greater than or equal to the Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates for the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, and such difference is not eliminated by the partial prepayment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax pursuant to Section L, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision, until the sum of the total expected Developed Property Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Attachment B of this Rate and Method of Apportionment shall be updated to reflect any increases to the Maximum Facilities Special Tax Rates from the Large Lot Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property created prior to the Large Lot Property subdivision.

C.2. Effective Tax Rate Evaluation

Prior to the issuance of the first series of Bonds within CFD No. 24 IA2A an Effective Tax Rate Evaluation will be completed. Following the Effective Tax Rate Evaluation, Attachment C of this

Rate and Method of Apportionment will be updated to reflect the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for all Taxable Property in CFD No. 24 IA2A.

Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates

As part of the Effective Tax Rate Evaluation, a Price Point Study will be prepared and an estimated average sales prices will be established for each Residential Property land use category. Using the estimated average sales price information determined in the Price Point Study, the Total Estimated Tax Burden and Total Effective Tax Rate will be calculated, using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment A, for each Residential Property land use category. If the calculated Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for a Residential Property land use category, the Maximum Facilities Special Tax Rate shall not be adjusted and will be assigned using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment A. Attachment C of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category.

If the Total Effective Tax Rate for any Residential Property land use category exceeds the Total Maximum Effective Tax Rate, the Developed Property Maximum Facilities Special Tax Rate set forth in Attachment A shall be reduced until the Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for that Residential Property land use category. Attachment C of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category.

Effective Tax Rate Evaluation Minimum Facilities Revenue

As a result of the Effective Tax Rate Evaluation, if the calculated Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for a Residential Property land use category used in the Minimum Facilities Revenue calculation, the Developed Property Maximum Facilities Special Tax Rate for the applicable Residential Property land use category shall not be adjusted and the Effective Tax Rate Evaluation Developed Property Maximum Facilities Special Tax Rate will be assigned using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment B. Attachment D of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category and the Effective Tax Rate Evaluation Minimum Facilities Revenue.

If the calculated Total Effective Tax Rate exceeds the Total Maximum Effective Tax Rate for a Residential Property land use category used in the Minimum Facilities Revenue calculation, the Effective Tax Rate Evaluation Developed Property Maximum Facilities Special Tax Rate will be assigned using the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates set forth in Attachment C. Attachment D of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum

Facilities Special Tax Rate for each Residential Property land use category and the Effective Tax Rate Evaluation Minimum Facilities Revenue.

C.3. Future Assessor's Parcel Changes – After an Effective Tax Rate Evaluation

The Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be assigned to all future Assessor's Parcel(s) created from a subdivision, lot line adjustment, or merger of one or more Assessor's Parcels so that the revised sum of the total Effective Tax Rate Evaluation Maximum Facilities Special Tax revenue is not less than the total Effective Tax Rate Evaluation Minimum Facilities Revenue set forth in Attachment D of this Rate and Method of Apportionment.

Undeveloped Property Subdividing into Large Lot Property

When Undeveloped Property subdivides into Large Lot Property, the Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. The expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for any Large Lot Property and any remaining Undeveloped Property shall be based upon the Planned Development for the Large Lot Property and remaining Undeveloped Property.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax generated by all of the Taxable Property is greater than or equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Large Lot Property created from the Undeveloped Property subdivision.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Large Lot Property created from the Undeveloped Property subdivision, until the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Further, if the sum of the total current Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Large Lot Property and any remaining Undeveloped Property created from the Undeveloped Property subdivision shall be Proportionately increased until the sum of the total current Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Attachment D of this Rate and Method of Apportionment shall be updated to reflect any increases to the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates from the Undeveloped Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as

Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property.

Large Lot Property Subdividing into Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property

When Large Lot Property subdivides into Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property, the Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. If the Large Lot Property subdivision also creates Small Lot Final Map Remainder Property, the expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for the Small Lot Final Map Remainder Property shall be based upon the Planned Development for the Small Lot Final Map Remainder Property. The expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for any remaining Large Lot Property and Undeveloped Property shall be based upon the Planned Development of the Large Lot Property and the Undeveloped Property.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is greater than or equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, and such difference is not eliminated by the partial prepayment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax pursuant to Section L, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision, until the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Attachment D of this Rate and Method of Apportionment shall be updated to reflect any increases to the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates from the Large Lot Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property created prior to the Large Lot Property subdivision.

C.4. Method of Apportionment of Facilities Special Tax

Using the definitions and procedures described herein, the CFD No. 24 IA2A Administrator shall determine the Facilities Special Tax Requirement and levy the Facilities Special Tax until the amount of Facilities Special Taxes equals the Facilities Special Tax Requirement. The Facilities Special Tax shall be levied each Fiscal Year until the Transition Year as follows:

Prior to an Effective Tax Rate Evaluation

First: The Facilities Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Facilities Special Tax in order to satisfy the Facilities Special Tax Requirement.

Second: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first step has been completed, the Facilities Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Small Lot Final Map Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Third: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first two steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Permit Ready Multi-Family/Non-Residential Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fourth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first three steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Large Lot Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fifth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first four steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Undeveloped Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

After an Effective Tax Rate Evaluation

First: The Facilities Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax in order to satisfy the Facilities Special Tax Requirement.

Second: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first step has been completed, the Facilities Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Small Lot Final Map Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Third: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first two steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Permit Ready Multi-Family/Non-Residential Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fourth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first three steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Large Lot Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fifth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first four steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Undeveloped Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

D. SERVICES SPECIAL TAX

A Services Special Tax shall be assigned to all Taxable Property within CFD No. 24 IA2A according to the Maximum Services Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

D.1. Prior to the Transition Event - Increase in the Maximum Services Special Tax

Prior to the Transition Event, on each July 1, commencing on July 1, 2027, the Maximum Services Special Tax Rates shall be increased by the Services Special Tax Escalation Factor of the Maximum Services Special Tax Rates in effect for the previous Fiscal Year.

D.2. Prior to the Transition Event - Method of Apportionment of Services Special Tax

If, in any Fiscal Year prior to the Transition Year, the Facilities Special Tax is levied against each Assessor's Parcel of Taxable Property within CFD No. 24 IA2A and the Facilities Special Tax revenues generated are insufficient to pay the Facilities Special Tax Requirement such shortfall shall be deemed a component of the Services Special Tax Requirement in that Fiscal Year, and proceeds from the levy of the Services Special Tax shall first be applied to mitigate the shortfall in the Facilities Special Tax Requirement before being used to pay for Authorized Services. The Services Special Tax revenue shall not be applied to any Facilities Special Tax Requirement shortfalls attributable to Pay As You Go Costs authorized to be financed by CFD No. 24 IA2A.

Using the definitions and procedures described herein, the CFD No. 24 IA2A Administrator shall determine the Services Special Tax Requirement and levy the Services Special Tax until the amount of Services Special Tax equals the Services Special Tax Requirement. The Services Special Tax shall be levied each Fiscal Year as follows:

First: The Services Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Second: If additional monies are needed to satisfy the Services Special Tax Requirement after the first step has been completed, the Services Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Third: If additional monies are needed to satisfy the Services Special Tax Requirement after the first two steps have been completed, the Services Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Fourth: If additional monies are needed to satisfy the Services Special Tax Requirement after the three steps have been completed, the Services Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Fifth: If additional monies are needed to satisfy the Services Special Tax Requirement after the three steps have been completed, the Services Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

E. TRANSITION SERVICES SPECIAL TAX

A Transition Services Special Tax shall be assigned to all Taxable Property within CFD No. 24 IA2A according to the Maximum Transition Services Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

E.1. After the Transition Event – Method of Apportionment of Transition Services Special Tax

Using the definitions and procedures described herein, the CFD No. 24 IA2A Administrator shall determine the Transition Services Special Tax Requirement and levy the Transition Services Special Tax until the amount of Transition Services Special Tax equals the Transition Services Special Tax Requirement. The Transition Services Special Tax shall be levied each Fiscal Year as follows:

First: The Transition Services Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Transition Services Special Tax in order to satisfy the Transition Services Special Tax Requirement.

Second: If additional monies are needed to satisfy the Transition Services Special Tax Requirement after the first step has been completed, the Transition Services Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Transition Services Special Tax in order to satisfy the Transition Services Special Tax Requirement.

Third: If additional monies are needed to satisfy the Transition Services Special Tax Requirement after the first two steps have been completed, the Transition Services Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Transition Services Special Tax in order to satisfy the Transition Services Special Tax Requirement.

Fourth: If additional monies are needed to satisfy the Transition Services Special Tax Requirement after the three steps have been completed, the Transition Services Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Transition Services Special Tax in order to satisfy the Transition Services Special Tax Requirement.

Fifth: If additional monies are needed to satisfy the Transition Services Special Tax Requirement after the three steps have been completed, the Transition Services Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Maximum Transition Services Special Tax in order to satisfy the Transition Services Special Tax Requirement.

F. DELINQUENCIES

Notwithstanding the above, under no circumstances will the CFD No. 24 IA2A Facilities Special Tax levied against any Assessor's Parcel of Developed Property classified as Residential Property, in any Fiscal Year, be increased as a consequence of the delinquency or default in the payment of the CFD No. 24 IA2A Facilities Special Taxes by the owner or owners of any other Taxable Property by more than ten percent (10%) above the amount that would have been levied against such Assessor's Parcel in such Fiscal Year had there been no delinquencies or defaults.

G. EXEMPTIONS

The CFD No. 24 IA2A Administrator shall classify the following as Exempt Property: Public Property, Property Owner Association Property, Open Space Property, and Assessor's Parcels with public or utility easements making impractical their utilization for any use other than the purposes set forth in the easement.

The Maximum Facilities Special Tax obligation or, if applicable, the Effective Tax Rate Evaluation Maximum Facilities Special Tax obligation for Taxable Property which will be transferred or dedicated to a public agency and will be classified as Public Property may be fully prepaid by the seller, pursuant to Section L, prior to the transfer/dedication of such Taxable Property. Until the Maximum Facilities Special Tax obligation or, if applicable, the Effective Tax Rate Evaluation Maximum Facilities Special Tax obligation for any such Taxable Property is prepaid, the Taxable Property shall continue to be subject to the levy of the Facilities Special Tax. An exception to this may be made if an Assessor's Parcel of Public Property, such as a school site, is relocated to an Assessor's Parcel of Taxable Property, in which case the Assessor's Parcel of previously Public Property becomes Taxable Property and the Assessor's Parcel of previously Taxable Property becomes Public Property. This trading of an Assessor's Parcel from Taxable Property to Public Property will be permitted to the extent there is no loss in Maximum Facilities Special Tax revenue or, if applicable, Effective Tax Rate Evaluation Maximum Facilities Special Tax revenue, and the transfer is agreed to by the owners of all Assessor's Parcels involved in the transfer and the City Council.

If the use of an Assessor's Parcel changes so that such Assessor's Parcel is no longer eligible to be classified as one of the uses set forth in Section G.1. above that would make such Assessor's Parcel eligible to continue to be classified as Exempt Property, such Assessor's Parcel shall cease to be classified as Exempt Property and shall be deemed to be Taxable Property and subject to the Special Tax.

No Special Tax shall be levied on any Assessor's Parcel in any Fiscal Year in which such Assessor's Parcel is classified as Welfare Exempt Property; however, pursuant to Section 53340(c) of the Act, after the issuance of the first series of Bonds, as applicable, any Assessor's Parcel that receives a welfare exemption under subdivision (g) of Section 214 of the Revenue and Taxation Code shall not be classified as Welfare Exempt Property and will be subject to the Facilities Special Tax.

H. TRANSFERS

Prior to the issuance of the first series of Bonds within CFD No. 24 IA2A, the City may permit the transfer of Maximum Facilities Special Tax or Effective Tax Rate Evaluation Maximum Facilities Special Tax from one Assessor's Parcel to another Assessor's Parcel. Before recordation of a Small Lot Final Subdivision Map, if a subdivision map is required, the City may permit a transfer if the number of planned Residential Units, Multi-Family Attached Property Acreage, or Non-Residential Property Acreage is transferred from one Assessor's Parcel(s) to another Assessor's Parcel(s) in any portion of Large Lot Property. The City may, in its sole discretion, allow for a transfer of the Maximum Facilities Special Tax or Effective Tax Rate Evaluation Maximum Facilities Special Tax from one Assessor's Parcel to another Assessor's Parcel provided such a transfer shall be allowed only if (1) all adjustments are agreed to in writing by the affected property owners and the City's Finance Director, and (2) there is no reduction in the sum of the total Maximum Facilities Special Tax or sum of the total Effective Tax Rate Evaluation Maximum Facilities Special Tax as a result of the transfer. Should a transfer result in an amendment to Attachment B or, following an Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment, the requesting property owner shall bear the costs to affect the transfer in the CFD No. 24 IA2A records and prepare the required amendments to Attachment B or, following an Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment.

I. INTERPRETATIONS

The City reserves the right to make minor administrative and technical changes to this document that do not materially affect the Rate and Method of Apportionment of Special Tax. In addition, the interpretation and application of any section of this document shall be at the City's discretion. Interpretations may be made by the City by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment of Special Tax.

J. REVIEW/APPEALS

The CFD No. 24 IA2A Administrator may establish such procedures, as it deems necessary to undertake the review of any such appeal. The CFD No. 24 IA2A Administrator shall interpret this Rate and Method of Apportionment of Special Tax and make determinations relative to the annual administration of the Special Tax and any property owner appeals, as herein specified.

Any property owner may file a written appeal of the Special Tax with the CFD No. 24 IA2A Administrator claiming that the amount or application of the Special Tax is not correct. The appeal must be filed not later than one calendar year after having paid the Special Taxes that are disputed, and the appellant must be current in all payments of Special Taxes. In addition, during the term of the appeal process, all Special Taxes levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Taxes are in error. The CFD No. 24 IA2A Administrator shall review the appeal, meet with the appellant if the CFD No. 24 IA2A Administrator deems necessary, and advise the appellant of its determination.

If the property owner disagrees with the CFD No. 24 IA2A Administrator's decision relative to the appeal, the owner may file a written notice with the City Manager appealing the amount of the Special Tax levied on such Assessor's Parcel. If following such consultation and action (if any by the City Manager), the property owner believes such error still exists, such person may file a written notice with the City Council appealing the amount of the Special Tax levied on such Assessor's Parcel. The decision of the City shall be final and binding to all persons. If the decision of the CFD No. 24 IA2A Administrator or subsequent decision by the City Manager or City Council requires the Special Taxes to be modified or changed in favor of the property owner, no cash refund shall be made for prior years' Special Taxes, but an adjustment shall be made to credit future Special Taxes. This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to filing any legal action by such owner.

K. MANNER OF COLLECTION

The annual Special Tax shall be collected in the same manner and at the same time as ordinary ad valorem property taxes; provided, however, that CFD No. 24 IA2A, may, at the sole discretion of the City, directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner as necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on Assessor's Parcels of Taxable Property that are delinquent in the payment of Special Taxes.

L. PREPAYMENT IN PART OF FACILITIES SPECIAL TAX

The Facilities Special Tax obligation of an Assessor's Parcel of Taxable Property may be partially prepaid as described herein; provided that there are no delinquent Special Taxes with respect to such Assessor's Parcel at the time of partial prepayment. An owner of an Assessor's Parcel intending to partially prepay the Facilities Special Tax obligation shall provide the CFD No. 24 IA2A Administrator with written notice of intent to partially prepay. Within 30 days of receipt of such written notice, the CFD No. 24 IA2A Administrator shall notify such owner of the partial prepayment amount of such Assessor's Parcel. Any partial prepayment must be submitted at least 60 days before the next occurring bond redemption date, and the proceeds of such prepayment shall be provided to the Trustee for application toward bond redemption in accordance with the Indenture. The CFD No. 24 IA2A Administrator may charge a fee for providing this service.

L.1. Partial Prepayment Amount

The Facilities Special Tax may be prepaid in an amount determined at the time of prepayment based on the portion of Bonds then outstanding; provided, however, that no partial prepayment shall be accepted in an amount equal to an annual Special Tax amount less than the annual Transition Services Special Tax rate escalated to the then current fiscal year less the then current Services Special Tax rate.

Step 1: Determine the current Fiscal Year Maximum Facilities Special Tax for the Assessor's Parcel based on the assignment of the Maximum Facilities Special Tax described in Section C above. If an Effective Tax Rate Evaluation has occurred, determine the current Fiscal Year Effective Tax Rate Evaluation Maximum Facilities Special Tax for the Assessor's Parcel based on the assignment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax described in Section C above. If the Assessor's Parcel is not already classified as Developed Property, the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) shall be assigned as though the Assessor's Parcel was already designated as Developed Property.

Step 2: Calculate the annual revenue produced, by annually applying the Facilities Special Tax Escalation Factor, from the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) from the date of prepayment through the earlier of the end of the Facilities Special Tax Term or the Transition Event, except that this final date may be amended by the City no later than the time of the calculation of the prepayment. If the final date used in the prepayment calculation is amended by the City, this amended final date shall apply to any and all prepayment calculations from that point forward.

Step 3: Calculate the present value of the Assessor's Parcel's annual Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) revenue stream determined in Step 2. The present value shall be calculated using a discount rate that earns a rate of interest that, when the prepayment is invested in City permitted and available investments, would produce annual revenues equal to the amounts calculated in Step 2.

If there are Outstanding Bonds at the time of the Partial Prepayment Amount calculation, the Partial Prepayment Amount shall be first allocated to the Redemption Amount. If the Partial Prepayment Amount is insufficient to fund the Redemption Amount, then the Partial Prepayment Amount shall be increased to equal the Redemption Amount.

The Redemption Amount is calculated as follows:

Step 1: Divide the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) computed pursuant to Step 1 of Section L.1 by the total Maximum Facilities Special Taxes (or total Effective Tax Rate Evaluation Maximum Facilities Special Taxes) for the entire CFD No. 24 IA2A, based on the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) that could be charged in the current Fiscal Year if all Taxable Property were designated as Developed Property, excluding any Assessor's Parcels which have prepaid the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) obligation (the "Prepayment Quotient").

Step 2: Multiply the Prepayment Quotient by the Outstanding Bonds to compute the amount of Outstanding Bonds to be redeemed (the "Bond Redemption Amount").

Step 3: Multiply the Bond Redemption Amount by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed.

Step 4: Compute the amount needed to pay interest on the Bond Redemption Amount from the first Bond interest payment date following the current Fiscal Year until the earliest redemption date for the Outstanding Bonds.

Step 5: Determine that portion of Facilities Special Taxes levied on the Assessor's Parcel in the current Fiscal Year to satisfy the Facilities Special Tax Requirement, which have not yet been paid.

Step 6: A reserve fund credit shall equal the lesser of: (a) the expected reduction in the reserve requirement (as defined in the Indenture for the Bonds), if any, associated with the redemption of Outstanding Bonds as a result of the partial prepayment, or (b) the amount derived by subtracting the new reserve requirement (as defined in the Indenture for the Bonds) in effect after the redemption of Outstanding Bonds as a result of the partial prepayment from the balance in the reserve fund on the prepayment date, but in no event shall such amount be less than zero. Such reserve fund credit will not decrease the balance in the reserve fund below the new reserve requirement.

Step 7: If any capitalized interest for the Outstanding Bonds will not have been expended at the time of the first interest and/or principal payment following the current Fiscal Year, a capitalized interest credit shall be calculated by multiplying the quotient computed pursuant to Step 1 by the expected balance in the capitalized interest fund after such first interest payment.

Step 8: The redemption amount is equal to the sum of the amounts computed pursuant to Steps 2, 3, 4, and 5, less the amount computed pursuant to Steps 6 and 7 (the "Redemption Amount").

If the Partial Prepayment Amount exceeds the Redemption Amount, then any remaining Partial Prepayment Amount, after allocating the Redemption Amount, shall be designated as Pay as You Go Costs.

The Partial Prepayment Amount shall include any fees or expenses, including the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the cost of redeeming Bonds, and the costs of recording any notices to evidence the prepayment and the redemption (the "Administrative Fees and Expenses").

In addition, the City has the authority to adjust the Partial Prepayment Amount calculated above if a portion or all of the current property tax bill and the portion attributable to the payment of the Facilities Special Tax has not been used to make an interest and/or principal payment on the Bonds.

Notwithstanding the foregoing, no partial prepayment shall be allowed unless the amount of Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes), net of any priority administration, if any as defined in the Bond documents, that may be levied on Taxable Property, in each Fiscal Year, both prior to and after the proposed partial prepayment, is at least 1.1 times the annual debt service on all Outstanding Bonds to be paid from the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) in each Fiscal Year.

M. TERM OF SPECIAL TAX

The Maximum Facilities Special Tax and Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be levied commencing in Fiscal Year 2026-2027 to the extent necessary to fully satisfy the Facilities Special Tax Requirement and shall be levied for the Facilities Special Tax Term.

The Maximum Services Special Tax shall be levied commencing in Fiscal Year 2026-2027 and shall be levied until the Transition Event to the extent necessary to fully satisfy the Services Special Tax Requirement.

The Maximum Transition Services Special Tax shall be levied commencing in the Fiscal Year following the Transition Event in perpetuity, unless and until such time the City determines that revenues are no longer needed to pay the Transition Services Special Tax Requirement.

including Single-Family Detached Property – SF/SFHD Zoning, Single-Family Detached Property – MLD Zoning, MHD Multi-Family Attached Property, and MMD Multi-Family Attached Property.

ATTACHMENT A
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24 (ALDER CREEK WEST)
IMPROVEMENT AREA 2A
MAXIMUM SPECIAL TAX RATES
(FISCAL YEAR 2026-2027)

Land Use Category	Lot / Village #	2026-2027 Maximum Facilities Special Tax Rate(1)	2026-2027 Maximum Services Special Tax Rate(2)	Taxed Per
Developed Property:				
Multi-Family Attached Property – MLD Zoning	1A	$2,547	$450	Residential Lot
Multi-Family Attached Property – MLD Zoning	1B	2,598	470	Residential Lot
Multi-Family Attached Property – MLD Zoning	1C	2,498	400	Residential Lot
Small Lot Final Map Property:				
Multi-Family Attached Property – MLD Zoning	1A	$2,547	$450	Residential Lot
Multi-Family Attached Property – MLD Zoning	1B	2,598	470	Residential Lot
Multi-Family Attached Property – MLD Zoning	1C	2,498	400	Residential Lot
Permit Ready Multi-Family/Non-Residential Property		$23,000	N/A	Acre
Large Lot Property		$23,000	N/A	Acre
Undeveloped Property		$23,000	N/A	Acre

(1) On each July 1, commencing on July 1, 2027, the Maximum Facilities Special Tax Rates shall be increased by the Facilities Special Tax Escalation Factor of the Maximum Facilities Special Tax Rates in effect for the previous Fiscal Year.

(2) On each July 1, commencing on July 1, 2027, the Maximum Services Special Tax Rates shall be increased by an amount equal to the Services Special Tax Escalation Factor of the Maximum Services Special Tax Rates in effect for the previous Fiscal Year.

ATTACHMENT B
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24 (ALDER CREEK WEST)
IMPROVEMENT AREA 2A
MINIMUM FACILITIES REVENUE
(FISCAL YEAR 2026-2027)

Land Use Category	Lot / Village #	Planned Number of Residential Lots / Acres	2026-2027 Developed Property Maximum Facilities Special Tax Rate[(1)(2)]	2026-2027 Minimum Facilities Revenue [(1)(3)]
Developed Property:				
Multi-Family Attached Property – MLD Zoning	1A	104	$2,547	$264,888
Multi-Family Attached Property – MLD Zoning	1B	101	2,598	262,398
Multi-Family Attached Property – MLD Zoning	1C	124	2,498	309,752
Total Minimum Facilities Revenue[(4)]				**$837,038**

(1) On each July 1, commencing on July 1, 2027, the Developed Property Maximum Facilities Special Tax Rates and Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Developed Property Maximum Facilities Special Tax Rates and Minimum Facilities Revenue in effect for the previous Fiscal Year.

(2) As a result of future Assessor's Parcel changes, described in Section C.1, the assigned Maximum Facilities Special Tax Rates for Developed Property may exceed the Developed Property Maximum Facilities Special Tax Rates set forth in this table.

(3) The total Minimum Facilities Revenue may be decreased as result of a portion of Maximum Facilities Special Tax obligations being prepaid pursuant to Section L.

(4) Based upon the Developed Property Maximum Facilities Special Tax Rate for Single-Family Detached Property in Lot/Village 1A, 1B, and 1C.

ATTACHMENT C
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24 (ALDER CREEK WEST)
IMPROVEMENT AREA 2A
EFFECTIVE TAX RATE EVALUATION MAXIMUM FACILITIES SPECIAL TAX RATES
(FISCAL YEAR 2026-2027)

Land Use Category	Lot / Village #	2026-2027 Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate(1)(2)	Taxed Per
Developed Property:			
Multi-Family Attached Property – MLD Zoning	1A	$_____	Residential Lot
Multi-Family Attached Property – MLD Zoning	1B	_____	Residential Lot
Multi-Family Attached Property – MLD Zoning	1C	_____	Residential Lot
Small Lot Final Map Property:			
Multi-Family Attached Property – MLD Zoning	1A	$_____	Residential Lot
Multi-Family Attached Property – MLD Zoning	1B	_____	Residential Lot
Multi-Family Attached Property – MLD Zoning	1C	_____	Residential Lot
Permit Ready Multi-Family/Non-Residential Property		$_____	Acre
Large Lot Property		$_____	Acre
Undeveloped Property		$_____	Acre

(1) Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates will be inserted following the Effective Tax Rate Evaluation.
(2) On each July 1, commencing in the Fiscal Year after the Effective Tax Rate Evaluation occurs, the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be increased by the Facilities Special Tax Escalation Factor of the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates in effect for the previous Fiscal Year.

ATTACHMENT D
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24 (ALDER CREEK WEST)
IMPROVEMENT AREA 2A
EFFECTIVE TAX RATE EVALUATION MINIMUM FACILITIES REVENUE
(FISCAL YEAR 2026-2027)

Land Use Category	Lot / Village #	Planned Number of Residential Lots / Acres[1]	2026-2027 Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate[1][2][3]	2026-2027 Effective Tax Rate Evaluation Minimum Facilities Revenue[1][2][4]
Developed Property:				
Multi-Family Attached Property – MLD Zoning	1A	104	$_____	$_____
Multi-Family Attached Property – MLD Zoning	1B	101	_____	_____
Multi-Family Attached Property – MLD Zoning	1C	124	_____	_____
Total Effective Tax Rate Evaluation Minimum Facilities Revenue[5]				**$_____**

(1) Planned Number of Residential Units/Acres, Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate and Effective Tax Rate Evaluation Minimum Facilities Revenue to be inserted following the Effective Tax Rate Evaluation.

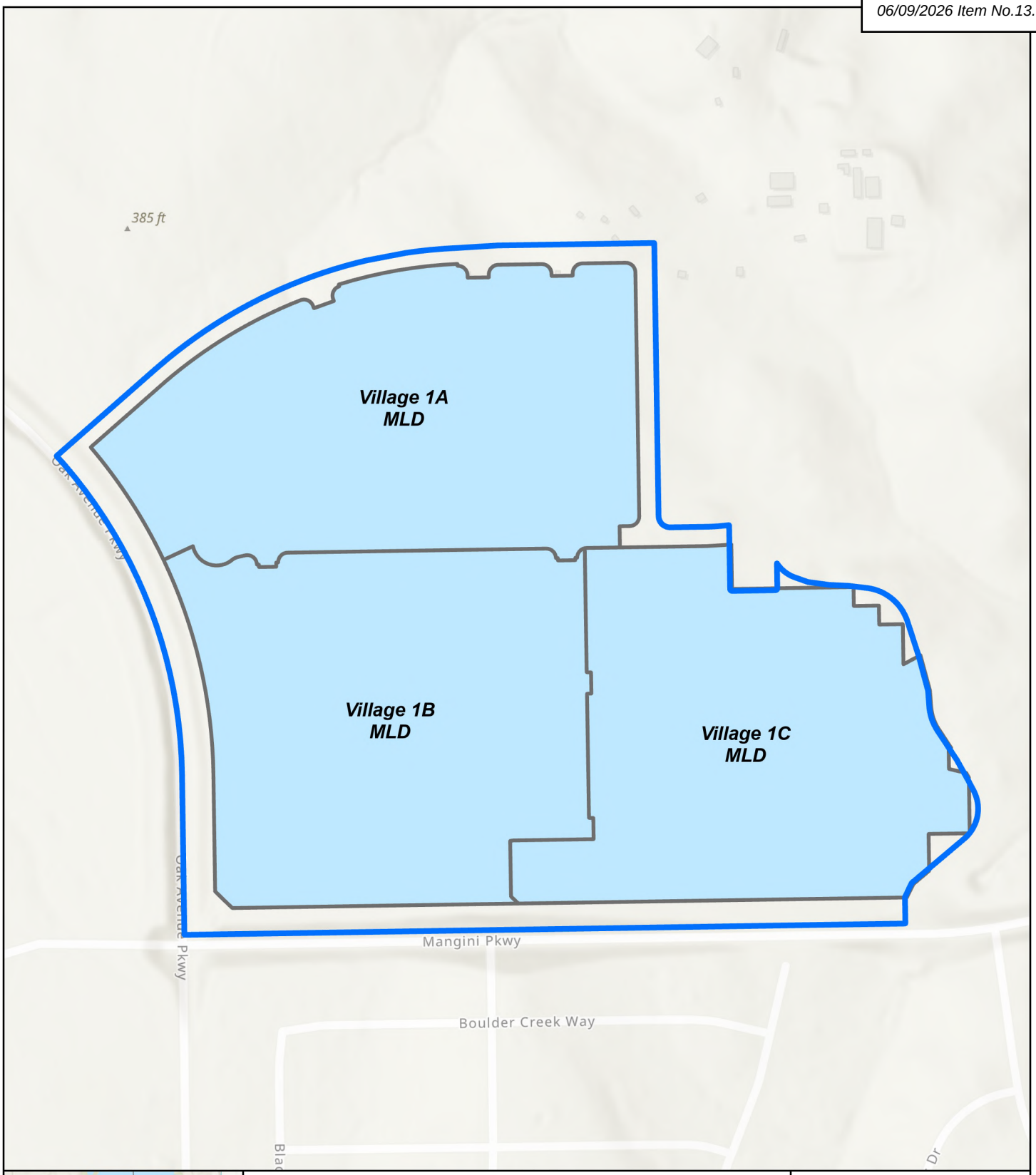
(2) On each July 1, commencing in the Fiscal Year after the Effective Tax Rate Evaluation occurs, the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates and Effective Tax Rate Evaluation Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates and Effective Tax Rate Evaluation Minimum Facilities Revenue in effect for the previous Fiscal Year.

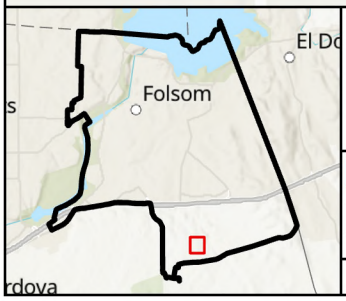
(3) As a result of future Assessor's Parcel changes, described in Section C.3, the assigned Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates may exceed the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates set forth in this table.

(4) The total Effective Tax Rate Evaluation Minimum Facilities Revenue may be decreased as result of a portion of Effective Tax Rate Evaluation Maximum Facilities Special Tax obligations being prepaid pursuant to Section L.

(5) Based upon the Developed Property Maximum Facilities Special Tax Rate for Single-Family Detached Property in Lot/Village 1A, 1B, and 1C.

ATTACHMENT E
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24 (ALDER CREEK WEST)
IMPROVEMENT AREA 2A
MAP OF VILLAGES





City of Folsom
Community Facilities District No. 24 (Alder Creek West)
Improvement Area 2A

Improvement Area 2A Boundary
Village Boundaries

2026

N

0 0.03 0.06 Mi

0 165 330 US Feet

Coordinate System: NAD 1983 State I FIPS 0402 Feet

For illustration purposes o ficial map.

NBS helping communities fund tomorrow

EXHIBIT D-2B

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24
(ALDER CREEK WEST)
IMPROVEMENT AREA NO. 2B

[ATTACHED]

RATE AND METHOD OF APPORTIONMENT FOR
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24
(ALDER CREEK WEST)
IMPROVEMENT AREA 2B

A Special Tax, as hereinafter defined, shall be levied on each Assessor's Parcel of Taxable Property within the City of Folsom Community Facilities District No. 24 (Alder Creek West) Improvement Area 2B (CFD No. 24 IA2B) and collected each Fiscal Year in an amount determined by the CFD No. 24 IA2B Administrator through the application of the Rate and Method of Apportionment as described below. All of the real property within CFD No. 24 IA2B, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

A. GENERAL DEFINITIONS

The terms hereinafter set forth have the following meaning:

"Accessory Dwelling Unit" or **"ADU"** means a secondary residential unit of limited size, as defined in California Government Code Section 66313, as may be amended from time to time, that is accessory to a single-unit dwelling. The ADU may be on the same Assessor's Parcel as the single-unit dwelling or on a separate Assessor's Parcel. For purposes of clarification, where an ADU and primary Unit are on the same Assessor's Parcel, the ADU located on such Assessor's Parcel is considered a separate Unit from the primary Unit on such Assessor's Parcel for purposes of the Special Tax. Should an Assessor's Parcel contain only an ADU, such Assessor's Parcel will be taxed as an ADU only.

"Acre" or **"Acreage"** means the land area of an Assessor's Parcel as shown on County records, such as an Assessor's Parcel Map and secured roll data, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable Large Lot Map, Small Lot Final Subdivision Map, condominium plan, record of survey, or other recorded document creating or describing the parcel. If the preceding maps for a land area are not available, the Acreage of such land area may be determined utilizing available spatial data and GIS. The square footage of an Assessor's Parcel is equal to the Acreage of such parcel multiplied by 43,560.

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Division 2 of Title 5 of the Government Code of the State of California.

"Assessor's Parcel" or **"Parcel"** means a lot or parcel shown in an Assessor's Parcel Map with an assigned Assessor's Parcel number.

"Assessor's Parcel Map" means an official map of the County Assessor of the County designating lots or parcels by an Assessor's Parcel number.

"Authorized Services" means the services authorized to be financed by CFD No. 24 IA2B.

"Bond Year" means a one-year period beginning on September 2nd in each year and ending on September 1st in the following year, unless defined differently in the applicable Indenture.

"Bonds" means any bonds or other debt (as defined in the Act), whether in one or more series, issued by CFD No. 24 IA2B under the Act.

"CFD No. 24 IA2B" means City of Folsom Community Facilities District No. 24 (Alder Creek West) Improvement Area 2B.

"CFD No. 24 IA2B Administrator" means the City's Finance Director, or designee thereof, responsible for determining the Facilities Special Tax Requirement, Services Special Tax Requirement and providing for the levy and collection of the Special Taxes.

"City" means the City of Folsom.

"City Council" means the City Council of the City, acting as the legislative body of CFD No. 24 IA2B.

"County" means the County of Sacramento.

"Developed Property" means, for each Fiscal Year, all Taxable Property for which a building permit for new construction was issued prior to June 30 of the previous Fiscal Year.

"Effective Tax Rate Evaluation" means an evaluation of the Total Effective Tax Rate of Residential Property at the time of such evaluation. The Effective Tax Rate Evaluation will be based upon a prepared Price Point Study to determine the Total Effective Tax Rate for Residential Property, based upon the calculated Total Estimated Tax Burden.

"Effective Tax Rate Evaluation Maximum Facilities Special Tax" means the total maximum annual Facilities Special Tax, as determined during the Effective Tax Rate Evaluation, in accordance with the provisions of Section C.2, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate" means the maximum annual Facilities Special Tax rate for each land use category of Taxable Property that will be set forth in Attachment C, following the Effective Tax Rate Evaluation, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Effective Tax Rate Evaluation Minimum Facilities Revenue" means, following the Effective Tax Rate Evaluation, the total minimum amount of CFD No. 24 IA2B Effective Tax Rate Evaluation Maximum Facilities Special Tax, as adjusted annually by the Facilities Special Tax Escalation Factor after the Fiscal Year in which the Effective Tax Rate Evaluation occurs, less any Effective Tax Rate Evaluation Maximum Facilities Special Tax amounts partially prepaid pursuant to Section L. The Effective Tax Rate Evaluation Minimum Facilities Revenue, based on Planned Development, is set forth in Attachment D of this Rate and Method of Apportionment.

"Exempt Property" means all Assessors' Parcels that are exempt from the Special Tax pursuant to Section F.

"Facilities Administrative Expenses" means the actual or reasonably estimated costs directly related to the administration of the Facilities Special Tax including, but not limited to, the following: the costs of computing the Facilities Special Tax and preparing the annual Facilities Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Facilities Special Taxes (whether by the County, the City, or otherwise); the costs of remitting the Facilities Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of

the duties required of it under the Indenture; the costs to the City, CFD No. 24 IA2B, or any designee thereof of complying with arbitrage rebate requirements or responding to questions from the IRS or SEC pertaining to any Bonds or any audit of any Bonds by the SEC or IRS; the costs to the City, CFD No. 24 IA2B, or any designee thereof of providing continuing disclosure regarding the Bonds pursuant to applicable state or federal securities law; the costs associated with preparing Facilities Special Tax disclosure statements and responding to public inquiries regarding the Facilities Special Taxes; the costs of the City, CFD No. 24 IA2B, or any designee thereof related to any appeal of the levy or application of the Facilities Special Tax; the costs associated with the release of funds from an escrow account, if any; and the costs associated with computing and preparing the Effective Tax Rate Evaluation, including the Price Point Study. Facilities Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 24 IA2B for any other administrative purposes, including, but not limited to, attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Facilities Special Taxes.

"Facilities Special Tax" means the annual Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Facilities Special Tax Requirement.

"Facilities Special Tax Escalation Factor" means two percent (2%) annually.

"Facilities Special Tax Requirement" means that amount of Special Tax revenue required in any Fiscal Year for CFD No. 24 IA2B to: (i) Pay Facilities Administrative Expenses in an amount designated by the City; (ii) pay annual debt service on all Outstanding Bonds due in the Bond Year beginning in such Fiscal Year; (iii) pay other periodic costs on Outstanding Bonds, including but not limited to, credit enhancement and rebate payments on Outstanding Bonds; (iv) pay any amounts required to establish or replenish any reserve funds for all Outstanding Bonds in accordance with the Indenture; (v) pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year and known upcoming delinquencies; and (vi) pay for Pay As You Go Costs; less (vii) a credit for funds available to reduce the annual Facilities Special Tax levy as determined by the CFD No. 24 IA2B Administrator pursuant to the Indenture.

"Facilities Special Tax Term" means the earlier of Fiscal Year 2085-2086 or the Fiscal Year occurring 50 years following the Fiscal Year in which the first building permit was issued, or the first series of Bonds was issued within CFD No. 24 IA2B.

"Fiscal Year" means the period starting July 1 and ending on the following June 30.

"Indenture" means the indenture, fiscal agent agreement, trust agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended and/or supplemented from time to time, and any instrument replacing or supplementing the same.

"Large Lot Map" means a recorded subdivision map creating larger parcels by land use. The Large Lot Map does not create individual lots for which building permits may be issued for single-family Residential Units.

"Large Lot Property" means, for each Fiscal Year, all Taxable Property for which a Large Lot Map was recorded prior to June 30 of the previous Fiscal Year, excluding any portion(s) thereof classified as

Developed Property, Small Lot Final Map Property, or Permit Ready Multi-Family/Non-Residential Property. Large Lot Property also means, for each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property as of June 30 of the previous Fiscal Year.

"Maximum Facilities Special Tax" means the total maximum annual Facilities Special Tax, determined in accordance with the provisions of Section C, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Maximum Facilities Special Tax Rate" means the maximum annual Facilities Special Tax rate for each land use category of Taxable Property, as shown in Attachment A, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Maximum Services Special Tax" means the total maximum annual Services Special Tax, determined in accordance with the provisions of Section D, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Maximum Services Special Tax Rate" means the maximum annual Services Special Tax rate for each land use category of Taxable Property, as shown in Attachment A, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Maximum Special Tax" means, prior to the Transition Year, the total annual Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) and Maximum Services Special Tax, determined in accordance with the provisions of Section C and Section D, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

Beginning in the Transition Year, "Maximum Special Tax", means the total annual Maximum Transition Services Special Tax, determined in accordance with the provisions of Section D, which may be levied in any Fiscal Year following the Transition Event on any Assessor's Parcel of Taxable Property

"Maximum Total Effective Tax Rate" means 1.80%, unless the City determines, in its sole discretion, that a higher Maximum Total Effective Tax Rate is appropriate.

"MHD Multi-Family Attached Property" means all Assessor's Parcels for which a building permit could be issued for purposes of constructing one or more attached Residential Units per Assessor's Parcel with a permitted density range of greater than 20 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council. MHD Multi-Family Attached Property shall also include an Assessor's Parcel or that portion of an Assessor's Parcel designated as a Mixed Use Residential Parcel.

"Minimum Facilities Revenue" means the minimum amount of total CFD No. 24 IA2B Maximum Facilities Special Tax, as adjusted annually by the Facilities Special Tax Escalation Factor, less any Maximum Facilities Special Tax amounts partially prepaid pursuant to Section L. The Minimum Facilities Revenue, based on Planned Development, is set forth in Attachment B of this Rate and Method of Apportionment. Following the Transition Event, the Minimum Facilities Revenue shall be zero.

"MMD Multi-Family Attached Property" means all Assessor's Parcels for which a building permit could be issued for purposes of constructing one or more attached Residential Units per Assessor's

Parcel with a permitted density range of 12-20 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

"Mixed-Use Residential Parcel" means a mixed-use Assessor's Parcel that is designated for residential land use. If the mixed-use Assessor's Parcel contains a combination of residential land use and non-residential land use, only that portion of an Assessor's Parcel designated for residential land use shall be classified as a Mixed-Use Residential Parcel and the remaining non-residential land use of the Assessor's Parcel shall be classified as Non-Residential Property.

"Non-Residential Property" means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing non-residential buildings.

"Open Space Property" means property within the boundaries of CFD No. 24 IA2B which (a) has been designated with specific boundaries and acreage on a Small Lot Final Subdivision Map as open space, or (b) is classified by the City zoning code or County Assessor as open space, or (c) has been irrevocably offered for dedication as open space to the federal government, the State of California, the County, the City, any other public agency, a private, non-profit organization, or (d) is encumbered by an easement or other restriction required by the City limiting the use of such property to open space.

"Outstanding Bonds" means all Bonds, which remain outstanding as defined in the Indenture pursuant to which such Bonds were issued.

"Pay as You Go Costs" means that portion of the Facilities Special Tax Requirement attributable to the direct payment for the acquisition and/or construction of public improvements, which are authorized to be financed by CFD No. 24 IA2B.

"Permit Ready Multi-Family/Non-Residential Property" means an Assessor's Parcel of Taxable Property zoned for multi-family or non-residential land use for which all discretionary entitlements have been obtained, including, without limitation, development plan review and improvement plan approval, such that building permits may be issued without further approvals for the construction of multi-family Residential Units or non-residential buildings within such Assessor's Parcel. The City shall have sole discretion, based upon available development information, in classifying an Assessor's Parcel as Permit Ready Multi-Family/Non-Residential Property.

"Planned Development" means the planned number of Residential Lots, MHD Multi-Family Attached Property Acreage, MMD Multi-Family Attached Property Acreage, and Non-Residential Property Acreage planned within CFD No. 24 IA2B, set forth in Attachment B or, following the Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment, as amended by the future recordation of all Large Lot Maps and Small Lot Final Subdivision Maps within CFD No. 24 IA2B.

"Price Point Study" means an analysis, prepared by an independent firm, to verify the estimated average sales price within each land use category of Residential Property given the project location and current market conditions.

"Property Owner Association Property" means any property within the boundaries of CFD No. 24 IA2B, which is (a) owned by a property owner association or (b) designated with specific boundaries

and Acreage on a Small Lot Final Subdivision Map as property owner association property. As used in this definition, a property owner association includes any master or sub-association.

"Proportionately" means for Taxable Property that the ratio of the Facilities Special Tax levy to the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) and the Services Special Tax levy to the Maximum Services Special Tax is equal for all Assessors' Parcels within each classification (Developed Property, Single Family Final Map Property, Permit Ready Multi-Family/Non-Residential Property, Large Lot Property, etc.) within CFD No. 24 IA2B.

"Public Property" means any property within the boundaries of CFD No. 24 IA2B, which (a) is owned by a public agency, (b) has been irrevocably offered for dedication to a public agency, or (c) is designated with specific boundaries and Acreage on a Small Lot Final Subdivision Map as property, which will be owned by a public agency. For purposes of this definition, a public agency includes the federal government, the State of California, the County, the City, or any other public agency.

"Residential Lot" means an individual lot of land for which a building permit could be issued to construct a Residential Unit.

"Residential Property" means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing Residential Units, including Single-Family Detached Property – SF/SFHD Zoning, Single-Family Detached Property – MLD Zoning, MHD Multi-Family Attached Property, and MMD Multi-Family Attached Property.

"Residential Unit" means a residential dwelling unit, including Accessory Dwelling Units, as allowed by the City zoning code.

"Services Administrative Expenses" means the actual or reasonably estimated costs directly related to the administration of the Services Special Tax including, but not limited to, the following: the costs of computing the Services Special Taxes and preparing the annual Services Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Services Special Taxes (whether by the County, the City, or otherwise); the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Services Special Tax; and the costs of the City, CFD No. 24 IA2B, or any designee thereof related to any appeal of the levy or application of the Services Special Tax. Services Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 24 IA2B for any other administrative purposes related to the Services Special Tax.

"Services Special Tax" means, prior to the Transition Event, the annual Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Services Special Tax Requirement.

"Services Special Tax Escalation Factor" means the maximum of two percent (2%) or the June annualized percentage change of the Consumer Price Index for all Urban Consumers, for the San Francisco-Oakland-San Jose area, not to exceed four percent (4%).

"Services Special Tax Requirement" means the amount of Services Special Tax revenue required for CFD No. 24 IA2B, before the Transition Year, to (i) pay Services Administrative Expenses in an amount

designated by the City; (ii) pay Authorized Services expenses; (iii) pay any amounts required to establish or replenish any repair and contingency funds, capital improvement funds, or reserve funds related to the Authorized Services expenses; (iv) cover any shortfalls that exist if, in any Fiscal Year, the levy of the Facilities Special Tax on each Assessor's Parcel of Taxable Property is insufficient to pay the Facilities Special Tax Requirement in that Fiscal Year. Facilities Special Tax Requirement shortfalls shall not include Pay As You Go Costs, and (v) pay for reasonably anticipated delinquent Services Special Taxes based on the delinquency rate for Services Special Taxes levied in the previous Fiscal Year; less (vi) a credit for funds available to reduce the annual Services Special Tax levy as determined by the CFD No. 24 IA2B Administrator.

"Single-Family Detached Property – MLD Zoning" means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing one or more detached or attached Residential Units with a permitted density range of 7-12 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

"Single-Family Detached Property – SF/SFHD Zoning" means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing one or more Residential Units. Single-Family Detached Property – SF/SFHD Zoning shall consist of either single-family property with a permitted density range of 1-4 Residential Units per Acre or single-family high density property with a permitted density range of 4-7 Residential Units per Acre, which is more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

"Special Tax" means, before the Transition Year, the annual Facilities Special Tax and Services Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Facilities Special Tax Requirement and the Services Special Tax Requirement.

Beginning in the Transition Year, the annual Transition Services Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Transition Services Special Tax Requirement.

"Small Lot Final Map Property" means, for each Fiscal Year, all Taxable Property for which a Small Lot Final Subdivision Map was recorded prior to June 30 of the previous Fiscal Year.

"Small Lot Final Map Remainder Property" means an Assessor's Parcel that is created from the subdivision of Large Lot Property by the recordation of a Small Lot Final Subdivision Map that has not yet been mapped for final development approval. Small Lot Final Map Remainder Property is that portion of property for which the Small Lot Final Subdivision Map definition does not apply (i.e., does not contain individual lots for which building permits may be issued for Residential Units without further subdivision of such property). Each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property, as of June 30 of the previous Fiscal Year, will be considered Large Lot Property.

"Small Lot Final Subdivision Map" means a subdivision of property created by recordation of a final subdivision map, parcel map or lot line adjustment, approved by the City pursuant to the Subdivision

Map Act (California Government Code Section 66410 et seq.) or recordation of a condominium plan pursuant to California Civil Code 1352, that creates individual lots for which building permits may be issued for Residential Units without further subdivision of such property.

"State" means the State of California.

"Taxable Property" means all of the Assessor's Parcels within the boundaries of CFD No. 24 IA2B that are not exempt from the CFD No. 24 IA2B Special Tax pursuant to law or Section F below.

"Total Effective Tax Rate" means the percentage of the Total Estimated Tax Burden as compared to the estimated average sales price identified in the Price Point Study for each land use category of Residential Property.

"Total Estimated Tax Burden" means the total amount of overlapping property taxes anticipated to be levied upon a Residential Unit, based upon the estimated average sales price identified in the Price Point Study and existing property tax rates for the current Fiscal Year. Existing property tax rates shall reflect the actual property tax rates levied upon Taxable Property in the Fiscal Year that the Effective Tax Rate Evaluation is completed.

"Transition Event" means the earlier of (i) Fiscal Year 2085-2086 or (ii) the Fiscal Year when the CFD No. 24 IA2B Administrator determines that both of the following events have occurred (1) all Bonds secured by the levy and collection of the Facilities Special Tax in CFD No. 24 IA2B have been fully repaid and the City determines that no additional Bonds are to be issued, and (2) all Facilities Administrative Expenses have been paid or reimbursed to CFD No. 24 IA2B.

"Transition Services Administrative Expenses" means the actual or reasonably estimated costs directly related to the administration of the Transition Services Special Tax including, but not limited to, the following: the costs of computing the Transition Services Special Taxes and preparing the annual Transition Services Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Transition Services Special Taxes (whether by the County, the City, or otherwise); the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Transition Services Special Tax; and the costs of the City, CFD No. 24 IA2B, or any designee thereof related to any appeal of the levy or application of the Transition Services Special Tax. Transition Services Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 24 IA2B for any other administrative purposes related to the Transition Services Special Tax.

"Transition Services Special Tax" means, after the Transition Event, the annual Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Transition Services Special Tax Requirement.

"Transition Services Special Tax Escalation Factor" means the maximum of two percent (2%) or the June annualized percentage change of the Consumer Price Index for all Urban Consumers, for the San Francisco-Oakland-San Jose area, not to exceed four percent (4%).

"Transition Services Special Tax Rate" means, calculated in the Transition Year, the amount equal to the prior year's Maximum Services Special Tax Rate plus fifty percent (50%) of the prior year's

Maximum Facilities Special Tax Rate. The Transition Services Special Tax Escalation Factor shall be applied beginning in the Transition Year. Following the Transition Year, the Transition Services Special Tax Rate shall be equal to the prior year's Transition Services Special Tax Rate, increased by the Transition Services Special Tax Escalation Factor.

"Transition Services Special Tax Requirement" Beginning in the Transition Year, to (i) pay Transition Services Administrative Expenses in an amount designated by the City; (ii) pay Authorized Services expenses; (iii) pay any amounts required to establish or replenish any repair, replacement and contingency funds, capital improvement funds, or reserve funds related to the Authorized Services expenses; (iv) pay for reasonably anticipated delinquent Transition Services Special Taxes based on the delinquency rate for Transition Services Special Taxes levied in the previous Fiscal Year; less (v) a credit for funds available to reduce the annual Transition Services Special Tax levy as determined by the CFD No. 24 IA2B Administrator.

"Transition Year" means the first year in which the CFD No. 24 IA2B Administrator determines that the Transition Event occurred in the prior Fiscal Year.

"Trustee" means the entity appointed pursuant to an Indenture to act as the trustee, fiscal agent, or paying agent or a combination thereof.

"Undeveloped Property" means, for each Fiscal Year, all Taxable Property not classified as Developed Property, Small Lot Final Map Property, Permit Ready Multi-Family/Non-Residential Property, or Large Lot Property.

"Welfare Exempt Property" means, in any Fiscal Year, all Parcels within the boundaries of CFD No. 24 IA2B that (a) have been granted a welfare exemption by the County under subdivision (g) of Section 214 of the Revenue and Taxation Code indicated in the Assessor's Data finalized as of January 1 of the previous Fiscal Year, and (b) are exempt from the Special Tax pursuant to Section 53340(c) of the Act. Pursuant to Section 53340(c) of the Act, after the issuance of the first series of Bonds, as applicable, any Assessor's Parcels that receives a welfare exemption under subdivision (g) of Section 214 of the Revenue and Taxation Code shall not be classified as Welfare Exempt Property and will be subject to the Facilities Special Tax.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, using City and County records, City zoning information, and land use development plans, all Assessor's Parcels within the boundaries of CFD No. 24 IA2B shall be designated as either Taxable Property or Exempt Property.

All Taxable Property shall be further classified as Developed Property, Small Lot Final Map Property, Permit Ready Multi-Family/Non-Residential Property, Large Lot Property, or Undeveloped Property and shall be subject to the levy of the annual Special Tax determined pursuant to Sections C and D below.

C. FACILITIES SPECIAL TAX

Prior to the Transition Year, a Maximum Facilities Special Tax shall be assigned to all Taxable Property within CFD No. 24 IA2B according to the Maximum Facilities Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

Once assigned, the sum of the total Maximum Facilities Special Tax shall be equal to or greater than the Minimum Facilities Revenue, unless adjusted by an Effective Tax Rate Evaluation as described below. The Minimum Facilities Revenue for Fiscal Year 2026-2027 is set forth in Attachment B of this Rate and Method of Apportionment.

On each July 1, commencing on July 1, 2027, the Maximum Facilities Special Tax Rates and Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Maximum Facilities Special Tax Rates and Minimum Facilities Revenue in effect for the previous Fiscal Year.

C.1. Future Assessor's Parcel Changes – Prior to an Effective Tax Rate Evaluation

The Maximum Facilities Special Tax shall be assigned to all future Assessor's Parcel(s) created from a subdivision, lot line adjustment, or merger of one or more Assessor's Parcels so that the revised sum of the total Maximum Facilities Special Tax revenue is not less than the Minimum Facilities Revenue set forth in Attachment B of this Rate and Method of Apportionment.

Undeveloped Property Subdividing into Large Lot Property

When Undeveloped Property subdivides into Large Lot Property, the Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. The expected Developed Property Maximum Facilities Special Tax for any Large Lot Property and any remaining Undeveloped Property shall be based upon the Planned Development for the Large Lot Property and remaining Undeveloped Property.

If the sum of the total expected Developed Property Maximum Facilities Special Tax generated by all of the Taxable Property is greater than or equal to the Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates for the Large Lot Property created from the Undeveloped Property subdivision.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Large Lot Property created from the Undeveloped Property subdivision, until the sum of the total expected Developed Property Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Further, if the sum of the total current Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, the Maximum Facilities Special Tax Rates for the Large Lot Property and any remaining Undeveloped Property created from the Undeveloped Property subdivision shall be Proportionately increased until the sum of the total current Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Attachment B of this Rate and Method of Apportionment shall be updated to reflect any increases to the Maximum Facilities Special Tax Rates from the Undeveloped Property subdivision. The

Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property.

Large Lot Property Subdividing into Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property

When Large Lot Property subdivides into Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property, the Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. If the Large Lot Property subdivision also creates Small Lot Final Map Remainder Property, the expected Developed Property Maximum Facilities Special Tax for the Small Lot Final Map Remainder Property shall be based upon the Planned Development for the Small Lot Final Map Remainder Property. The expected Developed Property Maximum Facilities Special Tax for any remaining Large Lot Property and Undeveloped Property shall be based upon the Planned Development of the Large Lot Property and the Undeveloped Property.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is greater than or equal to the Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates for the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, and such difference is not eliminated by the partial prepayment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax pursuant to Section L, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision, until the sum of the total expected Developed Property Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Attachment B of this Rate and Method of Apportionment shall be updated to reflect any increases to the Maximum Facilities Special Tax Rates from the Large Lot Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property created prior to the Large Lot Property subdivision.

C.2. Effective Tax Rate Evaluation

Prior to the issuance of the first series of Bonds within CFD No. 24 IA2B an Effective Tax Rate Evaluation will be completed. Following the Effective Tax Rate Evaluation, Attachment C of this

Rate and Method of Apportionment will be updated to reflect the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for all Taxable Property in CFD No. 24 IA2B.

Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates

As part of the Effective Tax Rate Evaluation, a Price Point Study will be prepared and an estimated average sales prices will be established for each Residential Property land use category. Using the estimated average sales price information determined in the Price Point Study, the Total Estimated Tax Burden and Total Effective Tax Rate will be calculated, using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment A, for each Residential Property land use category. If the calculated Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for a Residential Property land use category, the Maximum Facilities Special Tax Rate shall not be adjusted and will be assigned using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment A. Attachment C of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category.

If the Total Effective Tax Rate for any Residential Property land use category exceeds the Total Maximum Effective Tax Rate, the Developed Property Maximum Facilities Special Tax Rate set forth in Attachment A shall be reduced until the Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for that Residential Property land use category. Attachment C of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category.

Effective Tax Rate Evaluation Minimum Facilities Revenue

As a result of the Effective Tax Rate Evaluation, if the calculated Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for a Residential Property land use category used in the Minimum Facilities Revenue calculation, the Developed Property Maximum Facilities Special Tax Rate for the applicable Residential Property land use category shall not be adjusted and the Effective Tax Rate Evaluation Developed Property Maximum Facilities Special Tax Rate will be assigned using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment B. Attachment D of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category and the Effective Tax Rate Evaluation Minimum Facilities Revenue.

If the calculated Total Effective Tax Rate exceeds the Total Maximum Effective Tax Rate for a Residential Property land use category used in the Minimum Facilities Revenue calculation, the Effective Tax Rate Evaluation Developed Property Maximum Facilities Special Tax Rate will be assigned using the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates set forth in Attachment C. Attachment D of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum

Facilities Special Tax Rate for each Residential Property land use category and the Effective Tax Rate Evaluation Minimum Facilities Revenue.

C.3. Future Assessor's Parcel Changes – After an Effective Tax Rate Evaluation

The Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be assigned to all future Assessor's Parcel(s) created from a subdivision, lot line adjustment, or merger of one or more Assessor's Parcels so that the revised sum of the total Effective Tax Rate Evaluation Maximum Facilities Special Tax revenue is not less than the total Effective Tax Rate Evaluation Minimum Facilities Revenue set forth in Attachment D of this Rate and Method of Apportionment.

Undeveloped Property Subdividing into Large Lot Property

When Undeveloped Property subdivides into Large Lot Property, the Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. The expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for any Large Lot Property and any remaining Undeveloped Property shall be based upon the Planned Development for the Large Lot Property and remaining Undeveloped Property.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax generated by all of the Taxable Property is greater than or equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Large Lot Property created from the Undeveloped Property subdivision.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Large Lot Property created from the Undeveloped Property subdivision, until the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Further, if the sum of the total current Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Large Lot Property and any remaining Undeveloped Property created from the Undeveloped Property subdivision shall be Proportionately increased until the sum of the total current Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Attachment D of this Rate and Method of Apportionment shall be updated to reflect any increases to the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates from the Undeveloped Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as

Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property.

Large Lot Property Subdividing into Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property

When Large Lot Property subdivides into Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property, the Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. If the Large Lot Property subdivision also creates Small Lot Final Map Remainder Property, the expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for the Small Lot Final Map Remainder Property shall be based upon the Planned Development for the Small Lot Final Map Remainder Property. The expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for any remaining Large Lot Property and Undeveloped Property shall be based upon the Planned Development of the Large Lot Property and the Undeveloped Property.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is greater than or equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, and such difference is not eliminated by the partial prepayment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax pursuant to Section L, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision, until the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Attachment D of this Rate and Method of Apportionment shall be updated to reflect any increases to the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates from the Large Lot Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property created prior to the Large Lot Property subdivision.

C.4. Method of Apportionment of Facilities Special Tax

Using the definitions and procedures described herein, the CFD No. 24 IA2B Administrator shall determine the Facilities Special Tax Requirement and levy the Facilities Special Tax until the amount of Facilities Special Taxes equals the Facilities Special Tax Requirement. The Facilities Special Tax shall be levied each Fiscal Year until the Transition Year as follows:

Prior to an Effective Tax Rate Evaluation

First: The Facilities Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Facilities Special Tax in order to satisfy the Facilities Special Tax Requirement.

Second: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first step has been completed, the Facilities Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Small Lot Final Map Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Third: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first two steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Permit Ready Multi-Family/Non-Residential Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fourth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first three steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Large Lot Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fifth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first four steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Undeveloped Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

After an Effective Tax Rate Evaluation

First: The Facilities Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax in order to satisfy the Facilities Special Tax Requirement.

Second: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first step has been completed, the Facilities Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Small Lot Final Map Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Third: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first two steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Permit Ready Multi-Family/Non-Residential Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fourth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first three steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Large Lot Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fifth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first four steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Undeveloped Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

D. SERVICES SPECIAL TAX

A Services Special Tax shall be assigned to all Taxable Property within CFD No. 24 IA2B according to the Maximum Services Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

D.1. Prior to the Transition Event - Increase in the Maximum Services Special Tax

Prior to the Transition Event, on each July 1, commencing on July 1, 2027, the Maximum Services Special Tax Rates shall be increased by the Services Special Tax Escalation Factor of the Maximum Services Special Tax Rates in effect for the previous Fiscal Year.

D.2. Prior to the Transition Event - Method of Apportionment of Services Special Tax

If, in any Fiscal Year prior to the Transition Year, the Facilities Special Tax is levied against each Assessor's Parcel of Taxable Property within CFD No. 24 IA2B and the Facilities Special Tax revenues generated are insufficient to pay the Facilities Special Tax Requirement such shortfall shall be deemed a component of the Services Special Tax Requirement in that Fiscal Year, and proceeds from the levy of the Services Special Tax shall first be applied to mitigate the shortfall in the Facilities Special Tax Requirement before being used to pay for Authorized Services. The Services Special Tax revenue shall not be applied to any Facilities Special Tax Requirement shortfalls attributable to Pay As You Go Costs authorized to be financed by CFD No. 24 IA2B.

Using the definitions and procedures described herein, the CFD No. 24 IA2B Administrator shall determine the Services Special Tax Requirement and levy the Services Special Tax until the amount of Services Special Tax equals the Services Special Tax Requirement. The Services Special Tax shall be levied each Fiscal Year as follows:

First: The Services Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Second: If additional monies are needed to satisfy the Services Special Tax Requirement after the first step has been completed, the Services Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Third: If additional monies are needed to satisfy the Services Special Tax Requirement after the first two steps have been completed, the Services Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Fourth: If additional monies are needed to satisfy the Services Special Tax Requirement after the three steps have been completed, the Services Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Fifth: If additional monies are needed to satisfy the Services Special Tax Requirement after the three steps have been completed, the Services Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

E. TRANSITION SERVICES SPECIAL TAX

A Transition Services Special Tax shall be assigned to all Taxable Property within CFD No. 24 IA2B according to the Maximum Transition Services Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

E.1. After the Transition Event – Method of Apportionment of Transition Services Special Tax

Using the definitions and procedures described herein, the CFD No. 24 IA2B Administrator shall determine the Transition Services Special Tax Requirement and levy the Transition Services Special Tax until the amount of Transition Services Special Tax equals the Transition Services Special Tax Requirement. The Transition Services Special Tax shall be levied each Fiscal Year as follows:

First: The Transition Services Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Transition Services Special Tax in order to satisfy the Transition Services Special Tax Requirement.

Second: If additional monies are needed to satisfy the Transition Services Special Tax Requirement after the first step has been completed, the Transition Services Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Transition Services Special Tax in order to satisfy the Transition Services Special Tax Requirement.

Third: If additional monies are needed to satisfy the Transition Services Special Tax Requirement after the first two steps have been completed, the Transition Services Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Transition Services Special Tax in order to satisfy the Transition Services Special Tax Requirement.

Fourth: If additional monies are needed to satisfy the Transition Services Special Tax Requirement after the three steps have been completed, the Transition Services Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Transition Services Special Tax in order to satisfy the Transition Services Special Tax Requirement.

Fifth: If additional monies are needed to satisfy the Transition Services Special Tax Requirement after the three steps have been completed, the Transition Services Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Maximum Transition Services Special Tax in order to satisfy the Transition Services Special Tax Requirement.

F. DELINQUENCIES

Notwithstanding the above, under no circumstances will the CFD No. 24 IA2B Facilities Special Tax levied against any Assessor's Parcel of Developed Property classified as Residential Property, in any Fiscal Year, be increased as a consequence of the delinquency or default in the payment of the CFD No. 24 IA2B Facilities Special Taxes by the owner or owners of any other Taxable Property by more than ten percent (10%) above the amount that would have been levied against such Assessor's Parcel in such Fiscal Year had there been no delinquencies or defaults.

G. EXEMPTIONS

The CFD No. 24 IA2B Administrator shall classify the following as Exempt Property: Public Property, Property Owner Association Property, Open Space Property, and Assessor's Parcels with public or utility easements making impractical their utilization for any use other than the purposes set forth in the easement.

The Maximum Facilities Special Tax obligation or, if applicable, the Effective Tax Rate Evaluation Maximum Facilities Special Tax obligation for Taxable Property which will be transferred or dedicated to a public agency and will be classified as Public Property may be fully prepaid by the seller, pursuant to Section L, prior to the transfer/dedication of such Taxable Property. Until the Maximum Facilities Special Tax obligation or, if applicable, the Effective Tax Rate Evaluation Maximum Facilities Special Tax obligation for any such Taxable Property is prepaid, the Taxable Property shall continue to be subject to the levy of the Facilities Special Tax. An exception to this may be made if an Assessor's Parcel of Public Property, such as a school site, is relocated to an Assessor's Parcel of Taxable Property, in which case the Assessor's Parcel of previously Public Property becomes Taxable Property and the Assessor's Parcel of previously Taxable Property becomes Public Property. This trading of an Assessor's Parcel from Taxable Property to Public Property will be permitted to the extent there is no loss in Maximum Facilities Special Tax revenue or, if applicable, Effective Tax Rate Evaluation Maximum Facilities Special Tax revenue, and the transfer is agreed to by the owners of all Assessor's Parcels involved in the transfer and the City Council.

If the use of an Assessor's Parcel changes so that such Assessor's Parcel is no longer eligible to be classified as one of the uses set forth in Section G.1. above that would make such Assessor's Parcel eligible to continue to be classified as Exempt Property, such Assessor's Parcel shall cease to be classified as Exempt Property and shall be deemed to be Taxable Property and subject to the Special Tax.

No Special Tax shall be levied on any Assessor's Parcel in any Fiscal Year in which such Assessor's Parcel is classified as Welfare Exempt Property; however, pursuant to Section 53340(c) of the Act, after the issuance of the first series of Bonds, as applicable, any Assessor's Parcel that receives a welfare exemption under subdivision (g) of Section 214 of the Revenue and Taxation Code shall not be classified as Welfare Exempt Property and will be subject to the Facilities Special Tax.

H. TRANSFERS

Prior to the issuance of the first series of Bonds within CFD No. 24 IA2B, the City may permit the transfer of Maximum Facilities Special Tax or Effective Tax Rate Evaluation Maximum Facilities Special Tax from one Assessor's Parcel to another Assessor's Parcel. Before recordation of a Small Lot Final Subdivision Map, if a subdivision map is required, the City may permit a transfer if the number of planned Residential Units, Multi-Family Attached Property Acreage, or Non-Residential Property Acreage is transferred from one Assessor's Parcel(s) to another Assessor's Parcel(s) in any portion of Large Lot Property. The City may, in its sole discretion, allow for a transfer of the Maximum Facilities Special Tax or Effective Tax Rate Evaluation Maximum Facilities Special Tax from one Assessor's Parcel to another Assessor's Parcel provided such a transfer shall be allowed only if (1) all adjustments are agreed to in writing by the affected property owners and the City's Finance Director, and (2) there is no reduction in the sum of the total Maximum Facilities Special Tax or sum of the total Effective Tax Rate Evaluation Maximum Facilities Special Tax as a result of the transfer. Should a transfer result in an amendment to Attachment B or, following an Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment, the requesting property owner shall bear the costs to affect the transfer in the CFD No. 24 IA2B records and prepare the required amendments to Attachment B or, following an Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment.

I. INTERPRETATIONS

The City reserves the right to make minor administrative and technical changes to this document that do not materially affect the Rate and Method of Apportionment of Special Tax. In addition, the interpretation and application of any section of this document shall be at the City's discretion. Interpretations may be made by the City by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment of Special Tax.

J. REVIEW/APPEALS

The CFD No. 24 IA2B Administrator may establish such procedures, as it deems necessary to undertake the review of any such appeal. The CFD No. 24 IA2B Administrator shall interpret this Rate and Method of Apportionment of Special Tax and make determinations relative to the annual administration of the Special Tax and any property owner appeals, as herein specified.

Any property owner may file a written appeal of the Special Tax with the CFD No. 24 IA2B Administrator claiming that the amount or application of the Special Tax is not correct. The appeal must be filed not later than one calendar year after having paid the Special Taxes that are disputed, and the appellant must be current in all payments of Special Taxes. In addition, during the term of the appeal process, all Special Taxes levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Taxes are in error. The CFD No. 24 IA2B Administrator shall review the appeal, meet with the appellant if the CFD No. 24 IA2B Administrator deems necessary, and advise the appellant of its determination.

If the property owner disagrees with the CFD No. 24 IA2B Administrator's decision relative to the appeal, the owner may file a written notice with the City Manager appealing the amount of the Special Tax levied on such Assessor's Parcel. If following such consultation and action (if any by the City Manager), the property owner believes such error still exists, such person may file a written notice with the City Council appealing the amount of the Special Tax levied on such Assessor's Parcel. The decision of the City shall be final and binding to all persons. If the decision of the CFD No. 24 IA2B Administrator or subsequent decision by the City Manager or City Council requires the Special Taxes to be modified or changed in favor of the property owner, no cash refund shall be made for prior years' Special Taxes, but an adjustment shall be made to credit future Special Taxes. This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to filing any legal action by such owner.

K. MANNER OF COLLECTION

The annual Special Tax shall be collected in the same manner and at the same time as ordinary ad valorem property taxes; provided, however, that CFD No. 24 IA2B, may, at the sole discretion of the City, directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner as necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on Assessor's Parcels of Taxable Property that are delinquent in the payment of Special Taxes.

L. PREPAYMENT IN PART OF FACILITIES SPECIAL TAX

The Facilities Special Tax obligation of an Assessor's Parcel of Taxable Property may be partially prepaid as described herein; provided that there are no delinquent Special Taxes with respect to such Assessor's Parcel at the time of partial prepayment. An owner of an Assessor's Parcel intending to partially prepay the Facilities Special Tax obligation shall provide the CFD No. 24 IA2B Administrator with written notice of intent to partially prepay. Within 30 days of receipt of such written notice, the CFD No. 24 IA2B Administrator shall notify such owner of the partial prepayment amount of such Assessor's Parcel. Any partial prepayment must be submitted at least 60 days before the next occurring bond redemption date, and the proceeds of such prepayment shall be provided to the Trustee for application toward bond redemption in accordance with the Indenture. The CFD No. 24 IA2B Administrator may charge a fee for providing this service.

L.1. Partial Prepayment Amount

The Facilities Special Tax may be prepaid in an amount determined at the time of prepayment based on the portion of Bonds then outstanding; provided, however, that no partial prepayment shall be accepted in an amount equal to an annual Special Tax amount less than the annual Transition Services Special Tax rate escalated to the then current fiscal year less the then current Services Special Tax rate.

Step 1: Determine the current Fiscal Year Maximum Facilities Special Tax for the Assessor's Parcel based on the assignment of the Maximum Facilities Special Tax described in Section C above. If an Effective Tax Rate Evaluation has occurred, determine the current Fiscal Year Effective Tax Rate Evaluation Maximum Facilities Special Tax for the Assessor's Parcel based on the assignment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax described in Section C above. If the Assessor's Parcel is not already classified as Developed Property, the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) shall be assigned as though the Assessor's Parcel was already designated as Developed Property.

Step 2: Calculate the annual revenue produced, by annually applying the Facilities Special Tax Escalation Factor, from the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) from the date of prepayment through the earlier of the end of the Facilities Special Tax Term or the Transition Event, except that this final date may be amended by the City no later than the time of the calculation of the prepayment. If the final date used in the prepayment calculation is amended by the City, this amended final date shall apply to any and all prepayment calculations from that point forward.

Step 3: Calculate the present value of the Assessor's Parcel's annual Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) revenue stream determined in Step 2. The present value shall be calculated using a discount rate that earns a rate of interest that, when the prepayment is invested in City permitted and available investments, would produce annual revenues equal to the amounts calculated in Step 2.

If there are Outstanding Bonds at the time of the Partial Prepayment Amount calculation, the Partial Prepayment Amount shall be first allocated to the Redemption Amount. If the Partial Prepayment Amount is insufficient to fund the Redemption Amount, then the Partial Prepayment Amount shall be increased to equal the Redemption Amount.

The Redemption Amount is calculated as follows:

Step 1: Divide the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) computed pursuant to Step 1 of Section L.1 by the total Maximum Facilities Special Taxes (or total Effective Tax Rate Evaluation Maximum Facilities Special Taxes) for the entire CFD No. 24 IA2B, based on the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) that could be charged in the current Fiscal Year if all Taxable Property were designated as Developed Property, excluding any Assessor's Parcels which have prepaid the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) obligation (the "Prepayment Quotient").

Step 2: Multiply the Prepayment Quotient by the Outstanding Bonds to compute the amount of Outstanding Bonds to be redeemed (the "Bond Redemption Amount").

Step 3: Multiply the Bond Redemption Amount by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed.

Step 4: Compute the amount needed to pay interest on the Bond Redemption Amount from the first Bond interest payment date following the current Fiscal Year until the earliest redemption date for the Outstanding Bonds.

Step 5: Determine that portion of Facilities Special Taxes levied on the Assessor's Parcel in the current Fiscal Year to satisfy the Facilities Special Tax Requirement, which have not yet been paid.

Step 6: A reserve fund credit shall equal the lesser of: (a) the expected reduction in the reserve requirement (as defined in the Indenture for the Bonds), if any, associated with the redemption of Outstanding Bonds as a result of the partial prepayment, or (b) the amount derived by subtracting the new reserve requirement (as defined in the Indenture for the Bonds) in effect after the redemption of Outstanding Bonds as a result of the partial prepayment from the balance in the reserve fund on the prepayment date, but in no event shall such amount be less than zero. Such reserve fund credit will not decrease the balance in the reserve fund below the new reserve requirement.

Step 7: If any capitalized interest for the Outstanding Bonds will not have been expended at the time of the first interest and/or principal payment following the current Fiscal Year, a capitalized interest credit shall be calculated by multiplying the quotient computed pursuant to Step 1 by the expected balance in the capitalized interest fund after such first interest payment.

Step 8: The redemption amount is equal to the sum of the amounts computed pursuant to Steps 2, 3, 4, and 5, less the amount computed pursuant to Steps 6 and 7 (the "Redemption Amount").

If the Partial Prepayment Amount exceeds the Redemption Amount, then any remaining Partial Prepayment Amount, after allocating the Redemption Amount, shall be designated as Pay as You Go Costs.

The Partial Prepayment Amount shall include any fees or expenses, including the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the cost of redeeming Bonds, and the costs of recording any notices to evidence the prepayment and the redemption (the "Administrative Fees and Expenses").

In addition, the City has the authority to adjust the Partial Prepayment Amount calculated above if a portion or all of the current property tax bill and the portion attributable to the payment of the Facilities Special Tax has not been used to make an interest and/or principal payment on the Bonds.

Notwithstanding the foregoing, no partial prepayment shall be allowed unless the amount of Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes), net of any priority administration, if any as defined in the Bond documents, that may be levied on Taxable Property, in each Fiscal Year, both prior to and after the proposed partial prepayment, is at least 1.1 times the annual debt service on all Outstanding Bonds to be paid from the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) in each Fiscal Year.

M. TERM OF SPECIAL TAX

The Maximum Facilities Special Tax and Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be levied commencing in Fiscal Year 2026-2027 to the extent necessary to fully satisfy the Facilities Special Tax Requirement and shall be levied for the Facilities Special Tax Term.

The Maximum Services Special Tax shall be levied commencing in Fiscal Year 2026-2027 and shall be levied until the Transition Event to the extent necessary to fully satisfy the Services Special Tax Requirement.

The Maximum Transition Services Special Tax shall be levied commencing in the Fiscal Year following the Transition Event in perpetuity, unless and until such time the City determines that revenues are no longer needed to pay the Transition Services Special Tax Requirement.

including Single-Family Detached Property – SF/SFHD Zoning, Single-Family Detached Property – MLD Zoning, MHD Multi-Family Attached Property, and MMD Multi-Family Attached Property.

ATTACHMENT A
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24 (ALDER CREEK WEST)
IMPROVEMENT AREA 2B
MAXIMUM SPECIAL TAX RATES
(FISCAL YEAR 2026-2027)

Land Use Category	Lot / Village #	2026-2027 Maximum Facilities Special Tax Rate(1)	2026-2027 Maximum Services Special Tax Rate(2)	Taxed Per
Developed Property:				
Single-Family Detached Property – SFHD Zoning	2A	$2,947	$578	Residential Lot
Single-Family Detached Property – SFHD Zoning	2B	2,563	566	Residential Lot
Multi-Family Attached Property – MLD Zoning	3A	2,573	461	Residential Lot
Single-Family Detached Property – SF Zoning	3B	5,025	857	Residential Lot
Single-Family Detached Property – SF Zoning	4A	3,848	931	Residential Lot
Single-Family Detached Property – SF Zoning	4B	5,042	840	Residential Lot
Small Lot Final Map Property:				
Single-Family Detached Property – SFHD Zoning	2A	$2,947	$578	Residential Lot
Single-Family Detached Property – SFHD Zoning	2B	2,563	566	Residential Lot
Multi-Family Attached Property – MLD Zoning	3A	2,573	461	Residential Lot
Single-Family Detached Property – SF Zoning	3B	5,025	857	Residential Lot
Single-Family Detached Property – SF Zoning	4A	3,848	931	Residential Lot
Single-Family Detached Property – SF Zoning	4B	5,042	840	Residential Lot
Permit Ready Multi-Family/Non-Residential Property		$20,000	N/A	Acre
Large Lot Property		$20,000	N/A	Acre
Undeveloped Property		$20,000	N/A	Acre

(1) On each July 1, commencing on July 1, 2027, the Maximum Facilities Special Tax Rates shall be increased by the Facilities Special Tax Escalation Factor of the Maximum Facilities Special Tax Rates in effect for the previous Fiscal Year.

(2) On each July 1, commencing on July 1, 2027, the Maximum Services Special Tax Rates shall be increased by an amount equal to the Services Special Tax Escalation Factor of the Maximum Services Special Tax Rates in effect for the previous Fiscal Year.

ATTACHMENT B
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24 (ALDER CREEK WEST)
IMPROVEMENT AREA 2B
MINIMUM FACILITIES REVENUE
(FISCAL YEAR 2026-2027)

Land Use Category	Lot / Village #	Planned Number of Residential Lots / Acres	2026-2027 Developed Property Maximum Facilities Special Tax Rate(1)(2)	2026-2027 Minimum Facilities Revenue (1)(3)
Developed Property:				
Single-Family Detached Property – SFHD Zoning	2A	106	$2,947	$312,382
Single-Family Detached Property – SFHD Zoning	2B	71	2,563	181,973
Multi-Family Attached Property – MLD Zoning	3A	132	2,573	339,636
Single-Family Detached Property – SF Zoning	3B	25	5,025	125,625
Single-Family Detached Property – SF Zoning	4A	31	3,848	119,288
Single-Family Detached Property – SF Zoning	4B	63	5,042	317,646
Total Minimum Facilities Revenue(4)				**$1,396,550**

(1) On each July 1, commencing on July 1, 2027, the Developed Property Maximum Facilities Special Tax Rates and Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Developed Property Maximum Facilities Special Tax Rates and Minimum Facilities Revenue in effect for the previous Fiscal Year.

(2) As a result of future Assessor's Parcel changes, described in Section C.1, the assigned Maximum Facilities Special Tax Rates for Developed Property may exceed the Developed Property Maximum Facilities Special Tax Rates set forth in this table.

(3) The total Minimum Facilities Revenue may be decreased as result of a portion of Maximum Facilities Special Tax obligations being prepaid pursuant to Section L.

(4) Based upon the Developed Property Maximum Facilities Special Tax Rate for Single-Family Detached Property in Lot/Village 2A, 2B, 3A, 3B, 4A, and 4B.

ATTACHMENT C
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24 (ALDER CREEK WEST)
IMPROVEMENT AREA 2B
EFFECTIVE TAX RATE EVALUATION MAXIMUM FACILITIES SPECIAL TAX RATES
(FISCAL YEAR 2026-2027)

Land Use Category	Lot / Village #	2026-2027 Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate(1)(2)	Taxed Per
Developed Property:			
Single-Family Detached Property – SFHD Zoning	2A	$_____	Residential Lot
Single-Family Detached Property – SFHD Zoning	2B	_____	Residential Lot
Multi-Family Attached Property – MLD Zoning	3A	_____	Residential Lot
Single-Family Detached Property – SF Zoning	3B	_____	Residential Lot
Single-Family Detached Property – SF Zoning	4A	_____	Residential Lot
Single-Family Detached Property – SF Zoning	4B	_____	Residential Lot
Small Lot Final Map Property:			
Single-Family Detached Property – SFHD Zoning	2A	$_____	Residential Lot
Single-Family Detached Property – SFHD Zoning	2B	_____	Residential Lot
Multi-Family Attached Property – MLD Zoning	3A	_____	Residential Lot
Single-Family Detached Property – SF Zoning	3B	_____	Residential Lot
Single-Family Detached Property – SF Zoning	4A	_____	Residential Lot
Single-Family Detached Property – SF Zoning	4B	_____	Residential Lot
Permit Ready Multi-Family/Non-Residential Property		$_____	Acre
Large Lot Property		$_____	Acre
Undeveloped Property		$_____	Acre

(1) Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates will be inserted following the Effective Tax Rate Evaluation.
(2) On each July 1, commencing in the Fiscal Year after the Effective Tax Rate Evaluation occurs, the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be increased by the Facilities Special Tax Escalation Factor of the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates in effect for the previous Fiscal Year.

ATTACHMENT D
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24 (ALDER CREEK WEST)
IMPROVEMENT AREA 2B
EFFECTIVE TAX RATE EVALUATION MINIMUM FACILITIES REVENUE
(FISCAL YEAR 2026-2027)

Land Use Category	Lot / Village #	Planned Number of Residential Lots / Acres[1]	2026-2027 Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate[1][2][3]	2026-2027 Effective Tax Rate Evaluation Minimum Facilities Revenue[1][2][4]
Developed Property:				
Single-Family Detached Property – SFHD Zoning	2A	106	$_____	$_____
Single-Family Detached Property – SFHD Zoning	2B	71	_____	_____
Multi-Family Attached Property – MLD Zoning	3A	132	_____	_____
Single-Family Detached Property – SF Zoning	3B	25	_____	_____
Single-Family Detached Property – SF Zoning	4A	31	_____	_____
Single-Family Detached Property – SF Zoning	4B	63	_____	_____
Total Effective Tax Rate Evaluation Minimum Facilities Revenue[5]				**$_____**

(1) Planned Number of Residential Units/Acres, Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate and Effective Tax Rate Evaluation Minimum Facilities Revenue to be inserted following the Effective Tax Rate Evaluation.

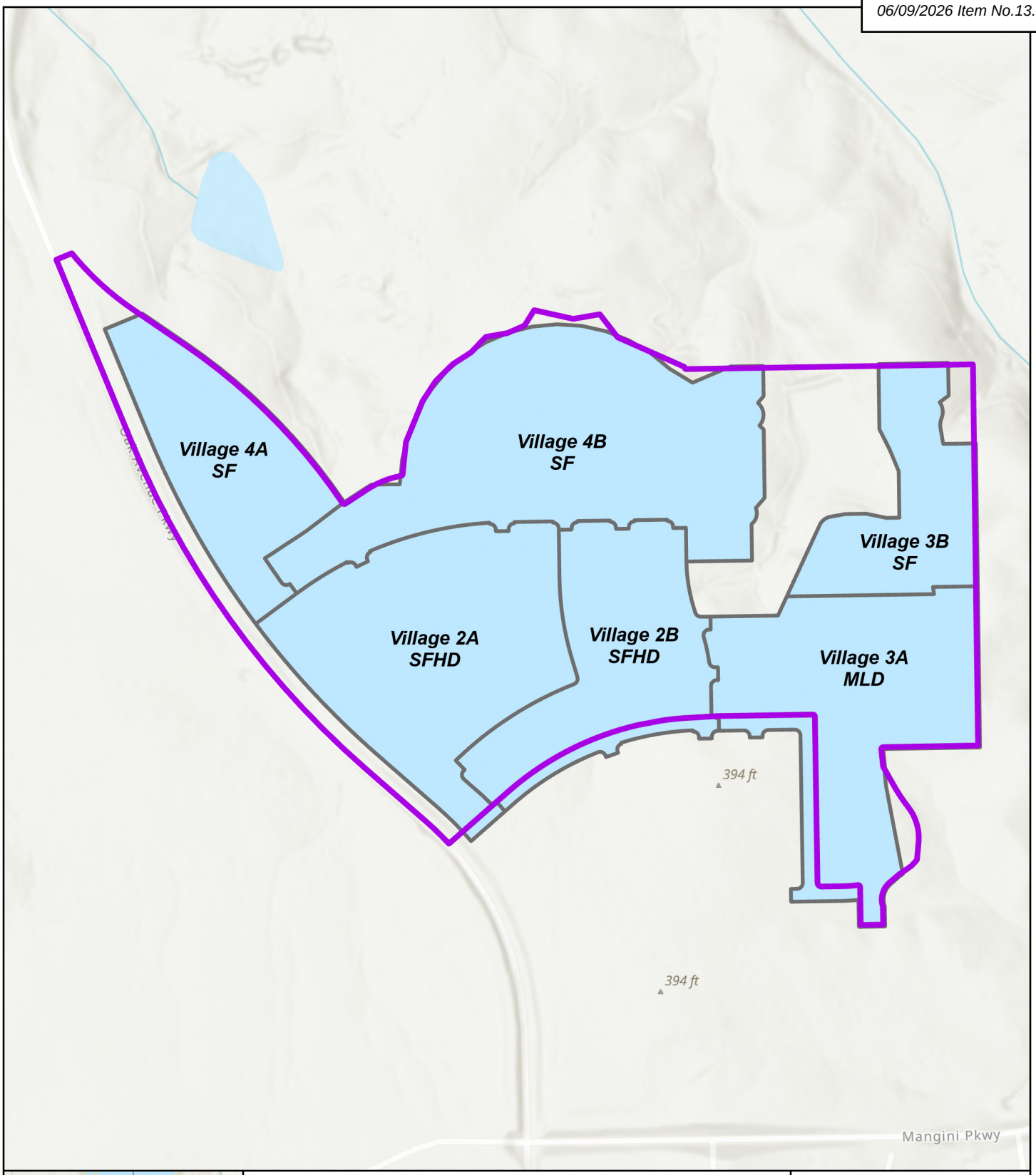
(2) On each July 1, commencing in the Fiscal Year after the Effective Tax Rate Evaluation occurs, the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates and Effective Tax Rate Evaluation Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates and Effective Tax Rate Evaluation Minimum Facilities Revenue in effect for the previous Fiscal Year.

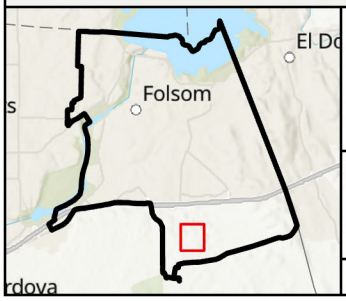
(3) As a result of future Assessor's Parcel changes, described in Section C.3, the assigned Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates may exceed the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates set forth in this table.

(4) The total Effective Tax Rate Evaluation Minimum Facilities Revenue may be decreased as result of a portion of Effective Tax Rate Evaluation Maximum Facilities Special Tax obligations being prepaid pursuant to Section L.

(5) Based upon the Developed Property Maximum Facilities Special Tax Rate for Single-Family Detached Property in Lot/Village 2A, 2B, 3A, 3B, 4A, and 4B.

ATTACHMENT E
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24 (ALDER CREEK WEST)
IMPROVEMENT AREA 2B
MAP OF VILLAGES





City of Folsom
Community Facilities District No. 24 (Alder Creek West)
Improvement Area 2B

Improvement Area 2B Boundary
Village Boundaries

2026

N

0 0.05 0.1 Mi

US Feet
0 275 550

Coordinate System: NAD 1983 State I FIPS 0402 Feet

For illustration purposes o ficial map.

NBS helping communities fund tomorrow

EXHIBIT D-3

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24
(ALDER CREEK WEST)
IMPROVEMENT AREA NO. 3

[ATTACHED]

RATE AND METHOD OF APPORTIONMENT FOR
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24
(ALDER CREEK WEST)
IMPROVEMENT AREA 3

A Special Tax, as hereinafter defined, shall be levied on each Assessor's Parcel of Taxable Property within the City of Folsom Community Facilities District No. 24 (Alder Creek West) Improvement Area 3 (CFD No. 24 IA3) and collected each Fiscal Year in an amount determined by the CFD No. 24 IA3 Administrator through the application of the Rate and Method of Apportionment as described below. All of the real property within CFD No. 24 IA3, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

A. GENERAL DEFINITIONS

The terms hereinafter set forth have the following meaning:

"Accessory Dwelling Unit" or **"ADU"** means a secondary residential unit of limited size, as defined in California Government Code Section 66313, as may be amended from time to time, that is accessory to a single-unit dwelling. The ADU may be on the same Assessor's Parcel as the single-unit dwelling or on a separate Assessor's Parcel. For purposes of clarification, where an ADU and primary Unit are on the same Assessor's Parcel, the ADU located on such Assessor's Parcel is considered a separate Unit from the primary Unit on such Assessor's Parcel for purposes of the Special Tax. Should an Assessor's Parcel contain only an ADU, such Assessor's Parcel will be taxed as an ADU only.

"Acre" or **"Acreage"** means the land area of an Assessor's Parcel as shown on County records, such as an Assessor's Parcel Map and secured roll data, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable Large Lot Map, Small Lot Final Subdivision Map, condominium plan, record of survey, or other recorded document creating or describing the parcel. If the preceding maps for a land area are not available, the Acreage of such land area may be determined utilizing available spatial data and GIS. The square footage of an Assessor's Parcel is equal to the Acreage of such parcel multiplied by 43,560.

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Division 2 of Title 5 of the Government Code of the State of California.

"Assessor's Parcel" or **"Parcel"** means a lot or parcel shown in an Assessor's Parcel Map with an assigned Assessor's Parcel number.

"Assessor's Parcel Map" means an official map of the County Assessor of the County designating lots or parcels by an Assessor's Parcel number.

"Authorized Services" means the services authorized to be financed by CFD No. 24 IA3.

"Bond Year" means a one-year period beginning on September 2nd in each year and ending on September 1st in the following year, unless defined differently in the applicable Indenture.

"Bonds" means any bonds or other debt (as defined in the Act), whether in one or more series, issued by CFD No. 24 IA3 under the Act.

"CFD No. 24 IA3" means City of Folsom Community Facilities District No. 24 (Alder Creek West) Improvement Area 3.

"CFD No. 24 IA3 Administrator" means the City's Finance Director, or designee thereof, responsible for determining the Facilities Special Tax Requirement, Services Special Tax Requirement and providing for the levy and collection of the Special Taxes.

"City" means the City of Folsom.

"City Council" means the City Council of the City, acting as the legislative body of CFD No. 24 IA3.

"County" means the County of Sacramento.

"Developed Property" means, for each Fiscal Year, all Taxable Property for which a building permit for new construction was issued prior to June 30 of the previous Fiscal Year.

"Effective Tax Rate Evaluation" means an evaluation of the Total Effective Tax Rate of Residential Property at the time of such evaluation. The Effective Tax Rate Evaluation will be based upon a prepared Price Point Study to determine the Total Effective Tax Rate for Residential Property, based upon the calculated Total Estimated Tax Burden.

"Effective Tax Rate Evaluation Maximum Facilities Special Tax" means the total maximum annual Facilities Special Tax, as determined during the Effective Tax Rate Evaluation, in accordance with the provisions of Section C.2, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate" means the maximum annual Facilities Special Tax rate for each land use category of Taxable Property that will be set forth in Attachment C, following the Effective Tax Rate Evaluation, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Effective Tax Rate Evaluation Minimum Facilities Revenue" means, following the Effective Tax Rate Evaluation, the total minimum amount of CFD No. 24 IA3 Effective Tax Rate Evaluation Maximum Facilities Special Tax, as adjusted annually by the Facilities Special Tax Escalation Factor after the Fiscal Year in which the Effective Tax Rate Evaluation occurs, less any Effective Tax Rate Evaluation Maximum Facilities Special Tax amounts partially prepaid pursuant to Section L. The Effective Tax Rate Evaluation Minimum Facilities Revenue, based on Planned Development, is set forth in Attachment D of this Rate and Method of Apportionment.

"Exempt Property" means all Assessors' Parcels that are exempt from the Special Tax pursuant to Section F.

"Facilities Administrative Expenses" means the actual or reasonably estimated costs directly related to the administration of the Facilities Special Tax including, but not limited to, the following: the costs of computing the Facilities Special Tax and preparing the annual Facilities Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Facilities Special Taxes (whether by the County, the City, or otherwise); the costs of remitting the Facilities Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of

the duties required of it under the Indenture; the costs to the City, CFD No. 24 IA3, or any designee thereof of complying with arbitrage rebate requirements or responding to questions from the IRS or SEC pertaining to any Bonds or any audit of any Bonds by the SEC or IRS; the costs to the City, CFD No. 24 IA3, or any designee thereof of providing continuing disclosure regarding the Bonds pursuant to applicable state or federal securities law; the costs associated with preparing Facilities Special Tax disclosure statements and responding to public inquiries regarding the Facilities Special Taxes; the costs of the City, CFD No. 24 IA3, or any designee thereof related to any appeal of the levy or application of the Facilities Special Tax; the costs associated with the release of funds from an escrow account, if any; and the costs associated with computing and preparing the Effective Tax Rate Evaluation, including the Price Point Study. Facilities Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 24 IA3 for any other administrative purposes, including, but not limited to, attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Facilities Special Taxes.

"Facilities Special Tax" means the annual Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Facilities Special Tax Requirement.

"Facilities Special Tax Escalation Factor" means two percent (2%) annually.

"Facilities Special Tax Requirement" means that amount of Special Tax revenue required in any Fiscal Year for CFD No. 24 IA3 to: (i) Pay Facilities Administrative Expenses in an amount designated by the City; (ii) pay annual debt service on all Outstanding Bonds due in the Bond Year beginning in such Fiscal Year; (iii) pay other periodic costs on Outstanding Bonds, including but not limited to, credit enhancement and rebate payments on Outstanding Bonds; (iv) pay any amounts required to establish or replenish any reserve funds for all Outstanding Bonds in accordance with the Indenture; (v) pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year and known upcoming delinquencies; and (vi) pay for Pay As You Go Costs; less (vii) a credit for funds available to reduce the annual Facilities Special Tax levy as determined by the CFD No. 24 IA3 Administrator pursuant to the Indenture.

"Facilities Special Tax Term" means the earlier of Fiscal Year 2085-2086 or the Fiscal Year occurring 50 years following the Fiscal Year in which the first building permit was issued, or the first series of Bonds was issued within CFD No. 24 IA3.

"Fiscal Year" means the period starting July 1 and ending on the following June 30.

"Indenture" means the indenture, fiscal agent agreement, trust agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended and/or supplemented from time to time, and any instrument replacing or supplementing the same.

"Large Lot Map" means a recorded subdivision map creating larger parcels by land use. The Large Lot Map does not create individual lots for which building permits may be issued for single-family Residential Units.

"Large Lot Property" means, for each Fiscal Year, all Taxable Property for which a Large Lot Map was recorded prior to June 30 of the previous Fiscal Year, excluding any portion(s) thereof classified as

Developed Property, Small Lot Final Map Property, or Permit Ready Multi-Family/Non-Residential Property. Large Lot Property also means, for each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property as of June 30 of the previous Fiscal Year.

"Maximum Facilities Special Tax" means the total maximum annual Facilities Special Tax, determined in accordance with the provisions of Section C, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Maximum Facilities Special Tax Rate" means the maximum annual Facilities Special Tax rate for each land use category of Taxable Property, as shown in Attachment A, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Maximum Services Special Tax" means the total maximum annual Services Special Tax, determined in accordance with the provisions of Section D, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Maximum Services Special Tax Rate" means the maximum annual Services Special Tax rate for each land use category of Taxable Property, as shown in Attachment A, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Maximum Special Tax" means, prior to the Transition Year, the total annual Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) and Maximum Services Special Tax, determined in accordance with the provisions of Section C and Section D, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

Beginning in the Transition Year, "Maximum Special Tax", means the total annual Maximum Transition Services Special Tax, determined in accordance with the provisions of Section D, which may be levied in any Fiscal Year following the Transition Event on any Assessor's Parcel of Taxable Property

"Maximum Total Effective Tax Rate" means 1.80%, unless the City determines, in its sole discretion, that a higher Maximum Total Effective Tax Rate is appropriate.

"MHD Multi-Family Attached Property" means all Assessor's Parcels for which a building permit could be issued for purposes of constructing one or more attached Residential Units per Assessor's Parcel with a permitted density range of greater than 20 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council. MHD Multi-Family Attached Property shall also include an Assessor's Parcel or that portion of an Assessor's Parcel designated as a Mixed Use Residential Parcel.

"Minimum Facilities Revenue" means the minimum amount of total CFD No. 24 IA3 Maximum Facilities Special Tax, as adjusted annually by the Facilities Special Tax Escalation Factor, less any Maximum Facilities Special Tax amounts partially prepaid pursuant to Section L. The Minimum Facilities Revenue, based on Planned Development, is set forth in Attachment B of this Rate and Method of Apportionment. Following the Transition Event, the Minimum Facilities Revenue shall be zero.

"MMD Multi-Family Attached Property" means all Assessor's Parcels for which a building permit could be issued for purposes of constructing one or more attached Residential Units per Assessor's

Parcel with a permitted density range of 12-20 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

"Mixed-Use Residential Parcel" means a mixed-use Assessor's Parcel that is designated for residential land use. If the mixed-use Assessor's Parcel contains a combination of residential land use and non-residential land use, only that portion of an Assessor's Parcel designated for residential land use shall be classified as a Mixed-Use Residential Parcel and the remaining non-residential land use of the Assessor's Parcel shall be classified as Non-Residential Property.

"Non-Residential Property" means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing non-residential buildings.

"Open Space Property" means property within the boundaries of CFD No. 24 IA3 which (a) has been designated with specific boundaries and acreage on a Small Lot Final Subdivision Map as open space, or (b) is classified by the City zoning code or County Assessor as open space, or (c) has been irrevocably offered for dedication as open space to the federal government, the State of California, the County, the City, any other public agency, a private, non-profit organization, or (d) is encumbered by an easement or other restriction required by the City limiting the use of such property to open space.

"Outstanding Bonds" means all Bonds, which remain outstanding as defined in the Indenture pursuant to which such Bonds were issued.

"Pay as You Go Costs" means that portion of the Facilities Special Tax Requirement attributable to the direct payment for the acquisition and/or construction of public improvements, which are authorized to be financed by CFD No. 24 IA3.

"Permit Ready Multi-Family/Non-Residential Property" means an Assessor's Parcel of Taxable Property zoned for multi-family or non-residential land use for which all discretionary entitlements have been obtained, including, without limitation, development plan review and improvement plan approval, such that building permits may be issued without further approvals for the construction of multi-family Residential Units or non-residential buildings within such Assessor's Parcel. The City shall have sole discretion, based upon available development information, in classifying an Assessor's Parcel as Permit Ready Multi-Family/Non-Residential Property.

"Planned Development" means the planned number of Residential Lots, MHD Multi-Family Attached Property Acreage, MMD Multi-Family Attached Property Acreage, and Non-Residential Property Acreage planned within CFD No. 24 IA3, set forth in Attachment B or, following the Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment, as amended by the future recordation of all Large Lot Maps and Small Lot Final Subdivision Maps within CFD No. 24 IA3.

"Price Point Study" means an analysis, prepared by an independent firm, to verify the estimated average sales price within each land use category of Residential Property given the project location and current market conditions.

"Property Owner Association Property" means any property within the boundaries of CFD No. 24 IA3, which is (a) owned by a property owner association or (b) designated with specific boundaries

and Acreage on a Small Lot Final Subdivision Map as property owner association property. As used in this definition, a property owner association includes any master or sub-association.

"Proportionately" means for Taxable Property that the ratio of the Facilities Special Tax levy to the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) and the Services Special Tax levy to the Maximum Services Special Tax is equal for all Assessors' Parcels within each classification (Developed Property, Single Family Final Map Property, Permit Ready Multi-Family/Non-Residential Property, Large Lot Property, etc.) within CFD No. 24 IA3.

"Public Property" means any property within the boundaries of CFD No. 24 IA3, which (a) is owned by a public agency, (b) has been irrevocably offered for dedication to a public agency, or (c) is designated with specific boundaries and Acreage on a Small Lot Final Subdivision Map as property, which will be owned by a public agency. For purposes of this definition, a public agency includes the federal government, the State of California, the County, the City, or any other public agency.

"Residential Lot" means an individual lot of land for which a building permit could be issued to construct a Residential Unit.

"Residential Property" means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing Residential Units, including Single-Family Detached Property – SF/SFHD Zoning, Single-Family Detached Property – MLD Zoning, MHD Multi-Family Attached Property, and MMD Multi-Family Attached Property.

"Residential Unit" means a residential dwelling unit, including Accessory Dwelling Units, as allowed by the City zoning code.

"Services Administrative Expenses" means the actual or reasonably estimated costs directly related to the administration of the Services Special Tax including, but not limited to, the following: the costs of computing the Services Special Taxes and preparing the annual Services Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Services Special Taxes (whether by the County, the City, or otherwise); the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Services Special Tax; and the costs of the City, CFD No. 24 IA3, or any designee thereof related to any appeal of the levy or application of the Services Special Tax. Services Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 24 IA3 for any other administrative purposes related to the Services Special Tax.

"Services Special Tax" means, prior to the Transition Event, the annual Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Services Special Tax Requirement.

"Services Special Tax Escalation Factor" means the maximum of two percent (2%) or the June annualized percentage change of the Consumer Price Index for all Urban Consumers, for the San Francisco-Oakland-San Jose area, not to exceed four percent (4%).

"Services Special Tax Requirement" means the amount of Services Special Tax revenue required for CFD No. 24 IA3, before the Transition Year, to (i) pay Services Administrative Expenses in an amount

designated by the City; (ii) pay Authorized Services expenses; (iii) pay any amounts required to establish or replenish any repair and contingency funds, capital improvement funds, or reserve funds related to the Authorized Services expenses; (iv) cover any shortfalls that exist if, in any Fiscal Year, the levy of the Facilities Special Tax on each Assessor's Parcel of Taxable Property is insufficient to pay the Facilities Special Tax Requirement in that Fiscal Year. Facilities Special Tax Requirement shortfalls shall not include Pay As You Go Costs, and (v) pay for reasonably anticipated delinquent Services Special Taxes based on the delinquency rate for Services Special Taxes levied in the previous Fiscal Year; less (vi) a credit for funds available to reduce the annual Services Special Tax levy as determined by the CFD No. 24 IA3 Administrator.

"Single-Family Detached Property – MLD Zoning" means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing one or more detached or attached Residential Units with a permitted density range of 7-12 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

"Single-Family Detached Property – SF/SFHD Zoning" means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing one or more Residential Units. Single-Family Detached Property – SF/SFHD Zoning shall consist of either single-family property with a permitted density range of 1-4 Residential Units per Acre or single-family high density property with a permitted density range of 4-7 Residential Units per Acre, which is more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

"Special Tax" means, before the Transition Year, the annual Facilities Special Tax and Services Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Facilities Special Tax Requirement and the Services Special Tax Requirement.

Beginning in the Transition Year, the annual Transition Services Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Transition Services Special Tax Requirement.

"Small Lot Final Map Property" means, for each Fiscal Year, all Taxable Property for which a Small Lot Final Subdivision Map was recorded prior to June 30 of the previous Fiscal Year.

"Small Lot Final Map Remainder Property" means an Assessor's Parcel that is created from the subdivision of Large Lot Property by the recordation of a Small Lot Final Subdivision Map that has not yet been mapped for final development approval. Small Lot Final Map Remainder Property is that portion of property for which the Small Lot Final Subdivision Map definition does not apply (i.e., does not contain individual lots for which building permits may be issued for Residential Units without further subdivision of such property). Each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property, as of June 30 of the previous Fiscal Year, will be considered Large Lot Property.

"Small Lot Final Subdivision Map" means a subdivision of property created by recordation of a final subdivision map, parcel map or lot line adjustment, approved by the City pursuant to the Subdivision

Map Act (California Government Code Section 66410 et seq.) or recordation of a condominium plan pursuant to California Civil Code 1352, that creates individual lots for which building permits may be issued for Residential Units without further subdivision of such property.

"State" means the State of California.

"Taxable Property" means all of the Assessor's Parcels within the boundaries of CFD No. 24 IA3 that are not exempt from the CFD No. 24 IA3 Special Tax pursuant to law or Section F below.

"Total Effective Tax Rate" means the percentage of the Total Estimated Tax Burden as compared to the estimated average sales price identified in the Price Point Study for each land use category of Residential Property.

"Total Estimated Tax Burden" means the total amount of overlapping property taxes anticipated to be levied upon a Residential Unit, based upon the estimated average sales price identified in the Price Point Study and existing property tax rates for the current Fiscal Year. Existing property tax rates shall reflect the actual property tax rates levied upon Taxable Property in the Fiscal Year that the Effective Tax Rate Evaluation is completed.

"Transition Event" means the earlier of (i) Fiscal Year 2085-2086 or (ii) the Fiscal Year when the CFD No. 24 IA3 Administrator determines that both of the following events have occurred (1) all Bonds secured by the levy and collection of the Facilities Special Tax in CFD No. 24 IA3 have been fully repaid and the City determines that no additional Bonds are to be issued, and (2) all Facilities Administrative Expenses have been paid or reimbursed to CFD No. 24 IA3.

"Transition Services Administrative Expenses" means the actual or reasonably estimated costs directly related to the administration of the Transition Services Special Tax including, but not limited to, the following: the costs of computing the Transition Services Special Taxes and preparing the annual Transition Services Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Transition Services Special Taxes (whether by the County, the City, or otherwise); the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Transition Services Special Tax; and the costs of the City, CFD No. 24 IA3, or any designee thereof related to any appeal of the levy or application of the Transition Services Special Tax. Transition Services Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 24 IA3 for any other administrative purposes related to the Transition Services Special Tax.

"Transition Services Special Tax" means, after the Transition Event, the annual Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Transition Services Special Tax Requirement.

"Transition Services Special Tax Escalation Factor" means the maximum of two percent (2%) or the June annualized percentage change of the Consumer Price Index for all Urban Consumers, for the San Francisco-Oakland-San Jose area, not to exceed four percent (4%).

"Transition Services Special Tax Rate" means, calculated in the Transition Year, the amount equal to the prior year's Maximum Services Special Tax Rate plus fifty percent (50%) of the prior year's

Maximum Facilities Special Tax Rate. The Transition Services Special Tax Escalation Factor shall be applied beginning in the Transition Year. Following the Transition Year, the Transition Services Special Tax Rate shall be equal to the prior year's Transition Services Special Tax Rate, increased by the Transition Services Special Tax Escalation Factor.

"Transition Services Special Tax Requirement" Beginning in the Transition Year, to (i) pay Transition Services Administrative Expenses in an amount designated by the City; (ii) pay Authorized Services expenses; (iii) pay any amounts required to establish or replenish any repair, replacement and contingency funds, capital improvement funds, or reserve funds related to the Authorized Services expenses; (iv) pay for reasonably anticipated delinquent Transition Services Special Taxes based on the delinquency rate for Transition Services Special Taxes levied in the previous Fiscal Year; less (v) a credit for funds available to reduce the annual Transition Services Special Tax levy as determined by the CFD No. 24 IA3 Administrator.

"Transition Year" means the first year in which the CFD No. 24 IA3 Administrator determines that the Transition Event occurred in the prior Fiscal Year.

"Trustee" means the entity appointed pursuant to an Indenture to act as the trustee, fiscal agent, or paying agent or a combination thereof.

"Undeveloped Property" means, for each Fiscal Year, all Taxable Property not classified as Developed Property, Small Lot Final Map Property, Permit Ready Multi-Family/Non-Residential Property, or Large Lot Property.

"Welfare Exempt Property" means, in any Fiscal Year, all Parcels within the boundaries of CFD No. 24 IA3 that (a) have been granted a welfare exemption by the County under subdivision (g) of Section 214 of the Revenue and Taxation Code indicated in the Assessor's Data finalized as of January 1 of the previous Fiscal Year, and (b) are exempt from the Special Tax pursuant to Section 53340(c) of the Act. Pursuant to Section 53340(c) of the Act, after the issuance of the first series of Bonds, as applicable, any Assessor's Parcels that receives a welfare exemption under subdivision (g) of Section 214 of the Revenue and Taxation Code shall not be classified as Welfare Exempt Property and will be subject to the Facilities Special Tax.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, using City and County records, City zoning information, and land use development plans, all Assessor's Parcels within the boundaries of CFD No. 24 IA3 shall be designated as either Taxable Property or Exempt Property.

All Taxable Property shall be further classified as Developed Property, Small Lot Final Map Property, Permit Ready Multi-Family/Non-Residential Property, Large Lot Property, or Undeveloped Property and shall be subject to the levy of the annual Special Tax determined pursuant to Sections C and D below.

C. FACILITIES SPECIAL TAX

Prior to the Transition Year, a Maximum Facilities Special Tax shall be assigned to all Taxable Property within CFD No. 24 IA3 according to the Maximum Facilities Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

Once assigned, the sum of the total Maximum Facilities Special Tax shall be equal to or greater than the Minimum Facilities Revenue, unless adjusted by an Effective Tax Rate Evaluation as described below. The Minimum Facilities Revenue for Fiscal Year 2026-2027 is set forth in Attachment B of this Rate and Method of Apportionment.

On each July 1, commencing on July 1, 2027, the Maximum Facilities Special Tax Rates and Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Maximum Facilities Special Tax Rates and Minimum Facilities Revenue in effect for the previous Fiscal Year.

C.1. Future Assessor's Parcel Changes – Prior to an Effective Tax Rate Evaluation

The Maximum Facilities Special Tax shall be assigned to all future Assessor's Parcel(s) created from a subdivision, lot line adjustment, or merger of one or more Assessor's Parcels so that the revised sum of the total Maximum Facilities Special Tax revenue is not less than the Minimum Facilities Revenue set forth in Attachment B of this Rate and Method of Apportionment.

Undeveloped Property Subdividing into Large Lot Property

When Undeveloped Property subdivides into Large Lot Property, the Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. The expected Developed Property Maximum Facilities Special Tax for any Large Lot Property and any remaining Undeveloped Property shall be based upon the Planned Development for the Large Lot Property and remaining Undeveloped Property.

If the sum of the total expected Developed Property Maximum Facilities Special Tax generated by all of the Taxable Property is greater than or equal to the Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates for the Large Lot Property created from the Undeveloped Property subdivision.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Large Lot Property created from the Undeveloped Property subdivision, until the sum of the total expected Developed Property Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Further, if the sum of the total current Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, the Maximum Facilities Special Tax Rates for the Large Lot Property and any remaining Undeveloped Property created from the Undeveloped Property subdivision shall be Proportionately increased until the sum of the total current Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Attachment B of this Rate and Method of Apportionment shall be updated to reflect any increases to the Maximum Facilities Special Tax Rates from the Undeveloped Property subdivision. The

Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property.

Large Lot Property Subdividing into Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property

When Large Lot Property subdivides into Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property, the Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. If the Large Lot Property subdivision also creates Small Lot Final Map Remainder Property, the expected Developed Property Maximum Facilities Special Tax for the Small Lot Final Map Remainder Property shall be based upon the Planned Development for the Small Lot Final Map Remainder Property. The expected Developed Property Maximum Facilities Special Tax for any remaining Large Lot Property and Undeveloped Property shall be based upon the Planned Development of the Large Lot Property and the Undeveloped Property.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is greater than or equal to the Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates for the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, and such difference is not eliminated by the partial prepayment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax pursuant to Section L, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision, until the sum of the total expected Developed Property Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Attachment B of this Rate and Method of Apportionment shall be updated to reflect any increases to the Maximum Facilities Special Tax Rates from the Large Lot Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property created prior to the Large Lot Property subdivision.

C.2. Effective Tax Rate Evaluation

Prior to the issuance of the first series of Bonds within CFD No. 24 IA3 an Effective Tax Rate Evaluation will be completed. Following the Effective Tax Rate Evaluation, Attachment C of this

Rate and Method of Apportionment will be updated to reflect the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for all Taxable Property in CFD No. 24 IA3.

Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates

As part of the Effective Tax Rate Evaluation, a Price Point Study will be prepared and an estimated average sales prices will be established for each Residential Property land use category. Using the estimated average sales price information determined in the Price Point Study, the Total Estimated Tax Burden and Total Effective Tax Rate will be calculated, using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment A, for each Residential Property land use category. If the calculated Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for a Residential Property land use category, the Maximum Facilities Special Tax Rate shall not be adjusted and will be assigned using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment A. Attachment C of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category.

If the Total Effective Tax Rate for any Residential Property land use category exceeds the Total Maximum Effective Tax Rate, the Developed Property Maximum Facilities Special Tax Rate set forth in Attachment A shall be reduced until the Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for that Residential Property land use category. Attachment C of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category.

Effective Tax Rate Evaluation Minimum Facilities Revenue

As a result of the Effective Tax Rate Evaluation, if the calculated Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for a Residential Property land use category used in the Minimum Facilities Revenue calculation, the Developed Property Maximum Facilities Special Tax Rate for the applicable Residential Property land use category shall not be adjusted and the Effective Tax Rate Evaluation Developed Property Maximum Facilities Special Tax Rate will be assigned using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment B. Attachment D of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category and the Effective Tax Rate Evaluation Minimum Facilities Revenue.

If the calculated Total Effective Tax Rate exceeds the Total Maximum Effective Tax Rate for a Residential Property land use category used in the Minimum Facilities Revenue calculation, the Effective Tax Rate Evaluation Developed Property Maximum Facilities Special Tax Rate will be assigned using the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates set forth in Attachment C. Attachment D of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum

Facilities Special Tax Rate for each Residential Property land use category and the Effective Tax Rate Evaluation Minimum Facilities Revenue.

C.3. Future Assessor's Parcel Changes – After an Effective Tax Rate Evaluation

The Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be assigned to all future Assessor's Parcel(s) created from a subdivision, lot line adjustment, or merger of one or more Assessor's Parcels so that the revised sum of the total Effective Tax Rate Evaluation Maximum Facilities Special Tax revenue is not less than the total Effective Tax Rate Evaluation Minimum Facilities Revenue set forth in Attachment D of this Rate and Method of Apportionment.

Undeveloped Property Subdividing into Large Lot Property

When Undeveloped Property subdivides into Large Lot Property, the Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. The expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for any Large Lot Property and any remaining Undeveloped Property shall be based upon the Planned Development for the Large Lot Property and remaining Undeveloped Property.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax generated by all of the Taxable Property is greater than or equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Large Lot Property created from the Undeveloped Property subdivision.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Large Lot Property created from the Undeveloped Property subdivision, until the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Further, if the sum of the total current Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Large Lot Property and any remaining Undeveloped Property created from the Undeveloped Property subdivision shall be Proportionately increased until the sum of the total current Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Attachment D of this Rate and Method of Apportionment shall be updated to reflect any increases to the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates from the Undeveloped Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as

Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property.

Large Lot Property Subdividing into Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property

When Large Lot Property subdivides into Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property, the Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. If the Large Lot Property subdivision also creates Small Lot Final Map Remainder Property, the expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for the Small Lot Final Map Remainder Property shall be based upon the Planned Development for the Small Lot Final Map Remainder Property. The expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for any remaining Large Lot Property and Undeveloped Property shall be based upon the Planned Development of the Large Lot Property and the Undeveloped Property.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is greater than or equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, and such difference is not eliminated by the partial prepayment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax pursuant to Section L, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision, until the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Attachment D of this Rate and Method of Apportionment shall be updated to reflect any increases to the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates from the Large Lot Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property created prior to the Large Lot Property subdivision.

C.4. Method of Apportionment of Facilities Special Tax

Using the definitions and procedures described herein, the CFD No. 24 IA3 Administrator shall determine the Facilities Special Tax Requirement and levy the Facilities Special Tax until the amount of Facilities Special Taxes equals the Facilities Special Tax Requirement. The Facilities Special Tax shall be levied each Fiscal Year until the Transition Year as follows:

Prior to an Effective Tax Rate Evaluation

First: The Facilities Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Facilities Special Tax in order to satisfy the Facilities Special Tax Requirement.

Second: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first step has been completed, the Facilities Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Small Lot Final Map Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Third: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first two steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Permit Ready Multi-Family/Non-Residential Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fourth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first three steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Large Lot Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fifth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first four steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Undeveloped Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

After an Effective Tax Rate Evaluation

First: The Facilities Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax in order to satisfy the Facilities Special Tax Requirement.

Second: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first step has been completed, the Facilities Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Small Lot Final Map Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Third: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first two steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Permit Ready Multi-Family/Non-Residential Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fourth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first three steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Large Lot Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fifth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first four steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Undeveloped Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

D. SERVICES SPECIAL TAX

A Services Special Tax shall be assigned to all Taxable Property within CFD No. 24 IA3 according to the Maximum Services Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

D.1. Prior to the Transition Event - Increase in the Maximum Services Special Tax

Prior to the Transition Event, on each July 1, commencing on July 1, 2027, the Maximum Services Special Tax Rates shall be increased by the Services Special Tax Escalation Factor of the Maximum Services Special Tax Rates in effect for the previous Fiscal Year.

D.2. Prior to the Transition Event - Method of Apportionment of Services Special Tax

If, in any Fiscal Year prior to the Transition Year, the Facilities Special Tax is levied against each Assessor's Parcel of Taxable Property within CFD No. 24 IA3 and the Facilities Special Tax revenues generated are insufficient to pay the Facilities Special Tax Requirement such shortfall shall be deemed a component of the Services Special Tax Requirement in that Fiscal Year, and proceeds from the levy of the Services Special Tax shall first be applied to mitigate the shortfall in the Facilities Special Tax Requirement before being used to pay for Authorized Services. The Services Special Tax revenue shall not be applied to any Facilities Special Tax Requirement shortfalls attributable to Pay As You Go Costs authorized to be financed by CFD No. 24 IA3.

Using the definitions and procedures described herein, the CFD No. 24 IA3 Administrator shall determine the Services Special Tax Requirement and levy the Services Special Tax until the amount of Services Special Tax equals the Services Special Tax Requirement. The Services Special Tax shall be levied each Fiscal Year as follows:

First: The Services Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Second: If additional monies are needed to satisfy the Services Special Tax Requirement after the first step has been completed, the Services Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Third: If additional monies are needed to satisfy the Services Special Tax Requirement after the first two steps have been completed, the Services Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Fourth: If additional monies are needed to satisfy the Services Special Tax Requirement after the three steps have been completed, the Services Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Fifth: If additional monies are needed to satisfy the Services Special Tax Requirement after the three steps have been completed, the Services Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

E. TRANSITION SERVICES SPECIAL TAX

A Transition Services Special Tax shall be assigned to all Taxable Property within CFD No. 24 IA3 according to the Maximum Transition Services Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

E.1. After the Transition Event – Method of Apportionment of Transition Services Special Tax

Using the definitions and procedures described herein, the CFD No. 24 IA3 Administrator shall determine the Transition Services Special Tax Requirement and levy the Transition Services Special Tax until the amount of Transition Services Special Tax equals the Transition Services Special Tax Requirement. The Transition Services Special Tax shall be levied each Fiscal Year as follows:

First: The Transition Services Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Transition Services Special Tax in order to satisfy the Transition Services Special Tax Requirement.

Second: If additional monies are needed to satisfy the Transition Services Special Tax Requirement after the first step has been completed, the Transition Services Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Transition Services Special Tax in order to satisfy the Transition Services Special Tax Requirement.

Third: If additional monies are needed to satisfy the Transition Services Special Tax Requirement after the first two steps have been completed, the Transition Services Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Transition Services Special Tax in order to satisfy the Transition Services Special Tax Requirement.

Fourth: If additional monies are needed to satisfy the Transition Services Special Tax Requirement after the three steps have been completed, the Transition Services Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Transition Services Special Tax in order to satisfy the Transition Services Special Tax Requirement.

Fifth: If additional monies are needed to satisfy the Transition Services Special Tax Requirement after the three steps have been completed, the Transition Services Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Maximum Transition Services Special Tax in order to satisfy the Transition Services Special Tax Requirement.

F. DELINQUENCIES

Notwithstanding the above, under no circumstances will the CFD No. 24 IA3 Facilities Special Tax levied against any Assessor's Parcel of Developed Property classified as Residential Property, in any Fiscal Year, be increased as a consequence of the delinquency or default in the payment of the CFD No. 24 IA3 Facilities Special Taxes by the owner or owners of any other Taxable Property by more than ten percent (10%) above the amount that would have been levied against such Assessor's Parcel in such Fiscal Year had there been no delinquencies or defaults.

G. EXEMPTIONS

The CFD No. 24 IA3 Administrator shall classify the following as Exempt Property: Public Property, Property Owner Association Property, Open Space Property, and Assessor's Parcels with public or utility easements making impractical their utilization for any use other than the purposes set forth in the easement.

The Maximum Facilities Special Tax obligation or, if applicable, the Effective Tax Rate Evaluation Maximum Facilities Special Tax obligation for Taxable Property which will be transferred or dedicated to a public agency and will be classified as Public Property may be fully prepaid by the seller, pursuant to Section L, prior to the transfer/dedication of such Taxable Property. Until the Maximum Facilities Special Tax obligation or, if applicable, the Effective Tax Rate Evaluation Maximum Facilities Special Tax obligation for any such Taxable Property is prepaid, the Taxable Property shall continue to be subject to the levy of the Facilities Special Tax. An exception to this may be made if an Assessor's Parcel of Public Property, such as a school site, is relocated to an Assessor's Parcel of Taxable Property, in which case the Assessor's Parcel of previously Public Property becomes Taxable Property and the Assessor's Parcel of previously Taxable Property becomes Public Property. This trading of an Assessor's Parcel from Taxable Property to Public Property will be permitted to the extent there is no loss in Maximum Facilities Special Tax revenue or, if applicable, Effective Tax Rate Evaluation Maximum Facilities Special Tax revenue, and the transfer is agreed to by the owners of all Assessor's Parcels involved in the transfer and the City Council.

If the use of an Assessor's Parcel changes so that such Assessor's Parcel is no longer eligible to be classified as one of the uses set forth in Section G.1. above that would make such Assessor's Parcel eligible to continue to be classified as Exempt Property, such Assessor's Parcel shall cease to be classified as Exempt Property and shall be deemed to be Taxable Property and subject to the Special Tax.

No Special Tax shall be levied on any Assessor's Parcel in any Fiscal Year in which such Assessor's Parcel is classified as Welfare Exempt Property; however, pursuant to Section 53340(c) of the Act, after the issuance of the first series of Bonds, as applicable, any Assessor's Parcel that receives a welfare exemption under subdivision (g) of Section 214 of the Revenue and Taxation Code shall not be classified as Welfare Exempt Property and will be subject to the Facilities Special Tax.

H. TRANSFERS

Prior to the issuance of the first series of Bonds within CFD No. 24 IA3, the City may permit the transfer of Maximum Facilities Special Tax or Effective Tax Rate Evaluation Maximum Facilities Special Tax from one Assessor's Parcel to another Assessor's Parcel. Before recordation of a Small Lot Final Subdivision Map, if a subdivision map is required, the City may permit a transfer if the number of planned Residential Units, Multi-Family Attached Property Acreage, or Non-Residential Property Acreage is transferred from one Assessor's Parcel(s) to another Assessor's Parcel(s) in any portion of Large Lot Property. The City may, in its sole discretion, allow for a transfer of the Maximum Facilities Special Tax or Effective Tax Rate Evaluation Maximum Facilities Special Tax from one Assessor's Parcel to another Assessor's Parcel provided such a transfer shall be allowed only if (1) all adjustments are agreed to in writing by the affected property owners and the City's Finance Director, and (2) there is no reduction in the sum of the total Maximum Facilities Special Tax or sum of the total Effective Tax Rate Evaluation Maximum Facilities Special Tax as a result of the transfer. Should a transfer result in an amendment to Attachment B or, following an Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment, the requesting property owner shall bear the costs to affect the transfer in the CFD No. 24 IA3 records and prepare the required amendments to Attachment B or, following an Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment.

I. INTERPRETATIONS

The City reserves the right to make minor administrative and technical changes to this document that do not materially affect the Rate and Method of Apportionment of Special Tax. In addition, the interpretation and application of any section of this document shall be at the City's discretion. Interpretations may be made by the City by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment of Special Tax.

J. REVIEW/APPEALS

The CFD No. 24 IA3 Administrator may establish such procedures, as it deems necessary to undertake the review of any such appeal. The CFD No. 24 IA3 Administrator shall interpret this Rate and Method of Apportionment of Special Tax and make determinations relative to the annual administration of the Special Tax and any property owner appeals, as herein specified.

Any property owner may file a written appeal of the Special Tax with the CFD No. 24 IA3 Administrator claiming that the amount or application of the Special Tax is not correct. The appeal must be filed not later than one calendar year after having paid the Special Taxes that are disputed, and the appellant must be current in all payments of Special Taxes. In addition, during the term of the appeal process, all Special Taxes levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Taxes are in error. The CFD No. 24 IA3 Administrator shall review the appeal, meet with the appellant if the CFD No. 24 IA3 Administrator deems necessary, and advise the appellant of its determination.

If the property owner disagrees with the CFD No. 24 IA3 Administrator's decision relative to the appeal, the owner may file a written notice with the City Manager appealing the amount of the Special Tax levied on such Assessor's Parcel. If following such consultation and action (if any by the City Manager), the property owner believes such error still exists, such person may file a written notice with the City Council appealing the amount of the Special Tax levied on such Assessor's Parcel. The decision of the City shall be final and binding to all persons. If the decision of the CFD No. 24 IA3 Administrator or subsequent decision by the City Manager or City Council requires the Special Taxes to be modified or changed in favor of the property owner, no cash refund shall be made for prior years' Special Taxes, but an adjustment shall be made to credit future Special Taxes. This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to filing any legal action by such owner.

K. MANNER OF COLLECTION

The annual Special Tax shall be collected in the same manner and at the same time as ordinary ad valorem property taxes; provided, however, that CFD No. 24 IA3, may, at the sole discretion of the City, directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner as necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on Assessor's Parcels of Taxable Property that are delinquent in the payment of Special Taxes.

L. PREPAYMENT IN PART OF FACILITIES SPECIAL TAX

The Facilities Special Tax obligation of an Assessor's Parcel of Taxable Property may be partially prepaid as described herein; provided that there are no delinquent Special Taxes with respect to such Assessor's Parcel at the time of partial prepayment. An owner of an Assessor's Parcel intending to partially prepay the Facilities Special Tax obligation shall provide the CFD No. 24 IA3 Administrator with written notice of intent to partially prepay. Within 30 days of receipt of such written notice, the CFD No. 24 IA3 Administrator shall notify such owner of the partial prepayment amount of such Assessor's Parcel. Any partial prepayment must be submitted at least 60 days before the next occurring bond redemption date, and the proceeds of such prepayment shall be provided to the Trustee for application toward bond redemption in accordance with the Indenture. The CFD No. 24 IA3 Administrator may charge a fee for providing this service.

L.1. Partial Prepayment Amount

The Facilities Special Tax may be prepaid in an amount determined at the time of prepayment based on the portion of Bonds then outstanding; provided, however, that no partial prepayment shall be accepted in an amount equal to an annual Special Tax amount less than the annual Transition Services Special Tax rate escalated to the then current fiscal year less the then current Services Special Tax rate.

Step 1: Determine the current Fiscal Year Maximum Facilities Special Tax for the Assessor's Parcel based on the assignment of the Maximum Facilities Special Tax described in Section C above. If an Effective Tax Rate Evaluation has occurred, determine the current Fiscal Year Effective Tax Rate Evaluation Maximum Facilities Special Tax for the Assessor's Parcel based on the assignment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax described in Section C above. If the Assessor's Parcel is not already classified as Developed Property, the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) shall be assigned as though the Assessor's Parcel was already designated as Developed Property.

Step 2: Calculate the annual revenue produced, by annually applying the Facilities Special Tax Escalation Factor, from the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) from the date of prepayment through the earlier of the end of the Facilities Special Tax Term or the Transition Event, except that this final date may be amended by the City no later than the time of the calculation of the prepayment. If the final date used in the prepayment calculation is amended by the City, this amended final date shall apply to any and all prepayment calculations from that point forward.

Step 3: Calculate the present value of the Assessor's Parcel's annual Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) revenue stream determined in Step 2. The present value shall be calculated using a discount rate that earns a rate of interest that, when the prepayment is invested in City permitted and available investments, would produce annual revenues equal to the amounts calculated in Step 2.

If there are Outstanding Bonds at the time of the Partial Prepayment Amount calculation, the Partial Prepayment Amount shall be first allocated to the Redemption Amount. If the Partial Prepayment Amount is insufficient to fund the Redemption Amount, then the Partial Prepayment Amount shall be increased to equal the Redemption Amount.

The Redemption Amount is calculated as follows:

Step 1: Divide the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) computed pursuant to Step 1 of Section L.1 by the total Maximum Facilities Special Taxes (or total Effective Tax Rate Evaluation Maximum Facilities Special Taxes) for the entire CFD No. 24 IA3, based on the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) that could be charged in the current Fiscal Year if all Taxable Property were designated as Developed Property, excluding any Assessor's Parcels which have prepaid the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) obligation (the "Prepayment Quotient").

Step 2: Multiply the Prepayment Quotient by the Outstanding Bonds to compute the amount of Outstanding Bonds to be redeemed (the "Bond Redemption Amount").

Step 3: Multiply the Bond Redemption Amount by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed.

Step 4: Compute the amount needed to pay interest on the Bond Redemption Amount from the first Bond interest payment date following the current Fiscal Year until the earliest redemption date for the Outstanding Bonds.

Step 5: Determine that portion of Facilities Special Taxes levied on the Assessor's Parcel in the current Fiscal Year to satisfy the Facilities Special Tax Requirement, which have not yet been paid.

Step 6: A reserve fund credit shall equal the lesser of: (a) the expected reduction in the reserve requirement (as defined in the Indenture for the Bonds), if any, associated with the redemption of Outstanding Bonds as a result of the partial prepayment, or (b) the amount derived by subtracting the new reserve requirement (as defined in the Indenture for the Bonds) in effect after the redemption of Outstanding Bonds as a result of the partial prepayment from the balance in the reserve fund on the prepayment date, but in no event shall such amount be less than zero. Such reserve fund credit will not decrease the balance in the reserve fund below the new reserve requirement.

Step 7: If any capitalized interest for the Outstanding Bonds will not have been expended at the time of the first interest and/or principal payment following the current Fiscal Year, a capitalized interest credit shall be calculated by multiplying the quotient computed pursuant to Step 1 by the expected balance in the capitalized interest fund after such first interest payment.

Step 8: The redemption amount is equal to the sum of the amounts computed pursuant to Steps 2, 3, 4, and 5, less the amount computed pursuant to Steps 6 and 7 (the "Redemption Amount").

If the Partial Prepayment Amount exceeds the Redemption Amount, then any remaining Partial Prepayment Amount, after allocating the Redemption Amount, shall be designated as Pay as You Go Costs.

The Partial Prepayment Amount shall include any fees or expenses, including the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the cost of redeeming Bonds, and the costs of recording any notices to evidence the prepayment and the redemption (the "Administrative Fees and Expenses").

In addition, the City has the authority to adjust the Partial Prepayment Amount calculated above if a portion or all of the current property tax bill and the portion attributable to the payment of the Facilities Special Tax has not been used to make an interest and/or principal payment on the Bonds.

Notwithstanding the foregoing, no partial prepayment shall be allowed unless the amount of Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes), net of any priority administration, if any as defined in the Bond documents, that may be levied on Taxable Property, in each Fiscal Year, both prior to and after the proposed partial prepayment, is at least 1.1 times the annual debt service on all Outstanding Bonds to be paid from the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) in each Fiscal Year.

M. TERM OF SPECIAL TAX

The Maximum Facilities Special Tax and Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be levied commencing in Fiscal Year 2026-2027 to the extent necessary to fully satisfy the Facilities Special Tax Requirement and shall be levied for the Facilities Special Tax Term.

The Maximum Services Special Tax shall be levied commencing in Fiscal Year 2026-2027 and shall be levied until the Transition Event to the extent necessary to fully satisfy the Services Special Tax Requirement.

The Maximum Transition Services Special Tax shall be levied commencing in the Fiscal Year following the Transition Event in perpetuity, unless and until such time the City determines that revenues are no longer needed to pay the Transition Services Special Tax Requirement.

including Single-Family Detached Property – SF/SFHD Zoning, Single-Family Detached Property – MLD Zoning, MHD Multi-Family Attached Property, and MMD Multi-Family Attached Property.

ATTACHMENT A
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24 (ALDER CREEK WEST)
IMPROVEMENT AREA 3
MAXIMUM SPECIAL TAX RATES
(FISCAL YEAR 2026-2027)

Land Use Category	Lot / Village #	2026-2027 Maximum Facilities Special Tax Rate(1)	2026-2027 Maximum Services Special Tax Rate(2)	Taxed Per
Developed Property:				
Single-Family Detached Property – SF Zoning	8A	$4,237	$695	Residential Lot
Single-Family Detached Property – SF Zoning	8A	4,083	695	Residential Lot
Single-Family Detached Property – SF Zoning	8B	5,013	869	Residential Lot
Single-Family Detached Property – SF Zoning	8C	5,563	816	Residential Lot
Single-Family Detached Property – SF Zoning	9A	5,086	796	Residential Lot
Single-Family Detached Property – SF Zoning	9B	4,279	653	Residential Lot
Small Lot Final Map Property:				
Single-Family Detached Property – SF Zoning	2A	$4,237	$695	Residential Lot
Single-Family Detached Property – SF Zoning	2B	4,083	695	Residential Lot
Single-Family Detached Property – SF Zoning	3A	5,013	869	Residential Lot
Single-Family Detached Property – SF Zoning	3B	5,563	816	Residential Lot
Single-Family Detached Property – SF Zoning	4A	5,086	796	Residential Lot
Single-Family Detached Property – SF Zoning	4B	4,279	653	Residential Lot
Permit Ready Multi-Family/Non-Residential Property		$20,000	N/A	Acre
Large Lot Property		$20,000	N/A	Acre
Undeveloped Property		$20,000	N/A	Acre

(1) On each July 1, commencing on July 1, 2027, the Maximum Facilities Special Tax Rates shall be increased by the Facilities Special Tax Escalation Factor of the Maximum Facilities Special Tax Rates in effect for the previous Fiscal Year.

(2) On each July 1, commencing on July 1, 2027, the Maximum Services Special Tax Rates shall be increased by an amount equal to the Services Special Tax Escalation Factor of the Maximum Services Special Tax Rates in effect for the previous Fiscal Year.

ATTACHMENT B
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24 (ALDER CREEK WEST)
IMPROVEMENT AREA 3
MINIMUM FACILITIES REVENUE
(FISCAL YEAR 2026-2027)

Land Use Category	Lot / Village #	Planned Number of Residential Lots / Acres	2026-2027 Developed Property Maximum Facilities Special Tax Rate(1)(2)	2026-2027 Minimum Facilities Revenue (1)(3)
Developed Property:				
Single-Family Detached Property – SF Zoning	8A	52	$4,237	$220,324
Single-Family Detached Property – SF Zoning	8A	52	4,083	212,316
Single-Family Detached Property – SF Zoning	8B	27	5,013	135,351
Single-Family Detached Property – SF Zoning	8C	96	5,563	534,048
Single-Family Detached Property – SF Zoning	9A	62	5,086	315,332
Single-Family Detached Property – SF Zoning	9B	102	4,279	436,458
Total Minimum Facilities Revenue				**$1,853,829**

(1) On each July 1, commencing on July 1, 2027, the Developed Property Maximum Facilities Special Tax Rates and Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Developed Property Maximum Facilities Special Tax Rates and Minimum Facilities Revenue in effect for the previous Fiscal Year.

(2) As a result of future Assessor's Parcel changes, described in Section C.1, the assigned Maximum Facilities Special Tax Rates for Developed Property may exceed the Developed Property Maximum Facilities Special Tax Rates set forth in this table.

(3) The total Minimum Facilities Revenue may be decreased as result of a portion of Maximum Facilities Special Tax obligations being prepaid pursuant to Section L.

(4) Based upon the Developed Property Maximum Facilities Special Tax Rate for Single-Family Detached Property in Lot/Village 8A, 8B, 8C, 9A and 9B.

ATTACHMENT C
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24 (ALDER CREEK WEST)
IMPROVEMENT AREA 3
EFFECTIVE TAX RATE EVALUATION MAXIMUM FACILITIES SPECIAL TAX RATES
(FISCAL YEAR 2026-2027)

Land Use Category	Lot / Village #	2026-2027 Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate(1)(2)	Taxed Per
Developed Property:			
Single-Family Detached Property – SF Zoning	8A	$_____	Residential Lot
Single-Family Detached Property – SF Zoning	8A	_____	Residential Lot
Single-Family Detached Property – SF Zoning	8B	_____	Residential Lot
Single-Family Detached Property – SF Zoning	8C	_____	Residential Lot
Single-Family Detached Property – SF Zoning	9A	_____	Residential Lot
Single-Family Detached Property – SF Zoning	9B	_____	Residential Lot
Small Lot Final Map Property:			
Single-Family Detached Property – SF Zoning	8A	$_____	Residential Lot
Single-Family Detached Property – SF Zoning	8A	_____	Residential Lot
Single-Family Detached Property – SF Zoning	8B	_____	Residential Lot
Single-Family Detached Property – SF Zoning	8C	_____	Residential Lot
Single-Family Detached Property – SF Zoning	9A	_____	Residential Lot
Single-Family Detached Property – SF Zoning	9B	_____	Residential Lot
Permit Ready Multi-Family/Non-Residential Property		$_____	Acre
Large Lot Property		$_____	Acre
Undeveloped Property		$_____	Acre

(1) Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates will be inserted following the Effective Tax Rate Evaluation.
(2) On each July 1, commencing in the Fiscal Year after the Effective Tax Rate Evaluation occurs, the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be increased by the Facilities Special Tax Escalation Factor of the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates in effect for the previous Fiscal Year.

ATTACHMENT D
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24 (ALDER CREEK WEST)
IMPROVEMENT AREA 3
EFFECTIVE TAX RATE EVALUATION MINIMUM FACILITIES REVENUE
(FISCAL YEAR 2026-2027)

Land Use Category	Lot / Village #	Planned Number of Residential Lots / Acres[1]	2026-2027 Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate[1][2][3]	2026-2027 Effective Tax Rate Evaluation Minimum Facilities Revenue[1][2][4]
Developed Property:				
Single-Family Detached Property – SF Zoning	8A	52	$_____	$_____
Single-Family Detached Property – SF Zoning	8A	52	_____	_____
Single-Family Detached Property – SF Zoning	8B	27	_____	_____
Single-Family Detached Property – SF Zoning	8C	96	_____	_____
Single-Family Detached Property – SF Zoning	9A	62	_____	_____
Single-Family Detached Property – SF Zoning	9B	102	_____	_____
Total Effective Tax Rate Evaluation Minimum Facilities Revenue[5]				**$_____**

(1) Planned Number of Residential Units/Acres, Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate and Effective Tax Rate Evaluation Minimum Facilities Revenue to be inserted following the Effective Tax Rate Evaluation.

(2) On each July 1, commencing in the Fiscal Year after the Effective Tax Rate Evaluation occurs, the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates and Effective Tax Rate Evaluation Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates and Effective Tax Rate Evaluation Minimum Facilities Revenue in effect for the previous Fiscal Year.

(3) As a result of future Assessor's Parcel changes, described in Section C.3, the assigned Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates may exceed the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates set forth in this table.

(4) The total Effective Tax Rate Evaluation Minimum Facilities Revenue may be decreased as result of a portion of Effective Tax Rate Evaluation Maximum Facilities Special Tax obligations being prepaid pursuant to Section L.

(5) Based upon the Developed Property Maximum Facilities Special Tax Rate for Single-Family Detached Property in Lot/Village 8A, 8B, 8C, 9A and 9B.

ATTACHMENT E
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24 (ALDER CREEK WEST)
IMPROVEMENT AREA 3
MAP OF VILLAGES

Attachment 2

RESOLUTION NO. 11626

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FOLSOM DEEMING IT NECESSARY TO INCUR BONDED INDEBTEDNESS IN AND FOR CITY OF FOLSOM COMMUNITY FACILITIES DISTRICT NO. 24 (ALDER CREEK WEST)

WHEREAS, for the preliminary scope of the project and financing contemplated by these proceedings, reference is made to Resolutions No. 11581 and No. 11582 adopted by the City Council of the City of Folsom (the "City Council") on April 14, 2026; and

WHEREAS, on May 26, 2026, at the time and place scheduled for the public hearing concerning the formation of the proposed City of Folsom Community Facilities District No. 24 (Alder Creek West) (the "District") and designation of each improvement area therein (the "Improvement Areas"), said public hearing of protests was duly convened by the City Council, and the City Council duly heard all interested parties desiring to be heard; and

WHEREAS, at said hearing, the City Council determined that a majority protest under Section 53324 of the Government Code was not made at the hearing for any Improvement Area within the District and therefore the proposed formation of the District, designation of the Improvement Areas therein, and special tax to be levied within the District has not been eliminated by majority protest pursuant to said Section 53324;

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

Section 1. The City Council finds and determines that the foregoing recitals are true and correct.

Section 2. The City Council now deems it necessary to incur the contemplated bonded indebtedness for each Improvement Area within the District.

Section 3. The purpose for incurring the bonded indebtedness is to assist in the financing of the public facilities described in the Resolution to Form a Community Facilities District, to Designate a Future Annexation Therein and to Levy Special Taxes Therein adopted this date (the "Resolution of Formation").

Section 4. All Taxable Property (as defined in Exhibits D-1, D-2A, D-2B and D-3 of the Resolution of Formation) within the boundaries of each respective Improvement Area of the District shall be subject to a special tax to repay the bonded indebtedness for the District.

Section 5. Subject to the requirements of the Resolution of Formation and this resolution, the amount of bonded indebtedness to be incurred, and the amount and timing of each issuance of bonds, shall be subject to the discretion of this City Council; provided that the maximum principal amount of bonded indebtedness to be paid for by City of Folsom Community Facilities District No. 24, Improvement Area No. 1 (Alder Creek West) is $31,000,000; by City of Folsom Community Facilities District No. 24, Improvement Area No. 2A (Alder Creek West) is

$21,000,000; by City of Folsom Community Facilities District No. 24, Improvement Area No. 2B (Alder Creek West) is $35,000,000; and by City of Folsom Community Facilities District No. 24, Improvement Area No. 3 (Alder Creek West) is $47,000,000.

Section 6. The maximum term of any issue of bonds under this authority shall not extend beyond 40 years from their date of issue.

Section 7. The maximum rate of interest shall be determined by competitive sale or by negotiation at the time of bond sale, but in any case shall not exceed the legal rate as specified, from time to time, by Government Code Section 53531 or any similar controlling provision of law.

Section 8. It is the intention of this City Council that any bonds issued may be made callable on terms to be specified in any resolution or indenture providing for the form, execution and issuance of bonds, in accordance with the terms of the Mello-Roos Community Facilities Act of 1982 (the "Act").

Section 9. The question of the authorization to issue the bonds described herein and incur the bonded indebtedness to be paid for by the District will be submitted to the voters of each Improvement Area of the District at a special election in accordance with the Act and with the findings contained in the certificate regarding landowners heretofore filed in these proceedings.

Section 10. The City Clerk of the City of Folsom (the "City Clerk") is hereby designated as the official to conduct a special, mailed-ballot election related to each Improvement Area of the District pursuant to Elections Code Sections 307 and 320.

Section 11. The special community facilities district election for each Improvement Area of the District (which shall be consolidated with the special community facilities district election to levy a special tax within such respective Improvement Area) shall be conducted by mailed ballot. In order to be counted, ballots must be returned to, and be physically received by the City Clerk before 6:30 p.m. on May 26, 2026. If all authorized ballots are received prior to that time, the City Clerk shall be so notified and, pursuant to Government Code Section 53326(d), immediately close the election and declare the results.

Section 12. The ballot language for Improvement Area No. 1 shall be as follows:

> Shall the City of Folsom be authorized to issue a maximum amount not to exceed $31,000,000 in bonds that will be paid for by Improvement Area No. 1 of the City of Folsom Community Facilities District No. 24 (Alder Creek West) (the "District"), designate Improvement Area No. 1 and a future annexation therein, levy a special tax in Improvement Area No. 1 and finance public facilities and services by and through the District and shall the appropriations limit for Improvement Area No. 1 within the District for fiscal year 2026-27 be established in the amount of $31,000,000, all as specified in the City's Resolution to Form a Community Facilities District, to Designate a Future Annexation Therein and to Levy Special Taxes Therein and Resolution Deeming it Necessary to Incur Bonded Indebtedness In and for City of Folsom Community Facilities District

No. 24 (Alder Creek West) adopted by the City Council of the City on May 26, 2026?

The ballot language for Improvement Area No. 2A shall be as follows:

Shall the City of Folsom be authorized to issue a maximum amount not to exceed $21,000,000 in bonds that will be paid for by Improvement Area No. 2A of the City of Folsom Community Facilities District No. 24 (Alder Creek West) (the "District"), designate Improvement Area No. 2A and a future annexation therein, levy a special tax in Improvement Area No. 2A and finance public facilities and services by and through the District and shall the appropriations limit for Improvement Area No. 2A within the District for fiscal year 2026-27 be established in the amount of $21,000,000, all as specified in the City's Resolution to Form a Community Facilities District, to Designate a Future Annexation Therein and to Levy Special Taxes Therein and Resolution Deeming it Necessary to Incur Bonded Indebtedness In and for City of Folsom Community Facilities District No. 24 (Alder Creek West) adopted by the City Council of the City on May 26, 2026?

The ballot language for Improvement Area No. 2B shall be as follows:

Shall the City of Folsom be authorized to issue a maximum amount not to exceed $35,000,000 in bonds that will be paid for by Improvement Area No. 2B of the City of Folsom Community Facilities District No. 24 (Alder Creek West) (the "District"), designate Improvement Area No. 2B and a future annexation therein, levy a special tax in Improvement Area No. 2B and finance public facilities and services by and through the District and shall the appropriations limit for Improvement Area No. 2B within the District for fiscal year 2026-27 be established in the amount of $35,000,000, all as specified in the City's Resolution to Form a Community Facilities District, to Designate a Future Annexation Therein and to Levy Special Taxes Therein and Resolution Deeming it Necessary to Incur Bonded Indebtedness In and for City of Folsom Community Facilities District No. 24 (Alder Creek West) adopted by the City Council of the City on May 26, 2026?

The ballot language for Improvement Area No. 3 shall be as follows:

Shall the City of Folsom be authorized to issue a maximum amount not to exceed $47,000,000 in bonds that will be paid for by Improvement Area No. 3 of the City of Folsom Community Facilities District No. 24 (Alder Creek West) (the "District"), designate Improvement Area No. 3 and a future annexation therein, levy a special tax in Improvement Area No. 3 and finance public facilities and services by and through the District and shall the appropriations limit for Improvement Area No. 3 within the District for

fiscal year 2026-27 be established in the amount of $47,000,000, all as specified in the City's Resolution to Form a Community Facilities District, to Designate a Future Annexation Therein and to Levy Special Taxes Therein and Resolution Deeming it Necessary to Incur Bonded Indebtedness In and for City of Folsom Community Facilities District No. 24 (Alder Creek West) adopted by the City Council of the City on May 26, 2026?

Section 13. This resolution shall take effect from and after its adoption.

PASSED AND ADOPTED this 26th day of May 2026, by the following roll call vote:

AYES: Councilmember(s):

NOES: Councilmember(s):

ABSENT: Councilmember(s):

ABSTAIN: Councilmember(s):

Justin Raithel, MAYOR

ATTEST:

Christa Freemantle, City Clerk

Attachment 3

RESOLUTION NO. 11627

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FOLSOM CALLING SPECIAL MAILED-BALLOT ELECTION IN THE CITY OF FOLSOM COMMUNITY FACILITIES DISTRICT NO. 24 (ALDER CREEK WEST)

WHEREAS, reference is made to the Resolution to Form a Community Facilities District, to Designate a Future Annexation Therein and to Levy Special Taxes Therein (the "Resolution of Formation") and to the Resolution Deeming it Necessary to Incur Bonded Indebtedness In and for City of Folsom Community Facilities District No. 24 (Alder Creek West) (the "Resolution of Necessity"), each adopted by the City Council of the City of Folsom (the "City Council") on May 26, 2026; and

WHEREAS, the levy of a special tax within each Improvement Area (as defined herein) of CFD 24 (as defined herein) proposed in the Resolution of Formation shall be submitted to the voters pursuant to Government Code Section 53326; and

WHEREAS, the authorization to issue bonded indebtedness proposed in the Resolution of Necessity shall be submitted to the voters pursuant to Government Code Section 53351; and

WHEREAS, the setting of the appropriations limit shall be submitted to the voters pursuant to Government Code Section 53325.7; and

WHEREAS, the three ballot questions just described shall be combined into a single ballot measure pursuant to Government Code Section 53353.5. The ballot language shall be as shown on the form of ballot attached hereto as Exhibit A, which form of ballot is hereby approved; and

WHEREAS, a certificate regarding landowners has been filed with the City Clerk of the City of Folsom (the "City Clerk");

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL, as follows:

Section 1. The City Council finds and determines that the foregoing recitals are true and correct.

Section 2. This City Council hereby accepts the certificate regarding landowners heretofore filed in these proceedings and finds, in accordance therewith, that there are no registered voters residing within the boundaries of Improvement Area No. 1, Improvement Area No. 2A, Improvement Area No. 2B, and Improvement Area No. 3 (the "Improvement Areas") of Community Facilities District No. 24 (Alder Creek West) ("CFD 24") and have been no registered voters residing within the boundaries of each such Improvement Area for the 90 days preceding the date hereof. Accordingly, under Government Code Section 53326(b) the qualified electors in this election shall be the landowners owning land within each Improvement Area of CFD 24.

Section 3. The City Council further finds, in accordance with the certificate regarding landowners that the landowners of record owning property within CFD 24 are those set forth in

the attachment to the certificate regarding landowners and that the attachment correctly sets forth the number of acres owned by each landowner and the number of votes to which each is entitled.

Section 4. The City Council hereby approves the form of Waiver and Consent Shortening Time Periods and Waiving Various Requirements for Proceedings and for Conducting Special Mailed-Ballot Election in the City of Folsom Community Facilities District No. 24 (Alder Creek West), attached hereto as Exhibit B. The City Council finds that the rights, procedures and time periods therein waived are solely for the protection of the voters, may be waived under Government Code Section 53326(a) and Section 53327(b), and that the waiver constitutes a full and knowing waiver, by any voter who has executed the form, of those rights, procedures and time periods.

Section 5. The City Council accepts the Certificate of the City Clerk that 100% of the voters eligible to vote in this election in each Improvement Area have delivered to the City Clerk properly executed waivers in the form of Exhibit B.

Section 6. Accordingly, this City Council hereby calls the special election described herein and sets May 26, 2026, as the election day. Pursuant to Government Code Section 53326(d), the election shall be conducted by mailed ballot. By attesting this resolution below, the City Clerk indicates her concurrence to such date and to the waivers and consents described in Section 4 hereof.

Section 7. The City Clerk is directed to cause the separate ballots to be mailed or delivered, in the form of Exhibit A hereto, to the landowners for each Improvement Area shown on the attachment to the certificate regarding landowners. The City Clerk or her designee shall complete the form of ballot for each Improvement Area, and shall fill in the names of the landowners and the number of votes to be cast on each ballot, according to the certificate regarding landowners, before delivery or mailing.

Section 8. The City Clerk shall accept personal or mail delivery of the ballots at any time up to 6:30 p.m. on May 26, 2026, provided, that if all authorized ballots are received by the City Clerk prior to that time, the City Clerk shall, pursuant to Government Code Section 53326(d), immediately close the election and declare the results to the City Council.

Section 9. This resolution shall take effect from and after its adoption.

PASSED AND ADOPTED this 26th day of May 2026, by the following roll-call vote:

AYES: Councilmember(s):

NOES: Councilmember(s):

ABSENT: Councilmember(s):

ABSTAIN: Councilmember(s):

_____
Justin Raithel, MAYOR

ATTEST:

_____
Christa Freemantle, CITY CLERK

EXHIBIT A

CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24
(ALDER CREEK WEST)

FORM OF SPECIAL ELECTION BALLOT

(Mailed-Ballot Election)

This ballot is for the use of _____, a landowner owning land within City of Folsom Community Facilities District No. 24 (Alder Creek West), Improvement Area No. [1/2A/2B/3].

According to the provisions of the Mello-Roos Community Facilities Act of 1982 and the resolutions of the City Council of the City of Folsom, the above-named landowner is entitled to cast _____ votes on this ballot.

In order to be counted, this ballot must be certified below and be returned, either by mail or in person, before 6:30 p.m. on May 26, 2026, to:

Christa Freemantle, City Clerk
City of Folsom
50 Natoma Street
Folsom, CA 95630

Mailing by that date will not be sufficient. The ballot must be physically received by the City Clerk prior to the deadline in order to be counted.

AN "X" OR OTHER MARK WILL CAST ALL VOTES ASSIGNED TO THIS BALLOT, OR THE VOTER MAY WRITE NUMBERS IN THE SPACES PROVIDED.

BALLOT MEASURE

Shall the City of Folsom be authorized to issue a maximum amount not to exceed $[31,000,000/21,000,000/35,000,000/47,000,000] in bonds that will be paid for by Improvement Area No. [1/2A/2B/3] of the City of Folsom Community Facilities District No. 24 (Alder Creek West) (the "District"), designate Improvement Area No. [1/2A/2B/3] and a future annexation therein, levy a special tax in Improvement Area No. [1/2A/2B/3] and finance public facilities and services by and through the District and shall the appropriations limit for Improvement Area No. [1/2A/2B/3] within the District for fiscal year 2026-27 be established in the amount of $[31,000,000/21,000,000/35,000,000/47,000,000], all as specified in the City's Resolution to Form a Community Facilities District, to Designate a Future Annexation Therein and to Levy Special Taxes Therein and Resolution Deeming it	Number of votes YES _____ Number of votes NO _____

Necessary to Incur Bonded Indebtedness In and for City of Folsom Community Facilities District No. 24 (Alder Creek West) adopted by the City Council of the City on May 26, 2026?

Certification

The undersigned is or are the authorized representative(s) of the above-named landowner and is the person legally authorized and entitled to cast this ballot on behalf of the above-named landowner.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed as of May 26, 2026.

[LANDOWNER]

By: _____

Name: _____

Title: _____

EXHIBIT B

FORM OF WAIVER AND CONSENT
SHORTENING TIME PERIODS AND WAIVING VARIOUS
REQUIREMENTS FOR PROCEEDINGS AND FOR
CONDUCTING SPECIAL MAILED-BALLOT ELECTION
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24
(ALDER CREEK WEST)

The undersigned _____, is the authorized representative of the owner (the "Owner") of all of the property within Improvement Area No. [1/2A/2B/3] of the above-captioned Community Facilities District (the "District").

The Owner is the present owner of [__] acres of land located within the proposed boundaries of Improvement Area No. [1/2A/2B/3]. To the actual knowledge of the undersigned, there are no registered voters residing within Improvement Area No. [1/2A/2B/3], and there have been none during the 90 day period preceding May 26, 2026.

The undersigned is (or are) the person (or persons) legally entitled and authorized to cast the ballot for the Owner in the election to be conducted within Improvement Area No. [1/2A/2B/3] of the District to determine, among other things, whether certain land, including land owned by the Owner, shall be subject to an annual special tax.

The undersigned, on behalf of the Owner, certifies that the Owner has received notice of the May 26, 2026 public hearing to be held by the City Council of the City of Folsom (the "City") regarding the levy of special taxes in Improvement Area No. [1/2A/2B/3] and the incurring of bonded indebtedness by the District for Improvement Area No. [1/2A/2B/3]. The undersigned, on behalf of the Owner, agrees that the Owner received adequate notice of the May 26, 2026 hearing.

The Owner has received from the City, and the City has made available to the owner, necessary and relevant information regarding the proposed formation of the District and designation of Improvement Area No. [1/2A/2B/3] and the imposition of the special tax and the issuance of bonded indebtedness, as set forth in Resolution No. 11581 and Resolution No. 11582 adopted by the City Council of the City on April 14, 2026 (the "Resolutions") to finance the facilities, services and other amounts as set forth in the Resolutions.

In order to induce the City to conduct an election on the same date that the District is formed, the undersigned, on behalf of the Owner, hereby waives:

1. any and all minimum time periods relative to the election pursuant to Government Code Section 53326(a);

2. preparation and distribution of an impartial analysis of the ballot measure, as well as arguments in favor and against, under the authority of Government Code Section 53327(b);

3. publication of notice of the election under Government Code Section 53352;

4. requirements regarding the time to mail ballots to the qualified electors under Elections Code Section 4101;

5. requirements regarding identification envelopes for the return of mailed ballots contained in Government Code Section 53327.5;

6. requirements pertaining to impartial analysis, arguments or rebuttals concerning the election provided in Elections Code Sections 9160 to 9167, inclusive and Elections Code Section 9190; and

7. any other time limits or procedural requirements pertaining to the conduct of the election.

The undersigned, on behalf of the Owner, hereby waives any right to notice and hearing and consents to authorized facilities, expenses and rate and method of apportionment of special tax as described in the Resolution of Formation to be adopted by the City Council of the City of Folsom on May 26, 2026.

The undersigned, on behalf of the Owner, hereby waives any and all defects in notice or procedure in the formation of the District, time periods to record the boundary map, conduct of the election, whether known or unknown (other than the right to have ballots accurately counted), and states that the election is being expedited, pursuant to this waiver and consent, at the particular instance and request of the Owner.

Further, the undersigned, on behalf of the Owner, hereby waives any entitlement to initiate or prosecute any form of legal proceedings, including judicial proceedings, to challenge any aspect of the proceedings for levy of the special tax and for issuance of special tax bonds in the District.

I declare, under penalty of perjury, under the laws of the State of California, that the foregoing is true and correct and that this declaration is executed on _____, 2026.

[LANDOWNER]

By:

_____

Name:

_____

Title:

_____

Attachment 4

RESOLUTION NO. 11628

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FOLSOM DECLARING ELECTION RESULTS IN THE CITY OF FOLSOM COMMUNITY FACILITIES DISTRICT NO. 24 (ALDER CREEK WEST)

WHEREAS, reference is made to the Resolution Calling Special Mailed-Ballot Election in the City of Folsom Community Facilities District No. 24 (Alder Creek West) (the "Resolution Calling Election") adopted by the City Council of the City of Folsom (the "City Council") on May 26, 2026; and

WHEREAS, the City Council has received, reviewed and hereby accepts the Certificate of City Clerk Regarding Election Results, dated May 26, 2026;

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

Section 1. The City Council finds and determines that the foregoing recitals are true and correct.

Section 2. The City Council hereby finds and declares that the ballot measure submitted to the qualified electors of the Improvement Area No. 1 for City of Folsom Community Facilities District No. 24 (Alder Creek West) pursuant to the Resolution Calling Election has been passed and approved by those qualified electors in accordance with California Government Code Sections 53328 and 53355.

Section 3. The City Council hereby finds and declares that the ballot measure submitted to the qualified electors of the Improvement Area No. 2A for City of Folsom Community Facilities District No. 24 (Alder Creek West) pursuant to the Resolution Calling Election has been passed and approved by those qualified electors in accordance with California Government Code Sections 53328 and 53355.

Section 4. The City Council hereby finds and declares that the ballot measure submitted to the qualified electors of the Improvement Area No. 2B for City of Folsom Community Facilities District No. 24 (Alder Creek West) pursuant to the Resolution Calling Election has been passed and approved by those qualified electors in accordance with California Government Code Sections 53328 and 53355.

Section 5. The City Council hereby finds and declares that the ballot measure submitted to the qualified electors of the Improvement Area No. 3 for City of Folsom Community Facilities District No. 24 (Alder Creek West) pursuant to the Resolution Calling Election has been passed and approved by those qualified electors in accordance with California Government Code Sections 53328 and 53355.

Section 6. The City Council hereby authorizes and directs the City Clerk to record the separate notice of special tax lien related to each such ballot measure in accordance with the provisions of California Government Code Section 53328.3 and California Streets and Highways Code Section 3114.5.

Section 7. This resolution shall take effect from and after its adoption.

PASSED AND ADOPTED this 26th day of May 2026, by the following roll-call vote:

AYES: Councilmember(s):

NOES: Councilmember(s):

ABSENT: Councilmember(s):

ABSTAIN: Councilmember(s):

_____
Justin Raithel, MAYOR

ATTEST:

_____
Christa Freemantle, CITY CLERK

Attachment 5

ORDINANCE NO. 1370

AN UNCODIFIED ORDINANCE LEVYING SPECIAL TAXES FOR THE FISCAL YEAR 2026-27 AND FOLLOWING FISCAL YEARS SOLELY WITHIN AND RELATING TO THE CITY OF FOLSOM COMMUNITY FACILITIES DISTRICT NO. 24 (ALDER CREEK WEST)

The City Council of the City of Folsom hereby ordains as follows:

SECTION 1 PURPOSE

The City Council of the City of Folsom hereby finds, determines and declares based on the record before it that:

1. The City is authorized to establish a community facilities district pursuant to the terms of the Mello-Roos Community Facilities Act of 1982, Chapter 2.5 of Division 2 of Title 5 of the California Government Code, commencing with Section 53311 (the "Act"); and

2. On May 26, 2026, the City Council adopted its Resolution No. 11625 (the "Resolution of Formation") establishing the City of Folsom Community Facilities District No. 24 (Alder Creek West) (the "District") and designated four separate improvement areas therein (the "Improvement Areas"), pursuant to the Act; and

3. In accordance with the separate Rate and Method of Apportionment for each Improvement Area, the Resolution of Formation approved the annual levy, subject to voter approval, of a special tax in connection with each Improvement Area of the District (the "Special Tax"); and

4. The Resolution of Formation proposed the establishment of an appropriations limit for each Improvement Area of the District (the "Appropriations Limit"); and

5. On May 26, 2026, the City Clerk, as elections official, conducted an election of the landowners of each Improvement Area of the District (the "Elections"); and

6. On May 26, 2026, the City Council adopted its Resolution No. 11628 certifying that, at the Elections, the landowners of each Improvement Area of the District approved the Special Tax and the Appropriations Limit for each respective Improvement Area; and

7. The City Council desires to levy and impose the Special Tax and to take other related actions.

SECTION 2

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF FOLSOM RESOLVES:

1. The recitals set forth in Section 1 are true and correct.

2. A special tax is hereby levied on all Taxable Property (as defined in the respective Rate and Method of Apportionment) within each Improvement Area of the District, for the 2026-27 fiscal year and for all subsequent fiscal years in the amount of the maximum authorized tax, provided that this amount may be adjusted annually, subject to the maximum authorized special tax limit, by resolution of the City Council.

3. The Finance Director of the City of Folsom or designee thereof (the "CFD Administrator") is authorized and directed, to determine each year, without further action of the City Council, the Special Tax, to prepare the annual Special Tax roll in the amount of the Special Tax in accordance with the related exhibit and, without further action of the City Council, to provide all necessary and appropriate information to the Sacramento County Auditor-Controller's Office (the "County") in proper form, and in proper time, necessary to effect the correct and timely billing and collection of the Special Tax on the secured property tax roll of the County; provided, that as provided in the Resolution of Formation and Section 53340 of the California Government Code, the City has reserved the right to utilize any method of collecting the Special Tax which it shall, from time to time, determine to be in the best interests of the City of Folsom (the "City"), including but not limited to, direct billing by the City to the property owners and supplemental billing.

4. The appropriate officers and agents of the City are authorized to make adjustments to the Special Tax roll prior to the final posting of the Special Tax to the County tax roll each fiscal year, as may be necessary to achieve a correct match of the Special Tax levy with the assessor's parcel numbers finally utilized by the County in sending out property tax bills.

5. The City agrees that, in the event the Special Tax is collected on the secured tax roll of the County, the County may deduct its reasonable and agreed charges for collecting the Special Tax from the amounts collected, prior to remitting the Special Tax collections to the City.

6. Taxpayers who have requested changes or corrections of the Special Tax pursuant to Section J of the respective Rate and Method of Apportionment and who are not satisfied with the decision of the CFD Administrator (whether the CFD Administrator disagrees with the taxpayer or concludes that the City is not authorized to consider the change requested), may appeal to the City Council. The appeal must be in writing and fully explain the grounds of appeal, and must be based solely on the correction of mistakes in the levy based upon the status of the property, and no other appeals will be allowed. The CFD Administrator shall schedule the appeal for consideration within a reasonable time at a City Council meeting.

SECTION 3 SEVERABILITY

If for any cause any portion of this ordinance is found to be invalid, or if the Special Tax is found inapplicable to any particular parcel by a court of competent jurisdiction, the balance of

this ordinance, and the application of the Special Tax to the remaining parcels, shall not be affected.

SECTION 4 EFFECTIVE DATE

This ordinance shall take effect and be in force as a tax measure thirty (30) days following its second reading and adoption at a meeting of the City Council; and before the expiration of twenty (20) days after its passage the same shall be published, with the names of the members voting for and against the same, at least once in a newspaper of general circulation published and circulated in the District.

This ordinance was introduced and the title thereof read at the regular meeting of the City Council on May 26, 2026, and the second reading is to occur at the regular meeting of the City Council on June 9, 2026.

On a motion by Councilmember _____ seconded by Councilmember _____, the foregoing ordinance was passed and adopted by the City Council of the City of Folsom, State of California, this __th day of June 2026 by the following roll-call vote:

AYES: Councilmember(s):

NOES: Councilmember(s):

ABSENT: Councilmember(s):

ABSTAIN: Councilmember(s):

_____
Justin Raithel, MAYOR

ATTEST:

_____
Christa Freemantle, CITY CLERK

Attachment 6

CITY OF FOLSOM

Public Hearing Report for:

Community Facilities District No. 24 (Alder Creek West)

May 2026

Prepared by NBS for and on behalf of the City of Folsom

Prepared by:

NBS
helping communities fund tomorrow

nbsgov.com

Corporate Headquarters
32605 Temecula Parkway, Suite 100
Temecula, CA 92592
Toll free: 800.676.7516

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INTRODUCTION

The City Council (the "City Council") of the City of Folsom (the "City") did, pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982 (Sections 53311 and following, California Government Code; hereafter referred to as the "Act"), on April 14, 2026, adopt Resolution No. 11581 entitled "A Resolution of the City Council of the City of Folsom Approving a Proposed Boundary Map and Declaring Intention to Form a Community Facilities District to be Named 'City of Folsom Community Facilities District No. 24 (Alder Creek West),' Identify Territory Proposed for Annexation to the Community Facilities District in the Future and to Levy Special Taxes Therein" (the "Resolution of Intention"). In the Resolution of Intention, the City Council directed the study and filing of a public hearing report (the "Report") required by Section 53321.5 of the Act for the proposed City of Folsom Community Facilities District No. 24 (Alder Creek West) (the "District" or "CFD 24").

Section 53321.5 of the Act provides that the Report contain the following:

1. A brief description of the public facilities and services to be provided by the District; and

2. An estimate of the fair and reasonable cost of providing the public facilities and services, including the incidental expenses in connection therewith, any City administration costs, and all other related costs.

For particulars, reference is made to the Resolution of Intention for the District, as previously adopted on April 14, 2026 by the City Council.

NOW, THEREFORE, the City Manager of the City, the appointed responsible officer directed to prepare the Report or cause the Report to be prepared pursuant to the provisions of the Act, does hereby submit this Report containing the following information:

- **DISTRICT INFORMATION**. Information related to the District, including background information, land use plans, and the proposed boundaries that include those properties and parcels on which special taxes may be levied to pay for the costs and expenses of the facilities and services.
- **DESCRIPTION OF FACILITIES AND SERVICES**. A description of the facilities and services that the City Council has determined to be eligible to be funded by the District.
- **COST ESTIMATE**. The cost estimate for the District facilities and services.
- **RATE AND METHOD OF APPORTIONMENT**. The Rate and Method of Apportionment of Special Tax for each Improvement Area approved by this City Council on April 14, 2026. The Rate and Method of Apportionment for IA3 in this Report contains a correction of a clerical error on its Attachment A, incorporating the 2026/27 Maximum Facilities Special Tax Rate for the Land Use Categories inadvertently left blank on the Rate and Method of Apportionment approved by City Council on April 14, 2026.

DISTRICT INFORMATION

Background

The District is located within the Folsom Plan Area, south of Highway 50. The Folsom Plan Area is located on approximately 3,500 acres and is bounded by Prairie City Road on the west, Highway 50 on the north, White Rock Road on the south, and the Sacramento County/El Dorado County boundary on the east. The Folsom Plan Area is a master-planned community, and, through December 31, 2025, the City has received and approved several Specific Plan Amendments that have changed the entitlements to include approximately 11,300 residential units of various size and densities and approximately 2.5 million building square feet of non-residential land uses.

FOLSOM PLAN AREA SPECIFIC PLAN PUBLIC FACILITIES FINANCING PLAN

On January 28, 2014, the City Council approved the Folsom Plan Area Specific Plan Public Facilities Financing Plan (the "PFFP"). The PFFP is an $877 million plan that describes the backbone infrastructure and facility requirements, presents a comprehensive financing strategy, and sets forth the estimated time horizon for the development of the Folsom Plan Area. The backbone infrastructure improvements identified in the PFFP include roadways, on-site water, off-site potable water, recycled water, wastewater (sewer), storm drainage, and habitat mitigation for infrastructure. The public facilities identified in the PFFP include public schools, parks, transit services, housing trust, trails, fire facilities and equipment, police facilities and equipment, a municipal service center, corporation yard, solid waste, branch library, a community and aquatic center, other general capital facilities, and transportation.

District Purpose

This District is being formed, with four separate improvement areas (the "Improvement Areas") to provide funding for all or a portion of each Improvement Area's share of the backbone infrastructure, on-site and off-site costs, the estimated Specific Plan Infrastructure Fee Program obligation, and other internal site improvements necessary for development. The District will provide funding for authorized facilities through a combination of bonded indebtedness and pay as you go funding (the "PAYGO"), both of which are secured by the levy of special taxes upon property within the boundaries of each Improvement Area of the District. In addition, a special tax will be levied upon District property to provide funding for development specific services that include open space, landscape corridors, street light maintenance, median, entries and entry monumentation maintenance, neighborhood park maintenance, community amenities, and storm water management.

District Description

The District boundaries include four Improvement Areas and encompass all of the property designated by the Assessor's Parcel Numbers below:

Improvement Area ("IA") 1:
A portion of 072-0060-093-0000 & a portion of 072-0060-098-0000
IA 2A:
A portion of 072-0060-007-0000, a portion of 072-0060-093-0000, a portion of 072-0060-098-0000, & a portion of 072-0060-102-0000
IA 2B:
A portion of 072-0060-007-0000, a portion of 072-0060-093-0000, & a portion of 072-0060-102-0000
IA 3:
072-3190-037-0000

The current development plans for each IA are presented in the table below.

Proposed Development within the Improvement Areas

	Planned Residential Units or Acres			
Development Plan	**IA 1**	**IA 2A**	**IA 2B**	**IA 3**
Single-Family Detached Property - SF Zoning (1)	135	0	119	391
Single-Family Detached Property - SFHD Zoning (1)	141	0	177	0
Single-Family Detached Property - MLD Zoning (1)	0	329	132	0
MHD Multi-Family Attached Property (2)	0	0	0	0
Non-Residential Property (2)	0	0	0	0

(1) Residential units.
(2) Acres.

District Boundaries

The proposed boundaries of the District, including the Improvement Areas, are identified on the map of the District recorded on April 16, 2026, in Book 148 at Page 35 of Maps of Assessment and Community Facilities Districts in the office of the County Recorder for the County of Sacramento. The District map is on file with the City Clerk, to which reference is hereby made and a reduced copy of such map is set forth in Appendix A of this Report.

DESCRIPTION OF FACILITIES AND SERVICES

Facilities

The facilities to be financed by the District include facilities designed to meet the needs of development within the District, whether such facilities are located within or outside the boundaries of the District, and include but are not limited to the following:

TRANSPORTATION IMPROVEMENTS

Eligible roadway improvements include, but are not limited to: acquisition of land and easements; roadway design; project management; bridge crossings and culverts; clearing, grubbing, and demolition; grading, soil import/export, paving (including slurry seal), and decorative/enhanced pavement concrete and/or pavers; joint trenches, underground utilities and undergrounding of existing utilities; dry utilities and appurtenances; curbs, gutters, sidewalks, bike trails (including onsite and off-site), enhanced fencing, and access ramps; street lights, signalization, and traffic signal control systems; bus turnouts; signs and striping; erosion control; median and parkway landscaping and irrigation; entry monumentation; bus shelters, Bus Rapid Transit improvements including transfer stations and regional public transit improvements; masonry walls; traffic control and agency fees; and other improvements related thereto. Eligible improvements for the roads listed herein also include any and all necessary underground potable and recycled water, sanitary sewer, and storm drainage system improvements.

WATER SYSTEM IMPROVEMENTS

Authorized facilities include any and all water facilities designed to meet the needs of development of property within CFD 24. These facilities include, but may not be limited to: water storage, treatment and distribution facilities including waterlines and appurtenances, gate valves, pressure reducing stations, flow meters, fire hydrants, and other improvements related thereto such as site clearing, grading and paving; curbs and gutters; booster pump stations and power; stand-by generators; site lighting, drainage, sanitary sewer, and water service; landscaping and irrigation; access gates, and fencing; and striping and signage.

RECYCLED WATER SYSTEM IMPROVEMENTS

Authorized facilities include any and all recycled water system facilities designed to meet the needs of development of property within CFD 24. These facilities include, but may not be limited to: treatment and distribution facilities including pipelines and appurtenances, gate valves, flow meters, booster pump pressurization system, and other improvements related thereto - such as site clearing, grading and paving; curbs and gutters; booster pump stations; stand-by generators; site lighting, drainage, sanitary sewer, and water service; landscaping and irrigation; access gates, and fencing; and striping and signage.

DRAINAGE SYSTEM IMPROVEMENTS

Authorized facilities include any and all drainage and storm drain improvements designed to meet the needs of development of property within CFD 24. These facilities include, but may not be limited to: excavation and grading, pipelines and appurtenances, outfalls and water quality measures, detention/retention basins, drainage pretreatment facilities, drainage ways/channels, pump stations, landscaping and irrigation; access roads, gates, and fencing; and striping and signage and other improvements related thereto.

WASTEWATER SYSTEM IMPROVEMENTS

Authorized facilities include any and all wastewater facilities designed to meet the needs of development of property within CFD 24. These facilities include, but may not be limited to, pipelines and all appurtenances thereto; manholes; tie-in to existing main lines; force mains; lift stations; upgrades to existing lift stations; odor-control facilities; and permitting related thereto; and related sewer system improvements.

PARK, PARKWAY AND OPEN SPACE IMPROVEMENTS

Authorized facilities include any and all improvements to parks, parkways and open space required for development of property within CFD 24. These facilities include, but may not be limited to: grading, turf, shrubs and trees, landscaping irrigation, site lighting, drainage, sanitary sewer and water service, pedestrian and bicycle trails, protective fencing (including soundwalls), pedestrian/bicycle bridges, storm drain crossings, wetland mitigation, hawk mitigation for authorized facilities herein, access gates and fencing and related open space improvements. Authorized facilities include acquisition of any and all parkland as well as open space/bike trail/public access easements required for development of property within CFD 24.

SPECIFIC PLAN INFRASTRUCTURE FEE ("SPIF") INFRASTRUCTURE

Authorized facilities include any and all improvements that are included in the SPIF Program adopted by the City Council on September 8, 2015, including any future amendments thereto.

OTHER INCIDENTAL EXPENSES AND BOND ISSUANCE COSTS

In addition to the above facilities, other incidental expenses as authorized by the Mello-Roos Community Facilities Act of 1982, including, but not limited to, the cost of planning and designing the facilities (including the cost of environmental evaluation, remediation and mitigation); engineering and surveying; construction staking; utility relocation and demolition costs incidental to the construction of the public facilities; costs of project/construction management; costs (including the costs of legal services) associated with the formation of the Mello-Roos CFD; issuance of bonds (if any); determination of the amount of taxes; collection of taxes; payment of taxes; costs of calculating and providing reimbursements from one-time special tax payments; or costs otherwise incurred in order to carry out the authorized purposes of CFD 24; and any other expenses incidental to the formation and implementation of CFD 24 and to the construction, completion, inspection and acquisition of the authorized facilities.

Services

The authorized services to be funded from the levy and collection of annual special taxes include those set forth below in addition to the costs associated with collecting and administering the special taxes and annual administration of the District.

The District will be eligible to fund all or a portion of the costs of reconstruction and/or rehabilitation, operation, maintenance, repair and replacement, and servicing of the following items not otherwise subject to funding from the City of Folsom Community Facilities District No. 18 (Folsom Plan Area – Area-Wide Improvements and Services):

- Open Space improvements, operations and management, monitoring, maintenance (including general maintenance, signage, City owned fence maintenance, trash and debris collection, and bike trails and their appurtenances [drainage culverts or pipes from adjacent subdivisions] within open space), creation and maintenance of fire breaks, Permits, Vandalism/Graffiti, Flood Conveyance (Vegetation/tree removals), Beaver dam removals, Outfall/drainage swale maintenance, Erosion control/bank stabilization, Native planting/replanting, Pre and post emergent, maintenance activities as required by a 404 permit and Operations and Management Plan-Conservation and Passive Recreation Open Space, dated June 9, 2017, and repair and replacement of facilities within open space areas in the Project Area.
- The maintenance of on-site landscape corridors and paseos designed to serve land uses within the District, including general maintenance, masonry walls, accent lighting, water and utility costs.
- The maintenance of streetlights, including any utility costs related thereto.
- The maintenance of medians, entries, and entry monumentation.
- Neighborhood park maintenance, and repair and replacement.
- Community amenities, such as a community clubhouse.
- Storm water management, water quality structural controls, including drainage swales constructed between storm drain facilities and receiving waters.
- Miscellaneous costs related to any of the items described above including planning, engineering, GIS, legal, and city and county administration costs.
- The levy of special taxes to accumulate sinking funds for anticipated future repairs or replacement costs of landscape corridors, irrigation facilities, medians, entries and entry monumentation, lighting, neighborhood parks, storm water management and other facilities maintained by the District as determined by the Administrator.

Annual maintenance functions and costs generally will include the installation, maintenance and servicing of ground cover, shrubs and trees, irrigation systems, street lighting, fencing, sound walls, sidewalks, monuments, enhanced open space maintenance including but not limited to maintaining the enhanced open space areas located adjacent to avoided or created habitat mitigation areas and other buffer areas between the enhanced open space and vertical development, bike trails, walkways, entry signage, street pavers, and labor, materials, supplies, utilities (including water and electricity) and equipment, as

applicable, for property owned or maintained by the City. Annual maintenance costs include an allowance for long-term repair and replacement of improvements.

The District may fund any of the following related to the maintenance of the services described above: obtaining, repairing, reconstructing, furnishing, operating and maintaining equipment, apparatus or facilities related to providing the services and/or equipment, apparatus, facilities or fixtures in areas to be maintained, paying the salaries and benefits of the personnel necessary or convenient to provide the services, and other related expenses and the provision of reserves for repairs and replacements for the future provision of services. It is expected that the services will be provided by the City, either with its own employees or by contract with third parties, or any combination thereof. The District may also fund administrative fees of the City related to CFD 24

CFD 24 will further be eligible to fund all or a portion of the costs of the following public services:

Police, fire and other emergency services that are in addition to those services that were provided within the boundaries of CFD 24 at the time of formation of CFD 24, including but not limited to (i) the costs of contracting services, (ii) related equipment, vehicles, ambulances, fire apparatus and supplies, (iii) the salaries and benefits of City and non-City staff that directly provide police, fire and emergency services, and (iv) City and non-City overhead costs associated with providing such services within CFD 24.

Incidental Expenses

It is anticipated that the following incidental expenses may be incurred for the District:

- Engineering services
- Special tax consultant services
- City review and administration
- Bond counsel services
- Bond counsel expenses
- Disclosure counsel services
- Disclosure counsel expenses
- Independent municipal advisor services and expenses
- Appraiser services
- Market absorption study and real estate economist services
- Initial bond transfer agent, fiscal agent, registrar and paying agent fees
- Rebate calculation service set up charge
- Bond printing
- Offering memorandum printing and mailing costs
- Publishing, mailing and posting of notices
- Underwriter’s discount

- Bond reserve fund
- Capitalized interest
- Bond syndication costs
- Governmental notification and filing costs
- Credit enhancement costs
- Real estate acquisition costs
- Rating agency fees
- Charges and fees of City other than those waived

Certain annual costs may be included in each annual special tax levy. These include:

- Annual bond transfer agent, fiscal agent, registrar and paying agent fees
- Annual rebate calculation costs
- Special tax consultant costs and administrative expenses
- Other necessary consultant costs
- Costs of posting and collecting the special taxes
- Personnel and Administrative costs of the City
- Arbitrage rebate
- Continuing disclosure reporting and compliance

COST ESTIMATE

Estimated Cost of Public Facilities

The District is eligible to finance the authorized public facilities described in the Description of Facilities and Services section of this Report. The estimated cost for constructing all required facilities for the Alder Creek West subdivision is approximately $301,410,180, covering backbone infrastructure, soft costs, and improvement area subdivision infrastructure. Backbone infrastructure improvements include upgrades to transportation, water systems, recycled water systems, drainage, wastewater, parks, parkways, and open spaces. Subdivision infrastructure encompasses underground utilities, roadways, street lighting, sound walls, and landscaping.

The District will provide the financing to fund the authorized public facilities and estimated SPIF obligation through bond issuance and the generation of PAYGO special tax revenue from the levy and collection of the facilities special tax within each IA. The primary pledge of facilities special tax revenues will be to service outstanding debt. Facilities special tax revenues in excess of the annual debt service and administrative expenses will be used on a PAYGO basis. The developers will retain 100 percent of the annual PAYGO revenues to fund authorized facilities for the first 20 years, beginning the fiscal year following the issuance of the first building permit or the issuance of the first series of bonds or other debt for the respective IA, whichever occurs first for each IA. Beginning the 21st year and thereafter, the City will be able to utilize 100 percent of the annual PAYGO revenues to fund or acquire eligible facilities.

Estimated Cost of Public Services

The District is eligible to finance the authorized public services described in the Description of Facilities and Services section of this Report. The authorized public services and the estimated costs herein are subject to review and confirmation and the actual costs may differ from the estimated costs presented below.

District Services Cost Estimate for each IA

Description	IA 1	IA 2A	IA 2B	IA 3
Landscaping & Irrigation	$2,017	$4,639	$5,042	$2,622
Sound Walls	4,809	1,390	1,279	4,170
Streetlights	21,756	0	25,540	0
Storm Drain	118,400	74,000	148,000	204,000
Park Maintenance	39,093	46,600	60,622	55,381
Public Safety Services	16,864	17,236	25,001	23,890
Total Services Cost Estimate for each IA:	**$202,939**	**$143,865**	**$265,484**	**$290,063**

Annual Appropriations Limit

The Fiscal Year 2026/27 annual appropriations limit for each IA is:

- IA 1: $31,000,000

- IA 2A: $21,000,000
- IA 2B: $35,000,000
- IA 3: $47,000,000

Maximum Bonded Indebtedness

The maximum authorized bonded indebtedness for each IA is:

- IA 1: $31,000,000
- IA 2A: $21,000,000
- IA 2B: $35,000,000
- IA 3: $47,000,000

Maximum Special Tax Rates

The determination and application of the maximum special tax rates for the Improvement Areas are more fully set forth in the Rate and Method of Apportionment for each IA, which are included under Appendices B through E of this Report. The Rate and Method of Apportionment for each IA of the District was included as part of the Resolution of Intention, approved by the City Council on April 14, 2026, and established Fiscal Year 2026/27 maximum special tax rates. The Fiscal Year 2026/27 maximum special tax rates for each IA are presented in the tables on the following pages.

Annual Maximum Special Tax Escalation

On each July 1, commencing on July 1, 2027, the Facilities Special Tax shall be increased by 2% of the maximum facilities special tax in effect for the previous Fiscal Year.

On each July 1, commencing on July 1, 2027, the Services Special Tax shall be increased by the maximum of two percent (2%) or the June annualized percentage change of the Consumer Price Index for all Urban Consumers, for the San Francisco-Oakland-San Jose area, not to exceed four percent (4%).

On each July 1, commencing on July 1, 2027, the Transition Services Special Tax shall be increased by the maximum of two percent (2%) or the June annualized percentage change of the Consumer Price Index for all Urban Consumers, for the San Francisco-Oakland-San Jose area, not to exceed four percent (4%).

IA 1
Maximum Special Tax Rates
Fiscal Year 2026/27

Land Use Category	Lot / Village #	2026-2027 Maximum Facilities Special Tax Rate[1]	2026-2027 Maximum Services Special Tax Rate[2]	Taxed Per
Developed Property:				
Single-Family Detached Property – SF Zoning	5	$3,920	$858	Residential Lot
Single-Family Detached Property – SFHD Zoning	6	3,505	616	Residential Lot
Single-Family Detached Property – SF Zoning	7A	5,402	977	Residential Lot
Single-Family Detached Property – SFHD Zoning	7B	4,522	659	Residential Lot
Single-Family Detached Property – SF Zoning	7B	5,719	659	Residential Lot
Small Lot Final Map Property:				
Single-Family Detached Property – SF Zoning	5	$3,920	$858	Residential Lot
Single-Family Detached Property – SFHD Zoning	6	3,505	616	Residential Lot
Single-Family Detached Property – SF Zoning	7A	5,402	977	Residential Lot
Single-Family Detached Property – SFHD Zoning	7B	4,522	659	Residential Lot
Single-Family Detached Property – SF Zoning	7B	5,719	659	Residential Lot
Permit Ready Multi-Family/Non-Residential Property		$20,000	N/A	Acre
Large Lot Property		$20,000	N/A	Acre
Undeveloped Property		$20,000	N/A	Acre

IA 2A
Maximum Special Tax Rates
Fiscal Year 2026/27

Land Use Category	Lot / Village #	2026-2027 Maximum Facilities Special Tax Rate[1]	2026-2027 Maximum Services Special Tax Rate[2]	Taxed Per
Developed Property:				
Multi-Family Attached Property – MLD Zoning	1A	$2,547	$450	Residential Lot
Multi-Family Attached Property – MLD Zoning	1B	2,598	470	Residential Lot
Multi-Family Attached Property – MLD Zoning	1C	2,498	400	Residential Lot
Small Lot Final Map Property:				
Multi-Family Attached Property – MLD Zoning	1A	$2,547	$450	Residential Lot
Multi-Family Attached Property – MLD Zoning	1B	2,598	470	Residential Lot
Multi-Family Attached Property – MLD Zoning	1C	2,498	400	Residential Lot
Permit Ready Multi-Family/Non-Residential Property		$23,000	N/A	Acre
Large Lot Property		$23,000	N/A	Acre
Undeveloped Property		$23,000	N/A	Acre

IA 2B
Maximum Special Tax Rates
Fiscal Year 2026/27

Land Use Category	Lot / Village #	2026-2027 Maximum Facilities Special Tax Rate[1]	2026-2027 Maximum Services Special Tax Rate[2]	Taxed Per
Developed Property:				
Single-Family Detached Property – SFHD Zoning	2A	$2,947	$578	Residential Lot
Single-Family Detached Property – SFHD Zoning	2B	2,563	566	Residential Lot
Multi-Family Attached Property – MLD Zoning	3A	2,573	461	Residential Lot
Single-Family Detached Property – SF Zoning	3B	5,025	857	Residential Lot
Single-Family Detached Property – SF Zoning	4A	3,848	931	Residential Lot
Single-Family Detached Property – SF Zoning	4B	5,042	840	Residential Lot
Small Lot Final Map Property:				
Single-Family Detached Property – SFHD Zoning	2A	$2,947	$578	Residential Lot
Single-Family Detached Property – SFHD Zoning	2B	2,563	566	Residential Lot
Multi-Family Attached Property – MLD Zoning	3A	2,573	461	Residential Lot
Single-Family Detached Property – SF Zoning	3B	5,025	857	Residential Lot
Single-Family Detached Property – SF Zoning	4A	3,848	931	Residential Lot
Single-Family Detached Property – SF Zoning	4B	5,042	840	Residential Lot
Permit Ready Multi-Family/Non-Residential Property		$20,000	N/A	Acre
Large Lot Property		$20,000	N/A	Acre
Undeveloped Property		$20,000	N/A	Acre

IA 3
Maximum Special Tax Rates
Fiscal Year 2026/27

Land Use Category	Lot / Village #	2026-2027 Maximum Facilities Special Tax Rate[1]	2026-2027 Maximum Services Special Tax Rate[2]	Taxed Per
Developed Property:				
Single-Family Detached Property – SF Zoning	8A	$4,237	$695	Residential Lot
Single-Family Detached Property – SF Zoning	8A	4,083	695	Residential Lot
Single-Family Detached Property – SF Zoning	8B	5,013	869	Residential Lot
Single-Family Detached Property – SF Zoning	8C	5,563	816	Residential Lot
Single-Family Detached Property – SF Zoning	9A	5,086	796	Residential Lot
Single-Family Detached Property – SF Zoning	9B	4,279	653	Residential Lot
Small Lot Final Map Property:				
Single-Family Detached Property – SF Zoning	2A	$4,237	$695	Residential Lot
Single-Family Detached Property – SF Zoning	2B	4,083	695	Residential Lot
Single-Family Detached Property – SF Zoning	3A	5,013	869	Residential Lot
Single-Family Detached Property – SF Zoning	3B	5,563	816	Residential Lot
Single-Family Detached Property – SF Zoning	4A	5,086	796	Residential Lot
Single-Family Detached Property – SF Zoning	4B	4,279	653	Residential Lot
Permit Ready Multi-Family/Non-Residential Property		$20,000	N/A	Acre
Large Lot Property		$20,000	N/A	Acre
Undeveloped Property		$20,000	N/A	Acre

RATE AND METHOD OF APPORTIONMENT

All of the property located within the District, unless exempted by law or by the Rate and Method of Apportionment, shall be taxed for the purpose of providing the necessary facilities and services for the District. Pursuant to Section 53325.3 of the Act, the tax imposed "is a special tax and not a special assessment, and there is no requirement that the tax be apportioned on the basis of benefit to any property." The special tax "may be based on benefit received by parcels of real property, the cost of making facilities available to each parcel, or other reasonable basis as determined by the legislative body," although the special tax may not be apportioned on an ad valorem basis pursuant to Article XIIIA of the California Constitution.

As shown in Appendices B through E, the Rate and Method of Apportionment for each IA provides information sufficient to allow each property owner to estimate the maximum special tax that he or she will be required to pay.

Term of Facilities, Services, & Transition Services Special Tax

The District's facilities special tax shall be levied commencing in Fiscal Year 2026/27 and shall be levied to the extent necessary to fully satisfy the annual facilities special tax requirement. For each IA, the facilities special tax shall be levied for a period no longer than the earlier of fiscal year 2085/86 or the fiscal year occurring 50 years following the fiscal year in which the first building permit was issued or the first series of bonds or other debt was issued within the IA.

The District's services special tax shall be levied commencing in Fiscal Year 2026/27 and shall be levied until the transition event occurs, which shall be the earlier of Fiscal Year 2085/86 or the or the fiscal year when the District administrator determines that both of the following events have occurred (1) all Bonds secured by the levy and collection of the facilities special tax in an improvement area have been fully repaid and the City determines that no additional bonds are to be issued, and (2) all facilities administrative expenses have been paid or reimbursed to an improvement area. The District's transition services special tax shall commence in the transition year, which is the first year in which the District administrator determines that the transition event occurred in the prior fiscal year.

The District's transition services special tax shall be levied commencing in the transition year and shall be levied in perpetuity unless and until such time the City determines that revenues are no longer needed to pay the transition services special tax requirement.

Manner of Collection

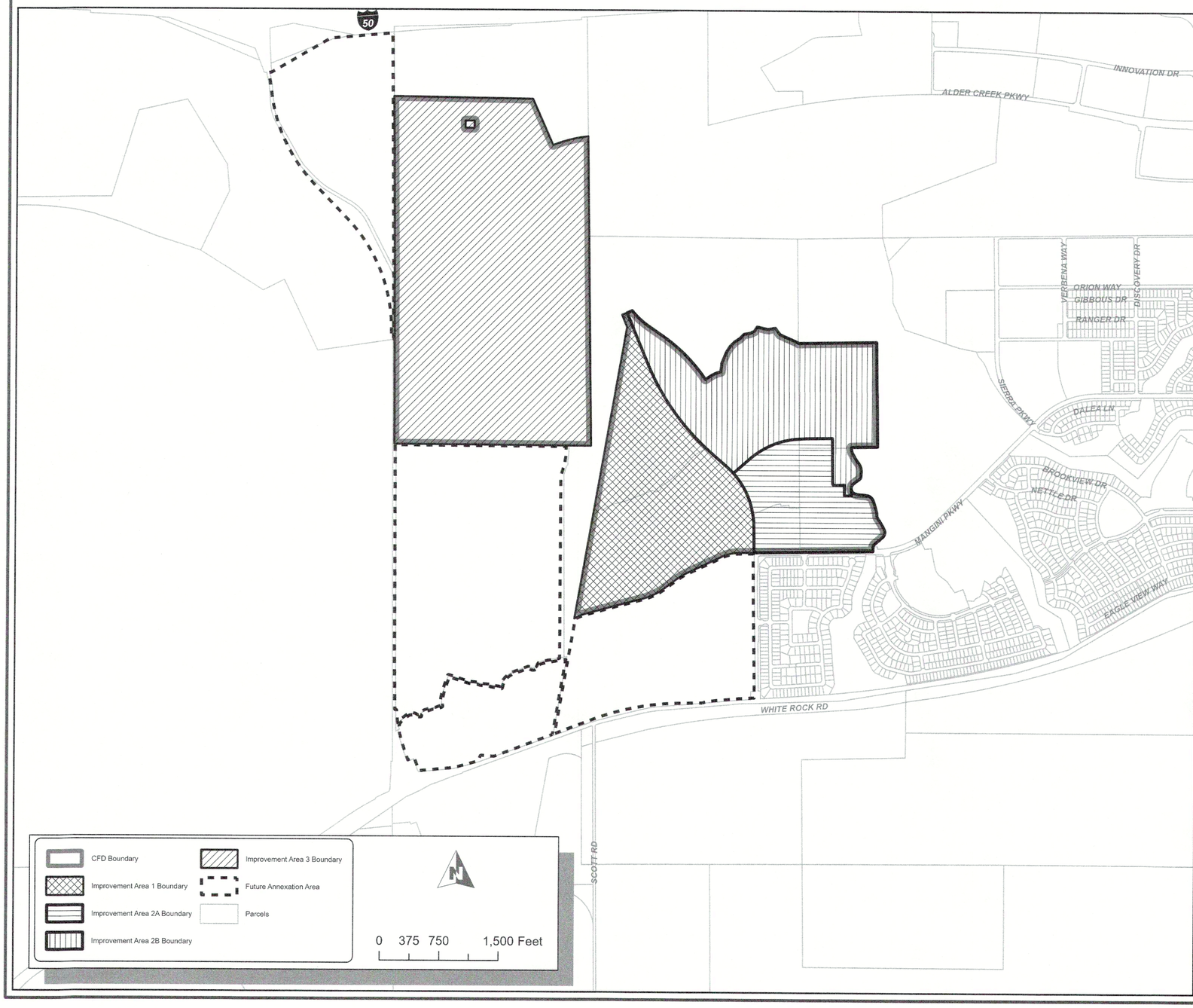
The annual District special tax shall be collected in the same manner and at the same time as ordinary ad valorem property taxes; provided, however, that the City, may directly bill the District special tax, and may collect special taxes at a different time or in a different manner as necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on Assessor's Parcels of taxable property that are delinquent in the payment of special taxes.

APPENDIX A: BOUNDARY MAP

The boundary map for the District, including the boundaries for the Improvement Areas, is shown on the following pages. The lines and dimensions of each lot or parcel within the District are those lines and dimensions shown on the maps of the County Assessor, at the time this Report was prepared, and are incorporated by reference herein and made part of this Report.

MAP OF PROPOSED BOUNDARIES
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24
(ALDER CREEK WEST)

CITY OF FOLSOM
COUNTY OF SACRAMENTO
STATE OF CALIFORNIA



FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF FOLSOM THIS 16th DAY OF April, 2026

CITY CLERK
CITY OF FOLSOM
SACRAMENTO COUNTY, CALIFORNIA

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING THE PROPOSED BOUNDARIES OF THE CITY OF FOLSOM COMMUNITY FACILITIES DISTRICT NO. 24 (ALDER CREEK WEST), CITY OF FOLSOM, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF FOLSOM, AT A MEETING THEREOF, HELD ON THE 14 DAY OF April, 2026, BY ITS RESOLUTION NO. 11581.

CITY CLERK
CITY OF FOLSOM
SACRAMENTO COUNTY, CALIFORNIA

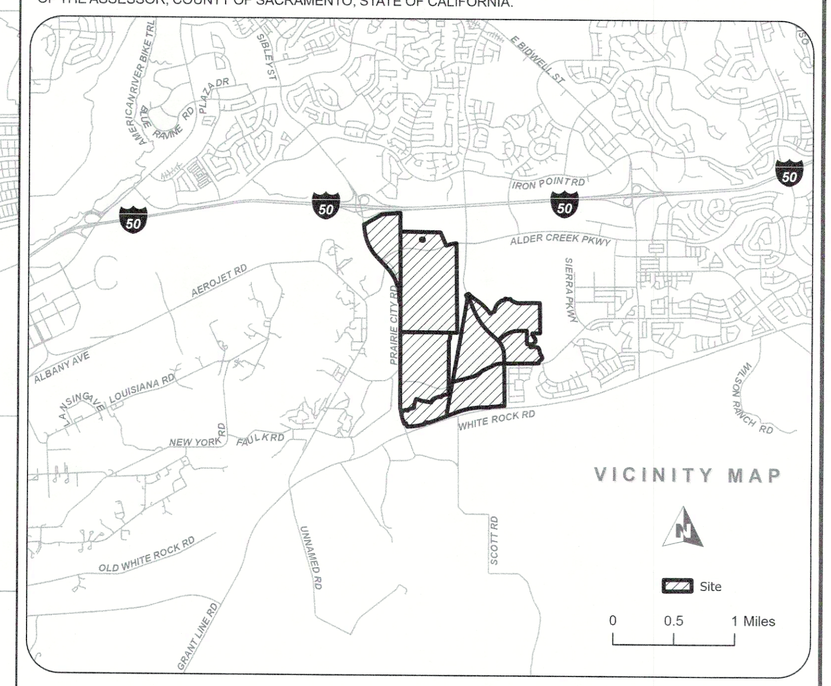
FILED THIS 16TH DAY OF APRIL, 2026, AT THE HOUR OF 11:13 O'CLOCK A M, IN BOOK 148 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE 35 IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA.

Florence Evans
COUNTY RECORDER
COUNTY OF SACRAMENTO, CALIFORNIA

DEPUTY

202604110877
Document No.

FOR PARTICULARS OF THE LINES AND DIMENSIONS OF ASSESSOR PARCELS, REFERENCE IS MADE TO THE MAPS OF THE ASSESSOR, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA.



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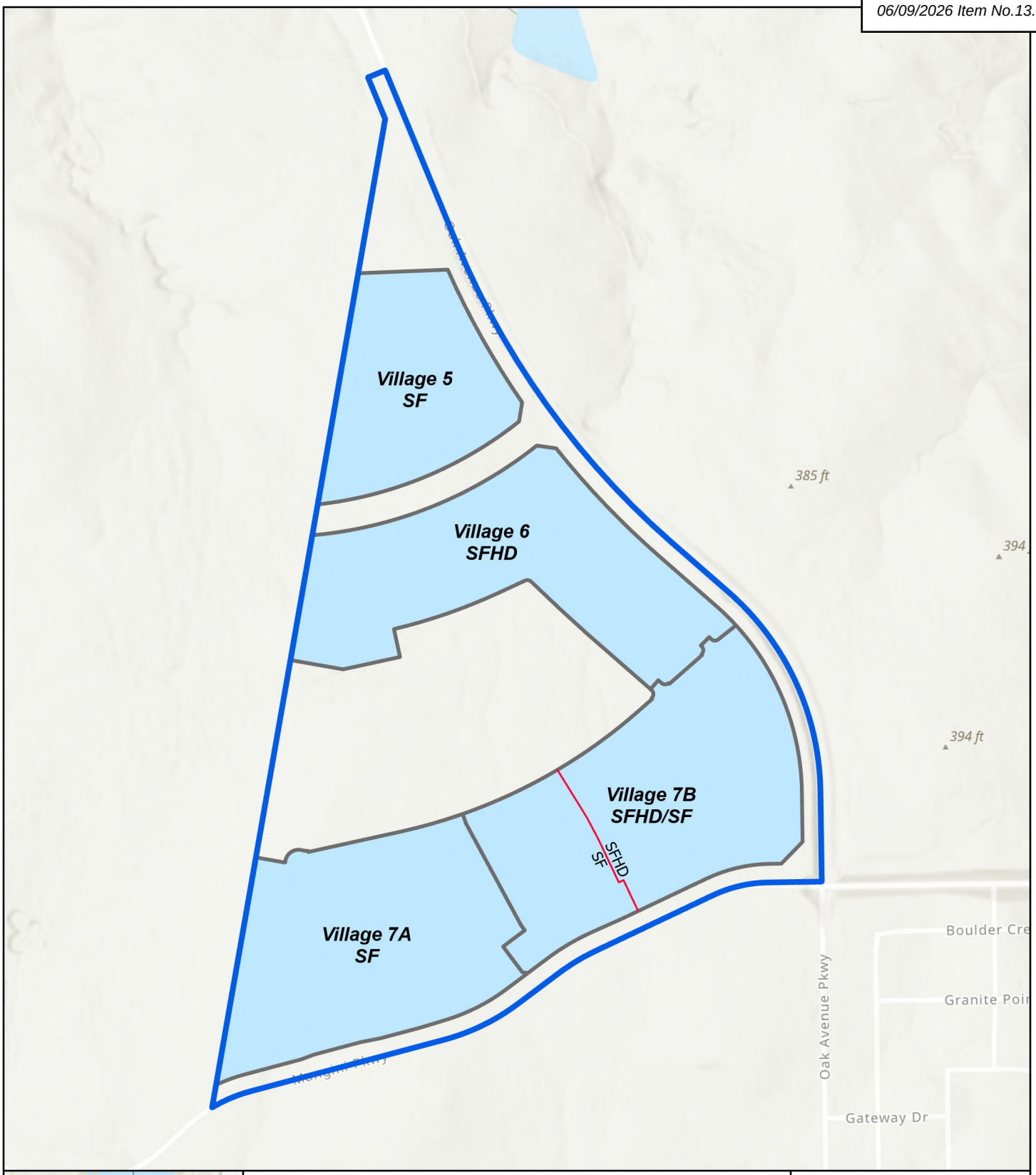
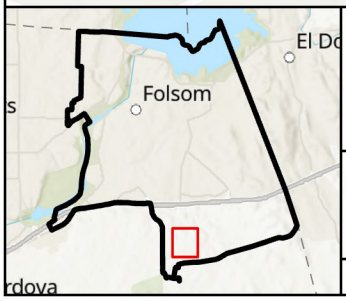
Geographic Coordinate Reference: GCS North American 1983
Projection: NAD 1983 StatePlane California II FIPS 0402 Feet

NBS





City of Folsom
Community Facilities District No. 24 (Alder Creek West)
Improvement Area 1

Improvement Area 1 Boundary

Village Boundaries

2026

N

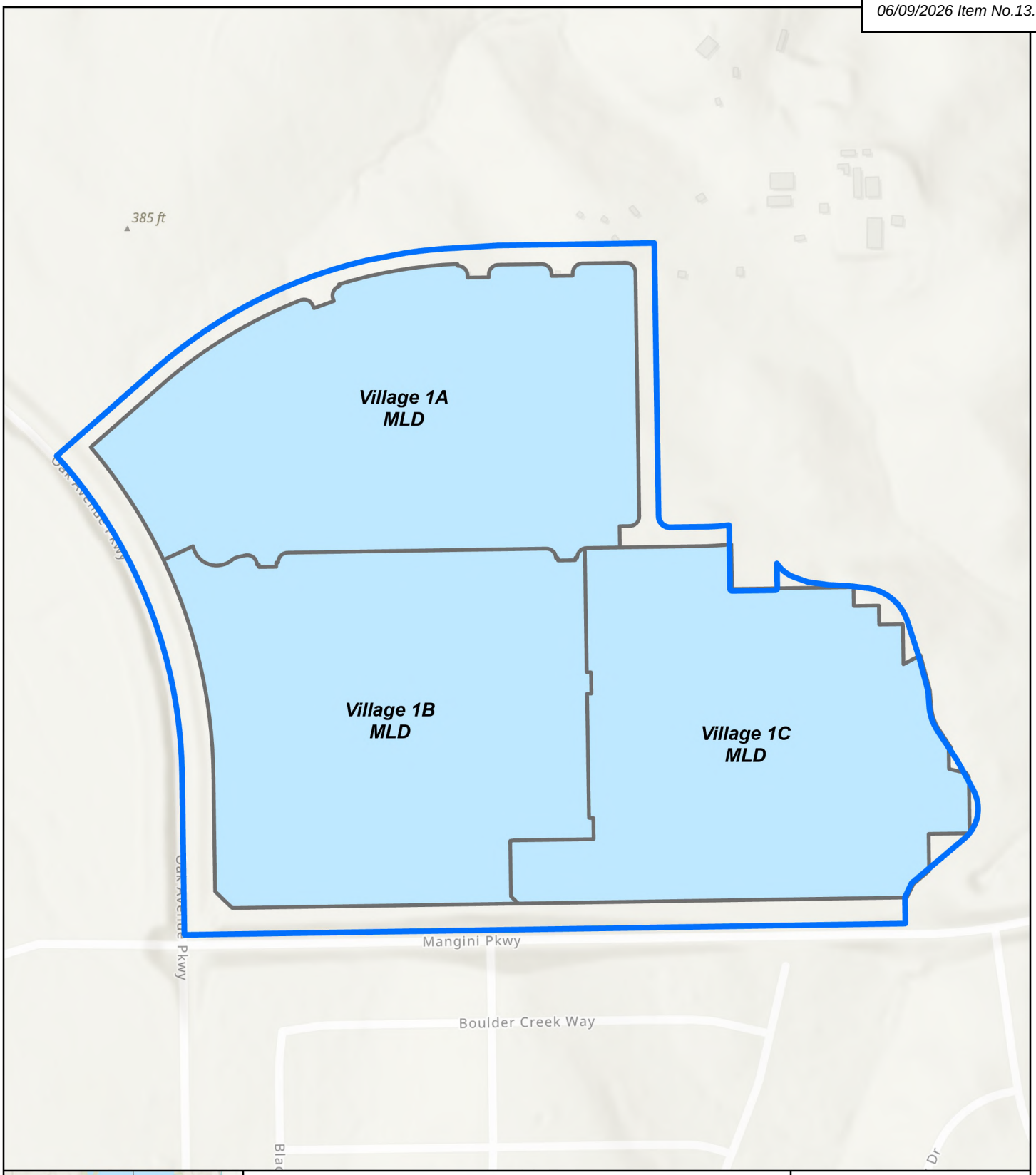
0 0.05 0.1 Mi

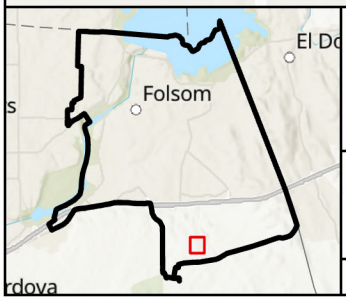
0 300 600 US Feet

Coordinate System: NAD 1983 State[illegible] I FIPS 0402 Feet

For illustration purposes o[illegible]ficial map.

NBS helping communities fund tomorrow





City of Folsom
Community Facilities District No. 24 (Alder Creek West)
Improvement Area 2A

Improvement Area 2A Boundary
Village Boundaries

2026

N

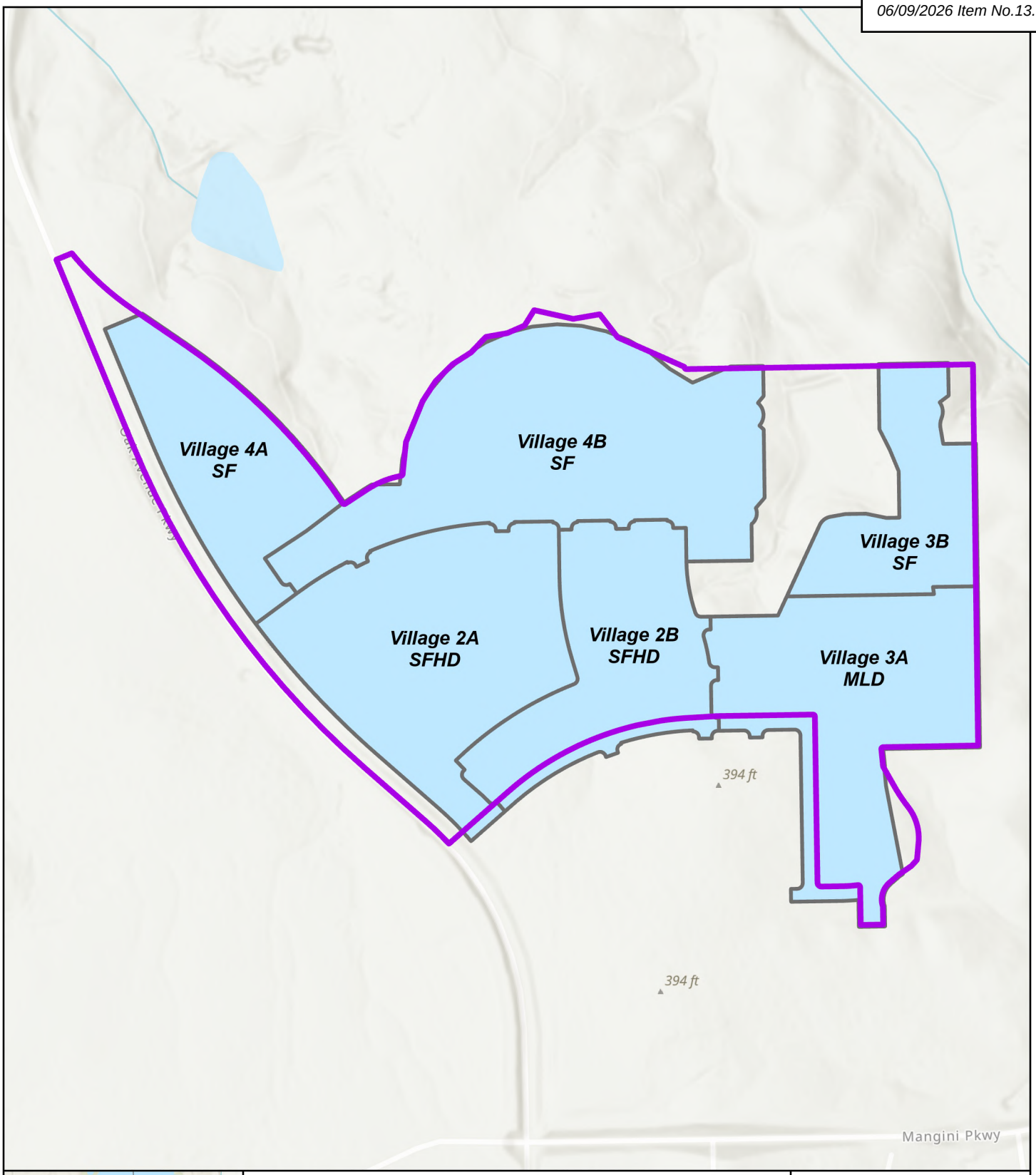
0 0.03 0.06 Mi

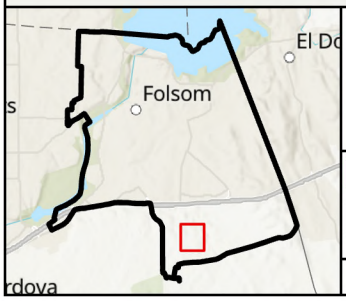
0 165 330 US Feet

Coordinate System: NAD 1983 State I FIPS 0402 Feet

For illustration purposes o ficial map.

NBS helping communities fund tomorrow





City of Folsom
Community Facilities District No. 24 (Alder Creek West)
Improvement Area 2B

Improvement Area 2B Boundary
Village Boundaries

2026

N

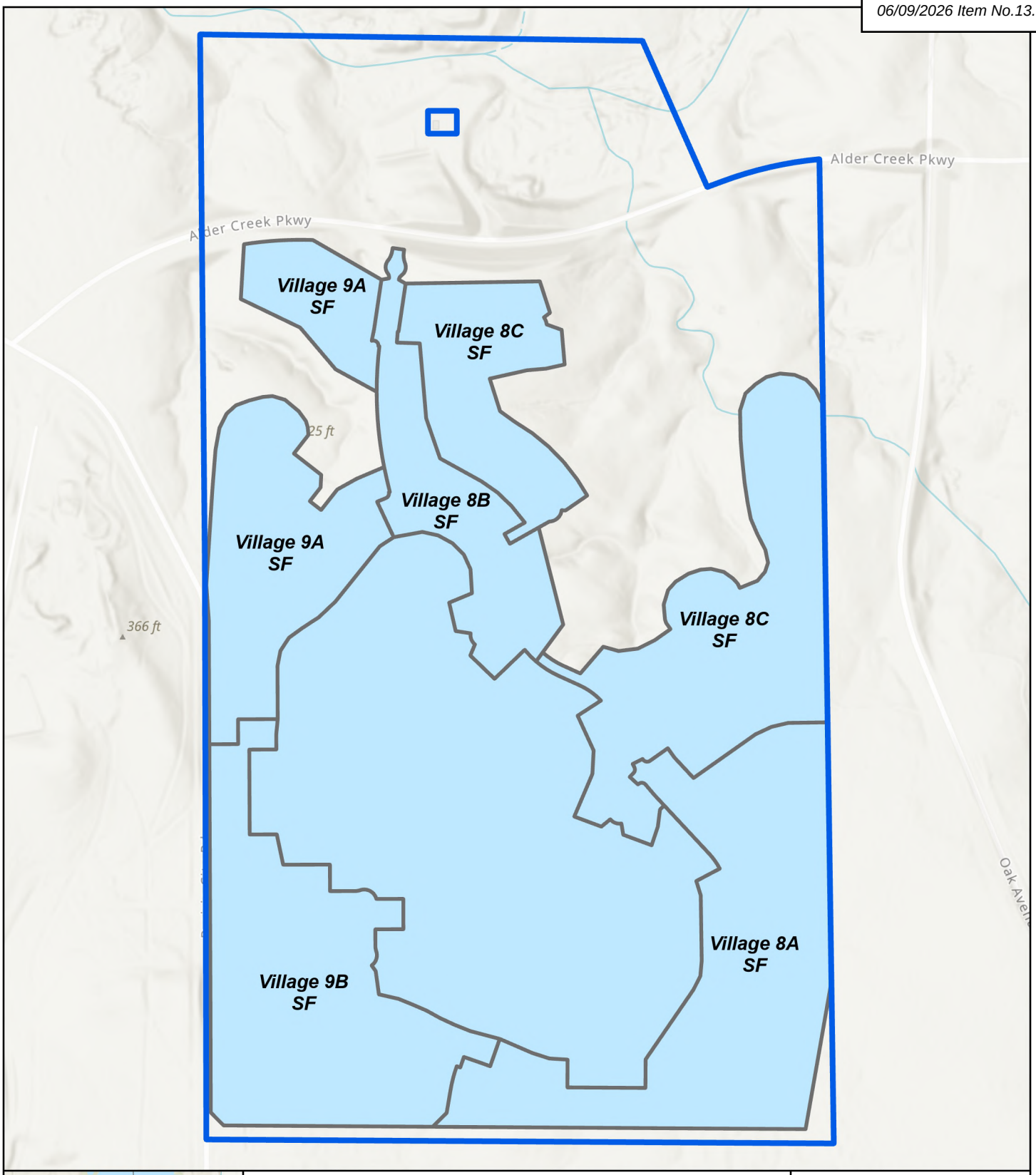
0 0.05 0.1 Mi

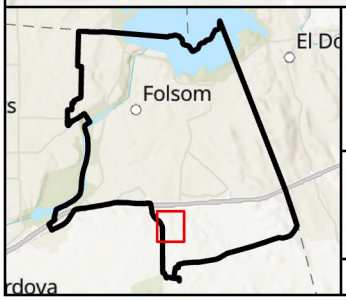
US Feet
0 275 550

Coordinate System: NAD 1983 State I FIPS 0402 Feet

For illustration purposes o ficial map.

NBS helping communities fund tomorrow





City of Folsom
Community Facilities District No. 24 (Alder Creek West)
Improvement Area 3

Improvement Area 3 Boundary

Village Boundaries

2026

N

0 0.05 0.1 Mi

0 320 640 US Feet

Coordinate System: NAD 1983 Statel I FIPS 0402 Feet

For illustration purposes o ficial map.

NBS helping communities fund tomorrow

APPENDIX B: RATE AND METHOD OF APPORTIONMENT – IA 1

The following pages provide a copy of the Rate and Method of Apportionment for IA 1.

RATE AND METHOD OF APPORTIONMENT FOR
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24
(ALDER CREEK WEST)
IMPROVEMENT AREA 1

A Special Tax, as hereinafter defined, shall be levied on each Assessor's Parcel of Taxable Property within the City of Folsom Community Facilities District No. 24 (Alder Creek West) Improvement Area 1 (CFD No. 24 IA1) and collected each Fiscal Year in an amount determined by the CFD No. 24 IA1 Administrator through the application of the Rate and Method of Apportionment as described below. All of the real property within CFD No. 24 IA1, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

A. GENERAL DEFINITIONS

The terms hereinafter set forth have the following meaning:

"Accessory Dwelling Unit" or **"ADU"** means a secondary residential unit of limited size, as defined in California Government Code Section 66313, as may be amended from time to time, that is accessory to a single-unit dwelling. The ADU may be on the same Assessor's Parcel as the single-unit dwelling or on a separate Assessor's Parcel. For purposes of clarification, where an ADU and primary Unit are on the same Assessor's Parcel, the ADU located on such Assessor's Parcel is considered a separate Unit from the primary Unit on such Assessor's Parcel for purposes of the Special Tax. Should an Assessor's Parcel contain only an ADU, such Assessor's Parcel will be taxed as an ADU only.

"Acre" or **"Acreage"** means the land area of an Assessor's Parcel as shown on County records, such as an Assessor's Parcel Map and secured roll data, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable Large Lot Map, Small Lot Final Subdivision Map, condominium plan, record of survey, or other recorded document creating or describing the parcel. If the preceding maps for a land area are not available, the Acreage of such land area may be determined utilizing available spatial data and GIS. The square footage of an Assessor's Parcel is equal to the Acreage of such parcel multiplied by 43,560.

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Division 2 of Title 5 of the Government Code of the State of California.

"Assessor's Parcel" or **"Parcel"** means a lot or parcel shown in an Assessor's Parcel Map with an assigned Assessor's Parcel number.

"Assessor's Parcel Map" means an official map of the County Assessor of the County designating lots or parcels by an Assessor's Parcel number.

"Authorized Services" means the services authorized to be financed by CFD No. 24 IA1.

"Bond Year" means a one-year period beginning on September 2nd in each year and ending on September 1st in the following year, unless defined differently in the applicable Indenture.

"Bonds" means any bonds or other debt (as defined in the Act), whether in one or more series, issued by CFD No. 24 IA1 under the Act.

"CFD No. 24 IA1" means City of Folsom Community Facilities District No. 24 (Alder Creek West) Improvement Area 1.

"CFD No. 24 IA1 Administrator" means the City's Finance Director, or designee thereof, responsible for determining the Facilities Special Tax Requirement, Services Special Tax Requirement and providing for the levy and collection of the Special Taxes.

"City" means the City of Folsom.

"City Council" means the City Council of the City, acting as the legislative body of CFD No. 24 IA1.

"County" means the County of Sacramento.

"Developed Property" means, for each Fiscal Year, all Taxable Property for which a building permit for new construction was issued prior to June 30 of the previous Fiscal Year.

"Effective Tax Rate Evaluation" means an evaluation of the Total Effective Tax Rate of Residential Property at the time of such evaluation. The Effective Tax Rate Evaluation will be based upon a prepared Price Point Study to determine the Total Effective Tax Rate for Residential Property, based upon the calculated Total Estimated Tax Burden.

"Effective Tax Rate Evaluation Maximum Facilities Special Tax" means the total maximum annual Facilities Special Tax, as determined during the Effective Tax Rate Evaluation, in accordance with the provisions of Section C.2, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate" means the maximum annual Facilities Special Tax rate for each land use category of Taxable Property that will be set forth in Attachment C, following the Effective Tax Rate Evaluation, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Effective Tax Rate Evaluation Minimum Facilities Revenue" means, following the Effective Tax Rate Evaluation, the total minimum amount of CFD No. 24 IA1 Effective Tax Rate Evaluation Maximum Facilities Special Tax, as adjusted annually by the Facilities Special Tax Escalation Factor after the Fiscal Year in which the Effective Tax Rate Evaluation occurs, less any Effective Tax Rate Evaluation Maximum Facilities Special Tax amounts partially prepaid pursuant to Section L. The Effective Tax Rate Evaluation Minimum Facilities Revenue, based on Planned Development, is set forth in Attachment D of this Rate and Method of Apportionment.

"Exempt Property" means all Assessors' Parcels that are exempt from the Special Tax pursuant to Section F.

"Facilities Administrative Expenses" means the actual or reasonably estimated costs directly related to the administration of the Facilities Special Tax including, but not limited to, the following: the costs of computing the Facilities Special Tax and preparing the annual Facilities Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Facilities Special Taxes (whether by the County, the City, or otherwise); the costs of remitting the Facilities Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of

the duties required of it under the Indenture; the costs to the City, CFD No. 24 IA1, or any designee thereof of complying with arbitrage rebate requirements or responding to questions from the IRS or SEC pertaining to any Bonds or any audit of any Bonds by the SEC or IRS; the costs to the City, CFD No. 24 IA1, or any designee thereof of providing continuing disclosure regarding the Bonds pursuant to applicable state or federal securities law; the costs associated with preparing Facilities Special Tax disclosure statements and responding to public inquiries regarding the Facilities Special Taxes; the costs of the City, CFD No. 24 IA1, or any designee thereof related to any appeal of the levy or application of the Facilities Special Tax; the costs associated with the release of funds from an escrow account, if any; and the costs associated with computing and preparing the Effective Tax Rate Evaluation, including the Price Point Study. Facilities Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 24 IA1 for any other administrative purposes, including, but not limited to, attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Facilities Special Taxes.

"Facilities Special Tax" means the annual Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Facilities Special Tax Requirement.

"Facilities Special Tax Escalation Factor" means two percent (2%) annually.

"Facilities Special Tax Requirement" means that amount of Special Tax revenue required in any Fiscal Year for CFD No. 24 IA1 to: (i) Pay Facilities Administrative Expenses in an amount designated by the City; (ii) pay annual debt service on all Outstanding Bonds due in the Bond Year beginning in such Fiscal Year; (iii) pay other periodic costs on Outstanding Bonds, including but not limited to, credit enhancement and rebate payments on Outstanding Bonds; (iv) pay any amounts required to establish or replenish any reserve funds for all Outstanding Bonds in accordance with the Indenture; (v) pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year and known upcoming delinquencies; and (vi) pay for Pay As You Go Costs; less (vii) a credit for funds available to reduce the annual Facilities Special Tax levy as determined by the CFD No. 24 IA1 Administrator pursuant to the Indenture.

"Facilities Special Tax Term" means the earlier of Fiscal Year 2085-2086 or the Fiscal Year occurring 50 years following the Fiscal Year in which the first building permit was issued, or the first series of Bonds was issued within CFD No. 24 IA1.

"Fiscal Year" means the period starting July 1 and ending on the following June 30.

"Indenture" means the indenture, fiscal agent agreement, trust agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended and/or supplemented from time to time, and any instrument replacing or supplementing the same.

"Large Lot Map" means a recorded subdivision map creating larger parcels by land use. The Large Lot Map does not create individual lots for which building permits may be issued for single-family Residential Units.

"Large Lot Property" means, for each Fiscal Year, all Taxable Property for which a Large Lot Map was recorded prior to June 30 of the previous Fiscal Year, excluding any portion(s) thereof classified as

Developed Property, Small Lot Final Map Property, or Permit Ready Multi-Family/Non-Residential Property. Large Lot Property also means, for each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property as of June 30 of the previous Fiscal Year.

"Maximum Facilities Special Tax" means the total maximum annual Facilities Special Tax, determined in accordance with the provisions of Section C, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Maximum Facilities Special Tax Rate" means the maximum annual Facilities Special Tax rate for each land use category of Taxable Property, as shown in Attachment A, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Maximum Services Special Tax" means the total maximum annual Services Special Tax, determined in accordance with the provisions of Section D, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Maximum Services Special Tax Rate" means the maximum annual Services Special Tax rate for each land use category of Taxable Property, as shown in Attachment A, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Maximum Special Tax" means, prior to the Transition Year, the total annual Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) and Maximum Services Special Tax, determined in accordance with the provisions of Section C and Section D, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

Beginning in the Transition Year, "Maximum Special Tax", means the total annual Maximum Transition Services Special Tax, determined in accordance with the provisions of Section D, which may be levied in any Fiscal Year following the Transition Event on any Assessor's Parcel of Taxable Property

"Maximum Total Effective Tax Rate" means 1.80%, unless the City determines, in its sole discretion, that a higher Maximum Total Effective Tax Rate is appropriate.

"MHD Multi-Family Attached Property" means all Assessor's Parcels for which a building permit could be issued for purposes of constructing one or more attached Residential Units per Assessor's Parcel with a permitted density range of greater than 20 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council. MHD Multi-Family Attached Property shall also include an Assessor's Parcel or that portion of an Assessor's Parcel designated as a Mixed Use Residential Parcel.

"Minimum Facilities Revenue" means the minimum amount of total CFD No. 24 IA1 Maximum Facilities Special Tax, as adjusted annually by the Facilities Special Tax Escalation Factor, less any Maximum Facilities Special Tax amounts partially prepaid pursuant to Section L. The Minimum Facilities Revenue, based on Planned Development, is set forth in Attachment B of this Rate and Method of Apportionment. Following the Transition Event, the Minimum Facilities Revenue shall be zero.

"MMD Multi-Family Attached Property" means all Assessor's Parcels for which a building permit could be issued for purposes of constructing one or more attached Residential Units per Assessor's

Parcel with a permitted density range of 12-20 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

"Mixed-Use Residential Parcel" means a mixed-use Assessor's Parcel that is designated for residential land use. If the mixed-use Assessor's Parcel contains a combination of residential land use and non-residential land use, only that portion of an Assessor's Parcel designated for residential land use shall be classified as a Mixed-Use Residential Parcel and the remaining non-residential land use of the Assessor's Parcel shall be classified as Non-Residential Property.

"Non-Residential Property" means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing non-residential buildings.

"Open Space Property" means property within the boundaries of CFD No. 24 IA1 which (a) has been designated with specific boundaries and acreage on a Small Lot Final Subdivision Map as open space, or (b) is classified by the City zoning code or County Assessor as open space, or (c) has been irrevocably offered for dedication as open space to the federal government, the State of California, the County, the City, any other public agency, a private, non-profit organization, or (d) is encumbered by an easement or other restriction required by the City limiting the use of such property to open space.

"Outstanding Bonds" means all Bonds, which remain outstanding as defined in the Indenture pursuant to which such Bonds were issued.

"Pay as You Go Costs" means that portion of the Facilities Special Tax Requirement attributable to the direct payment for the acquisition and/or construction of public improvements, which are authorized to be financed by CFD No. 24 IA1.

"Permit Ready Multi-Family/Non-Residential Property" means an Assessor's Parcel of Taxable Property zoned for multi-family or non-residential land use for which all discretionary entitlements have been obtained, including, without limitation, development plan review and improvement plan approval, such that building permits may be issued without further approvals for the construction of multi-family Residential Units or non-residential buildings within such Assessor's Parcel. The City shall have sole discretion, based upon available development information, in classifying an Assessor's Parcel as Permit Ready Multi-Family/Non-Residential Property.

"Planned Development" means the planned number of Residential Lots, MHD Multi-Family Attached Property Acreage, MMD Multi-Family Attached Property Acreage, and Non-Residential Property Acreage planned within CFD No. 24 IA1, set forth in Attachment B or, following the Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment, as amended by the future recordation of all Large Lot Maps and Small Lot Final Subdivision Maps within CFD No. 24 IA1.

"Price Point Study" means an analysis, prepared by an independent firm, to verify the estimated average sales price within each land use category of Residential Property given the project location and current market conditions.

"Property Owner Association Property" means any property within the boundaries of CFD No. 24 IA1, which is (a) owned by a property owner association or (b) designated with specific boundaries

and Acreage on a Small Lot Final Subdivision Map as property owner association property. As used in this definition, a property owner association includes any master or sub-association.

"Proportionately" means for Taxable Property that the ratio of the Facilities Special Tax levy to the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) and the Services Special Tax levy to the Maximum Services Special Tax is equal for all Assessors' Parcels within each classification (Developed Property, Single Family Final Map Property, Permit Ready Multi-Family/Non-Residential Property, Large Lot Property, etc.) within CFD No. 24 IA1.

"Public Property" means any property within the boundaries of CFD No. 24 IA1, which (a) is owned by a public agency, (b) has been irrevocably offered for dedication to a public agency, or (c) is designated with specific boundaries and Acreage on a Small Lot Final Subdivision Map as property, which will be owned by a public agency. For purposes of this definition, a public agency includes the federal government, the State of California, the County, the City, or any other public agency.

"Residential Lot" means an individual lot of land for which a building permit could be issued to construct a Residential Unit.

"Residential Property" means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing Residential Units, including Single-Family Detached Property – SF/SFHD Zoning, Single-Family Detached Property – MLD Zoning, MHD Multi-Family Attached Property, and MMD Multi-Family Attached Property.

"Residential Unit" means a residential dwelling unit, including Accessory Dwelling Units, as allowed by the City zoning code.

"Services Administrative Expenses" means the actual or reasonably estimated costs directly related to the administration of the Services Special Tax including, but not limited to, the following: the costs of computing the Services Special Taxes and preparing the annual Services Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Services Special Taxes (whether by the County, the City, or otherwise); the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Services Special Tax; and the costs of the City, CFD No. 24 IA1, or any designee thereof related to any appeal of the levy or application of the Services Special Tax. Services Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 24 IA1 for any other administrative purposes related to the Services Special Tax.

"Services Special Tax" means, prior to the Transition Event, the annual Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Services Special Tax Requirement.

"Services Special Tax Escalation Factor" means the maximum of two percent (2%) or the June annualized percentage change of the Consumer Price Index for all Urban Consumers, for the San Francisco-Oakland-San Jose area, not to exceed four percent (4%).

"Services Special Tax Requirement" means the amount of Services Special Tax revenue required for CFD No. 24 IA1, before the Transition Year, to (i) pay Services Administrative Expenses in an amount

designated by the City; (ii) pay Authorized Services expenses; (iii) pay any amounts required to establish or replenish any repair and contingency funds, capital improvement funds, or reserve funds related to the Authorized Services expenses; (iv) cover any shortfalls that exist if, in any Fiscal Year, the levy of the Facilities Special Tax on each Assessor's Parcel of Taxable Property is insufficient to pay the Facilities Special Tax Requirement in that Fiscal Year. Facilities Special Tax Requirement shortfalls shall not include Pay As You Go Costs, and (v) pay for reasonably anticipated delinquent Services Special Taxes based on the delinquency rate for Services Special Taxes levied in the previous Fiscal Year; less (vi) a credit for funds available to reduce the annual Services Special Tax levy as determined by the CFD No. 24 IA1 Administrator.

"Single-Family Detached Property – MLD Zoning" means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing one or more detached or attached Residential Units with a permitted density range of 7-12 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

"Single-Family Detached Property – SF/SFHD Zoning" means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing one or more Residential Units. Single-Family Detached Property – SF/SFHD Zoning shall consist of either single-family property with a permitted density range of 1-4 Residential Units per Acre or single-family high density property with a permitted density range of 4-7 Residential Units per Acre, which is more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

"Special Tax" means, before the Transition Year, the annual Facilities Special Tax and Services Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Facilities Special Tax Requirement and the Services Special Tax Requirement.

Beginning in the Transition Year, the annual Transition Services Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Transition Services Special Tax Requirement.

"Small Lot Final Map Property" means, for each Fiscal Year, all Taxable Property for which a Small Lot Final Subdivision Map was recorded prior to June 30 of the previous Fiscal Year.

"Small Lot Final Map Remainder Property" means an Assessor's Parcel that is created from the subdivision of Large Lot Property by the recordation of a Small Lot Final Subdivision Map that has not yet been mapped for final development approval. Small Lot Final Map Remainder Property is that portion of property for which the Small Lot Final Subdivision Map definition does not apply (i.e., does not contain individual lots for which building permits may be issued for Residential Units without further subdivision of such property). Each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property, as of June 30 of the previous Fiscal Year, will be considered Large Lot Property.

"Small Lot Final Subdivision Map" means a subdivision of property created by recordation of a final subdivision map, parcel map or lot line adjustment, approved by the City pursuant to the Subdivision

Map Act (California Government Code Section 66410 et seq.) or recordation of a condominium plan pursuant to California Civil Code 1352, that creates individual lots for which building permits may be issued for Residential Units without further subdivision of such property.

"State" means the State of California.

"Taxable Property" means all of the Assessor's Parcels within the boundaries of CFD No. 24 IA1 that are not exempt from the CFD No. 24 IA1 Special Tax pursuant to law or Section F below.

"Total Effective Tax Rate" means the percentage of the Total Estimated Tax Burden as compared to the estimated average sales price identified in the Price Point Study for each land use category of Residential Property.

"Total Estimated Tax Burden" means the total amount of overlapping property taxes anticipated to be levied upon a Residential Unit, based upon the estimated average sales price identified in the Price Point Study and existing property tax rates for the current Fiscal Year. Existing property tax rates shall reflect the actual property tax rates levied upon Taxable Property in the Fiscal Year that the Effective Tax Rate Evaluation is completed.

"Transition Event" means the earlier of (i) Fiscal Year 2085-2086 or (ii) the Fiscal Year when the CFD No. 24 IA1 Administrator determines that both of the following events have occurred (1) all Bonds secured by the levy and collection of the Facilities Special Tax in CFD No. 24 IA1 have been fully repaid and the City determines that no additional Bonds are to be issued, and (2) all Facilities Administrative Expenses have been paid or reimbursed to CFD No. 24 IA1.

"Transition Services Administrative Expenses" means the actual or reasonably estimated costs directly related to the administration of the Transition Services Special Tax including, but not limited to, the following: the costs of computing the Transition Services Special Taxes and preparing the annual Transition Services Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Transition Services Special Taxes (whether by the County, the City, or otherwise); the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Transition Services Special Tax; and the costs of the City, CFD No. 24 IA1, or any designee thereof related to any appeal of the levy or application of the Transition Services Special Tax. Transition Services Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 24 IA1 for any other administrative purposes related to the Transition Services Special Tax.

"Transition Services Special Tax" means, after the Transition Event, the annual Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Transition Services Special Tax Requirement.

"Transition Services Special Tax Escalation Factor" means the maximum of two percent (2%) or the June annualized percentage change of the Consumer Price Index for all Urban Consumers, for the San Francisco-Oakland-San Jose area, not to exceed four percent (4%).

"Transition Services Special Tax Rate" means, calculated in the Transition Year, the amount equal to the prior year's Maximum Services Special Tax Rate plus fifty percent (50%) of the prior year's

Maximum Facilities Special Tax Rate. The Transition Services Special Tax Escalation Factor shall be applied beginning in the Transition Year. Following the Transition Year, the Transition Services Special Tax Rate shall be equal to the prior year's Transition Services Special Tax Rate, increased by the Transition Services Special Tax Escalation Factor.

"Transition Services Special Tax Requirement" Beginning in the Transition Year, to (i) pay Transition Services Administrative Expenses in an amount designated by the City; (ii) pay Authorized Services expenses; (iii) pay any amounts required to establish or replenish any repair, replacement and contingency funds, capital improvement funds, or reserve funds related to the Authorized Services expenses; (iv) pay for reasonably anticipated delinquent Transition Services Special Taxes based on the delinquency rate for Transition Services Special Taxes levied in the previous Fiscal Year; less (v) a credit for funds available to reduce the annual Transition Services Special Tax levy as determined by the CFD No. 24 IA1 Administrator.

"Transition Year" means the first year in which the CFD No. 24 IA1 Administrator determines that the Transition Event occurred in the prior Fiscal Year.

"Trustee" means the entity appointed pursuant to an Indenture to act as the trustee, fiscal agent, or paying agent or a combination thereof.

"Undeveloped Property" means, for each Fiscal Year, all Taxable Property not classified as Developed Property, Small Lot Final Map Property, Permit Ready Multi-Family/Non-Residential Property, or Large Lot Property.

"Welfare Exempt Property" means, in any Fiscal Year, all Parcels within the boundaries of CFD No. 24 IA1 that (a) have been granted a welfare exemption by the County under subdivision (g) of Section 214 of the Revenue and Taxation Code indicated in the Assessor's Data finalized as of January 1 of the previous Fiscal Year, and (b) are exempt from the Special Tax pursuant to Section 53340(c) of the Act. Pursuant to Section 53340(c) of the Act, after the issuance of the first series of Bonds, as applicable, any Assessor's Parcels that receives a welfare exemption under subdivision (g) of Section 214 of the Revenue and Taxation Code shall not be classified as Welfare Exempt Property and will be subject to the Facilities Special Tax.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, using City and County records, City zoning information, and land use development plans, all Assessor's Parcels within the boundaries of CFD No. 24 IA1 shall be designated as either Taxable Property or Exempt Property.

All Taxable Property shall be further classified as Developed Property, Small Lot Final Map Property, Permit Ready Multi-Family/Non-Residential Property, Large Lot Property, or Undeveloped Property and shall be subject to the levy of the annual Special Tax determined pursuant to Sections C and D below.

C. FACILITIES SPECIAL TAX

Prior to the Transition Year, a Maximum Facilities Special Tax shall be assigned to all Taxable Property within CFD No. 24 IA1 according to the Maximum Facilities Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

Once assigned, the sum of the total Maximum Facilities Special Tax shall be equal to or greater than the Minimum Facilities Revenue, unless adjusted by an Effective Tax Rate Evaluation as described below. The Minimum Facilities Revenue for Fiscal Year 2026-2027 is set forth in Attachment B of this Rate and Method of Apportionment.

On each July 1, commencing on July 1, 2027, the Maximum Facilities Special Tax Rates and Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Maximum Facilities Special Tax Rates and Minimum Facilities Revenue in effect for the previous Fiscal Year.

C.1. Future Assessor's Parcel Changes – Prior to an Effective Tax Rate Evaluation

The Maximum Facilities Special Tax shall be assigned to all future Assessor's Parcel(s) created from a subdivision, lot line adjustment, or merger of one or more Assessor's Parcels so that the revised sum of the total Maximum Facilities Special Tax revenue is not less than the Minimum Facilities Revenue set forth in Attachment B of this Rate and Method of Apportionment.

Undeveloped Property Subdividing into Large Lot Property

When Undeveloped Property subdivides into Large Lot Property, the Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. The expected Developed Property Maximum Facilities Special Tax for any Large Lot Property and any remaining Undeveloped Property shall be based upon the Planned Development for the Large Lot Property and remaining Undeveloped Property.

If the sum of the total expected Developed Property Maximum Facilities Special Tax generated by all of the Taxable Property is greater than or equal to the Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates for the Large Lot Property created from the Undeveloped Property subdivision.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Large Lot Property created from the Undeveloped Property subdivision, until the sum of the total expected Developed Property Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Further, if the sum of the total current Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, the Maximum Facilities Special Tax Rates for the Large Lot Property and any remaining Undeveloped Property created from the Undeveloped Property subdivision shall be Proportionately increased until the sum of the total current Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Attachment B of this Rate and Method of Apportionment shall be updated to reflect any increases to the Maximum Facilities Special Tax Rates from the Undeveloped Property subdivision. The

Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property.

Large Lot Property Subdividing into Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property

When Large Lot Property subdivides into Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property, the Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. If the Large Lot Property subdivision also creates Small Lot Final Map Remainder Property, the expected Developed Property Maximum Facilities Special Tax for the Small Lot Final Map Remainder Property shall be based upon the Planned Development for the Small Lot Final Map Remainder Property. The expected Developed Property Maximum Facilities Special Tax for any remaining Large Lot Property and Undeveloped Property shall be based upon the Planned Development of the Large Lot Property and the Undeveloped Property.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is greater than or equal to the Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates for the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, and such difference is not eliminated by the partial prepayment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax pursuant to Section L, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision, until the sum of the total expected Developed Property Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Attachment B of this Rate and Method of Apportionment shall be updated to reflect any increases to the Maximum Facilities Special Tax Rates from the Large Lot Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property created prior to the Large Lot Property subdivision.

C.2. Effective Tax Rate Evaluation

Prior to the issuance of the first series of Bonds within CFD No. 24 IA1 an Effective Tax Rate Evaluation will be completed. Following the Effective Tax Rate Evaluation, Attachment C of this

Rate and Method of Apportionment will be updated to reflect the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for all Taxable Property in CFD No. 24 IA1.

Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates

As part of the Effective Tax Rate Evaluation, a Price Point Study will be prepared and an estimated average sales prices will be established for each Residential Property land use category. Using the estimated average sales price information determined in the Price Point Study, the Total Estimated Tax Burden and Total Effective Tax Rate will be calculated, using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment A, for each Residential Property land use category. If the calculated Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for a Residential Property land use category, the Maximum Facilities Special Tax Rate shall not be adjusted and will be assigned using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment A. Attachment C of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category.

If the Total Effective Tax Rate for any Residential Property land use category exceeds the Total Maximum Effective Tax Rate, the Developed Property Maximum Facilities Special Tax Rate set forth in Attachment A shall be reduced until the Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for that Residential Property land use category. Attachment C of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category.

Effective Tax Rate Evaluation Minimum Facilities Revenue

As a result of the Effective Tax Rate Evaluation, if the calculated Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for a Residential Property land use category used in the Minimum Facilities Revenue calculation, the Developed Property Maximum Facilities Special Tax Rate for the applicable Residential Property land use category shall not be adjusted and the Effective Tax Rate Evaluation Developed Property Maximum Facilities Special Tax Rate will be assigned using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment B. Attachment D of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category and the Effective Tax Rate Evaluation Minimum Facilities Revenue.

If the calculated Total Effective Tax Rate exceeds the Total Maximum Effective Tax Rate for a Residential Property land use category used in the Minimum Facilities Revenue calculation, the Effective Tax Rate Evaluation Developed Property Maximum Facilities Special Tax Rate will be assigned using the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates set forth in Attachment C. Attachment D of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum

Facilities Special Tax Rate for each Residential Property land use category and the Effective Tax Rate Evaluation Minimum Facilities Revenue.

C.3. Future Assessor's Parcel Changes – After an Effective Tax Rate Evaluation

The Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be assigned to all future Assessor's Parcel(s) created from a subdivision, lot line adjustment, or merger of one or more Assessor's Parcels so that the revised sum of the total Effective Tax Rate Evaluation Maximum Facilities Special Tax revenue is not less than the total Effective Tax Rate Evaluation Minimum Facilities Revenue set forth in Attachment D of this Rate and Method of Apportionment.

Undeveloped Property Subdividing into Large Lot Property

When Undeveloped Property subdivides into Large Lot Property, the Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. The expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for any Large Lot Property and any remaining Undeveloped Property shall be based upon the Planned Development for the Large Lot Property and remaining Undeveloped Property.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax generated by all of the Taxable Property is greater than or equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Large Lot Property created from the Undeveloped Property subdivision.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Large Lot Property created from the Undeveloped Property subdivision, until the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Further, if the sum of the total current Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Large Lot Property and any remaining Undeveloped Property created from the Undeveloped Property subdivision shall be Proportionately increased until the sum of the total current Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Attachment D of this Rate and Method of Apportionment shall be updated to reflect any increases to the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates from the Undeveloped Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as

Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property.

Large Lot Property Subdividing into Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property

When Large Lot Property subdivides into Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property, the Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. If the Large Lot Property subdivision also creates Small Lot Final Map Remainder Property, the expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for the Small Lot Final Map Remainder Property shall be based upon the Planned Development for the Small Lot Final Map Remainder Property. The expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for any remaining Large Lot Property and Undeveloped Property shall be based upon the Planned Development of the Large Lot Property and the Undeveloped Property.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is greater than or equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, and such difference is not eliminated by the partial prepayment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax pursuant to Section L, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision, until the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Attachment D of this Rate and Method of Apportionment shall be updated to reflect any increases to the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates from the Large Lot Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property created prior to the Large Lot Property subdivision.

C.4. Method of Apportionment of Facilities Special Tax

Using the definitions and procedures described herein, the CFD No. 24 IA1 Administrator shall determine the Facilities Special Tax Requirement and levy the Facilities Special Tax until the amount of Facilities Special Taxes equals the Facilities Special Tax Requirement. The Facilities Special Tax shall be levied each Fiscal Year until the Transition Year as follows:

Prior to an Effective Tax Rate Evaluation

First: The Facilities Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Facilities Special Tax in order to satisfy the Facilities Special Tax Requirement.

Second: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first step has been completed, the Facilities Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Small Lot Final Map Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Third: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first two steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Permit Ready Multi-Family/Non-Residential Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fourth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first three steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Large Lot Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fifth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first four steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Undeveloped Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

After an Effective Tax Rate Evaluation

First: The Facilities Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax in order to satisfy the Facilities Special Tax Requirement.

Second: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first step has been completed, the Facilities Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Small Lot Final Map Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Third: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first two steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Permit Ready Multi-Family/Non-Residential Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fourth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first three steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Large Lot Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fifth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first four steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Undeveloped Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

D. SERVICES SPECIAL TAX

A Services Special Tax shall be assigned to all Taxable Property within CFD No. 24 IA1 according to the Maximum Services Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

D.1. Prior to the Transition Event - Increase in the Maximum Services Special Tax

Prior to the Transition Event, on each July 1, commencing on July 1, 2027, the Maximum Services Special Tax Rates shall be increased by the Services Special Tax Escalation Factor of the Maximum Services Special Tax Rates in effect for the previous Fiscal Year.

D.2. Prior to the Transition Event - Method of Apportionment of Services Special Tax

If, in any Fiscal Year prior to the Transition Year, the Facilities Special Tax is levied against each Assessor's Parcel of Taxable Property within CFD No. 24 IA1 and the Facilities Special Tax revenues generated are insufficient to pay the Facilities Special Tax Requirement such shortfall shall be deemed a component of the Services Special Tax Requirement in that Fiscal Year, and proceeds from the levy of the Services Special Tax shall first be applied to mitigate the shortfall in the Facilities Special Tax Requirement before being used to pay for Authorized Services. The Services Special Tax revenue shall not be applied to any Facilities Special Tax Requirement shortfalls attributable to Pay As You Go Costs authorized to be financed by CFD No. 24 IA1.

Using the definitions and procedures described herein, the CFD No. 24 IA1 Administrator shall determine the Services Special Tax Requirement and levy the Services Special Tax until the amount of Services Special Tax equals the Services Special Tax Requirement. The Services Special Tax shall be levied each Fiscal Year as follows:

First: The Services Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Second: If additional monies are needed to satisfy the Services Special Tax Requirement after the first step has been completed, the Services Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Third: If additional monies are needed to satisfy the Services Special Tax Requirement after the first two steps have been completed, the Services Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Fourth: If additional monies are needed to satisfy the Services Special Tax Requirement after the three steps have been completed, the Services Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Fifth: If additional monies are needed to satisfy the Services Special Tax Requirement after the three steps have been completed, the Services Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

E. TRANSITION SERVICES SPECIAL TAX

A Transition Services Special Tax shall be assigned to all Taxable Property within CFD No. 24 IA1 according to the Maximum Transition Services Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

E.1. After the Transition Event – Method of Apportionment of Transition Services Special Tax

Using the definitions and procedures described herein, the CFD No. 24 IA1 Administrator shall determine the Transition Services Special Tax Requirement and levy the Transition Services Special Tax until the amount of Transition Services Special Tax equals the Transition Services Special Tax Requirement. The Transition Services Special Tax shall be levied each Fiscal Year as follows:

First: The Transition Services Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Transition Services Special Tax in order to satisfy the Transition Services Special Tax Requirement.

Second: If additional monies are needed to satisfy the Transition Services Special Tax Requirement after the first step has been completed, the Transition Services Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Transition Services Special Tax in order to satisfy the Transition Services Special Tax Requirement.

Third: If additional monies are needed to satisfy the Transition Services Special Tax Requirement after the first two steps have been completed, the Transition Services Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Transition Services Special Tax in order to satisfy the Transition Services Special Tax Requirement.

Fourth: If additional monies are needed to satisfy the Transition Services Special Tax Requirement after the three steps have been completed, the Transition Services Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Transition Services Special Tax in order to satisfy the Transition Services Special Tax Requirement.

Fifth: If additional monies are needed to satisfy the Transition Services Special Tax Requirement after the three steps have been completed, the Transition Services Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Maximum Transition Services Special Tax in order to satisfy the Transition Services Special Tax Requirement.

F. DELINQUENCIES

Notwithstanding the above, under no circumstances will the CFD No. 24 IA1 Facilities Special Tax levied against any Assessor's Parcel of Developed Property classified as Residential Property, in any Fiscal Year, be increased as a consequence of the delinquency or default in the payment of the CFD No. 24 IA1 Facilities Special Taxes by the owner or owners of any other Taxable Property by more than ten percent (10%) above the amount that would have been levied against such Assessor's Parcel in such Fiscal Year had there been no delinquencies or defaults.

G. EXEMPTIONS

The CFD No. 24 IA1 Administrator shall classify the following as Exempt Property: Public Property, Property Owner Association Property, Open Space Property, and Assessor's Parcels with public or utility easements making impractical their utilization for any use other than the purposes set forth in the easement.

The Maximum Facilities Special Tax obligation or, if applicable, the Effective Tax Rate Evaluation Maximum Facilities Special Tax obligation for Taxable Property which will be transferred or dedicated to a public agency and will be classified as Public Property may be fully prepaid by the seller, pursuant to Section L, prior to the transfer/dedication of such Taxable Property. Until the Maximum Facilities Special Tax obligation or, if applicable, the Effective Tax Rate Evaluation Maximum Facilities Special Tax obligation for any such Taxable Property is prepaid, the Taxable Property shall continue to be subject to the levy of the Facilities Special Tax. An exception to this may be made if an Assessor's Parcel of Public Property, such as a school site, is relocated to an Assessor's Parcel of Taxable Property, in which case the Assessor's Parcel of previously Public Property becomes Taxable Property and the Assessor's Parcel of previously Taxable Property becomes Public Property. This trading of an Assessor's Parcel from Taxable Property to Public Property will be permitted to the extent there is no loss in Maximum Facilities Special Tax revenue or, if applicable, Effective Tax Rate Evaluation Maximum Facilities Special Tax revenue, and the transfer is agreed to by the owners of all Assessor's Parcels involved in the transfer and the City Council.

If the use of an Assessor's Parcel changes so that such Assessor's Parcel is no longer eligible to be classified as one of the uses set forth in Section G.1. above that would make such Assessor's Parcel eligible to continue to be classified as Exempt Property, such Assessor's Parcel shall cease to be classified as Exempt Property and shall be deemed to be Taxable Property and subject to the Special Tax.

No Special Tax shall be levied on any Assessor's Parcel in any Fiscal Year in which such Assessor's Parcel is classified as Welfare Exempt Property; however, pursuant to Section 53340(c) of the Act, after the issuance of the first series of Bonds, as applicable, any Assessor's Parcel that receives a welfare exemption under subdivision (g) of Section 214 of the Revenue and Taxation Code shall not be classified as Welfare Exempt Property and will be subject to the Facilities Special Tax.

H. TRANSFERS

Prior to the issuance of the first series of Bonds within CFD No. 24 IA1, the City may permit the transfer of Maximum Facilities Special Tax or Effective Tax Rate Evaluation Maximum Facilities Special Tax from one Assessor's Parcel to another Assessor's Parcel. Before recordation of a Small Lot Final Subdivision Map, if a subdivision map is required, the City may permit a transfer if the number of planned Residential Units, Multi-Family Attached Property Acreage, or Non-Residential Property Acreage is transferred from one Assessor's Parcel(s) to another Assessor's Parcel(s) in any portion of Large Lot Property. The City may, in its sole discretion, allow for a transfer of the Maximum Facilities Special Tax or Effective Tax Rate Evaluation Maximum Facilities Special Tax from one Assessor's Parcel to another Assessor's Parcel provided such a transfer shall be allowed only if (1) all adjustments are agreed to in writing by the affected property owners and the City's Finance Director, and (2) there is no reduction in the sum of the total Maximum Facilities Special Tax or sum of the total Effective Tax Rate Evaluation Maximum Facilities Special Tax as a result of the transfer. Should a transfer result in an amendment to Attachment B or, following an Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment, the requesting property owner shall bear the costs to affect the transfer in the CFD No. 24 IA1 records and prepare the required amendments to Attachment B or, following an Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment.

I. INTERPRETATIONS

The City reserves the right to make minor administrative and technical changes to this document that do not materially affect the Rate and Method of Apportionment of Special Tax. In addition, the interpretation and application of any section of this document shall be at the City's discretion. Interpretations may be made by the City by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment of Special Tax.

J. REVIEW/APPEALS

The CFD No. 24 IA1 Administrator may establish such procedures, as it deems necessary to undertake the review of any such appeal. The CFD No. 24 IA1 Administrator shall interpret this Rate and Method of Apportionment of Special Tax and make determinations relative to the annual administration of the Special Tax and any property owner appeals, as herein specified.

Any property owner may file a written appeal of the Special Tax with the CFD No. 24 IA1 Administrator claiming that the amount or application of the Special Tax is not correct. The appeal must be filed not later than one calendar year after having paid the Special Taxes that are disputed, and the appellant must be current in all payments of Special Taxes. In addition, during the term of the appeal process, all Special Taxes levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Taxes are in error. The CFD No. 24 IA1 Administrator shall review the appeal, meet with the appellant if the CFD No. 24 IA1 Administrator deems necessary, and advise the appellant of its determination.

If the property owner disagrees with the CFD No. 24 IA1 Administrator's decision relative to the appeal, the owner may file a written notice with the City Manager appealing the amount of the Special Tax levied on such Assessor's Parcel. If following such consultation and action (if any by the City Manager), the property owner believes such error still exists, such person may file a written notice with the City Council appealing the amount of the Special Tax levied on such Assessor's Parcel. The decision of the City shall be final and binding to all persons. If the decision of the CFD No. 24 IA1 Administrator or subsequent decision by the City Manager or City Council requires the Special Taxes to be modified or changed in favor of the property owner, no cash refund shall be made for prior years' Special Taxes, but an adjustment shall be made to credit future Special Taxes. This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to filing any legal action by such owner.

K. MANNER OF COLLECTION

The annual Special Tax shall be collected in the same manner and at the same time as ordinary ad valorem property taxes; provided, however, that CFD No. 24 IA1, may, at the sole discretion of the City, directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner as necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on Assessor's Parcels of Taxable Property that are delinquent in the payment of Special Taxes.

L. PREPAYMENT IN PART OF FACILITIES SPECIAL TAX

The Facilities Special Tax obligation of an Assessor's Parcel of Taxable Property may be partially prepaid as described herein; provided that there are no delinquent Special Taxes with respect to such Assessor's Parcel at the time of partial prepayment. An owner of an Assessor's Parcel intending to partially prepay the Facilities Special Tax obligation shall provide the CFD No. 24 IA1 Administrator with written notice of intent to partially prepay. Within 30 days of receipt of such written notice, the CFD No. 24 IA1 Administrator shall notify such owner of the partial prepayment amount of such Assessor's Parcel. Any partial prepayment must be submitted at least 60 days before the next occurring bond redemption date, and the proceeds of such prepayment shall be provided to the Trustee for application toward bond redemption in accordance with the Indenture. The CFD No. 24 IA1 Administrator may charge a fee for providing this service.

L.1. Partial Prepayment Amount

The Facilities Special Tax may be prepaid in an amount determined at the time of prepayment based on the portion of Bonds then outstanding; provided, however, that no partial prepayment shall be accepted in an amount equal to an annual Special Tax amount less than the annual Transition Services Special Tax rate escalated to the then current fiscal year less the then current Services Special Tax rate.

Step 1: Determine the current Fiscal Year Maximum Facilities Special Tax for the Assessor's Parcel based on the assignment of the Maximum Facilities Special Tax described in Section C above. If an Effective Tax Rate Evaluation has occurred, determine the current Fiscal Year Effective Tax Rate Evaluation Maximum Facilities Special Tax for the Assessor's Parcel based on the assignment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax described in Section C above. If the Assessor's Parcel is not already classified as Developed Property, the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) shall be assigned as though the Assessor's Parcel was already designated as Developed Property.

Step 2: Calculate the annual revenue produced, by annually applying the Facilities Special Tax Escalation Factor, from the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) from the date of prepayment through the earlier of the end of the Facilities Special Tax Term or the Transition Event, except that this final date may be amended by the City no later than the time of the calculation of the prepayment. If the final date used in the prepayment calculation is amended by the City, this amended final date shall apply to any and all prepayment calculations from that point forward.

Step 3: Calculate the present value of the Assessor's Parcel's annual Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) revenue stream determined in Step 2. The present value shall be calculated using a discount rate that earns a rate of interest that, when the prepayment is invested in City permitted and available investments, would produce annual revenues equal to the amounts calculated in Step 2.

If there are Outstanding Bonds at the time of the Partial Prepayment Amount calculation, the Partial Prepayment Amount shall be first allocated to the Redemption Amount. If the Partial Prepayment Amount is insufficient to fund the Redemption Amount, then the Partial Prepayment Amount shall be increased to equal the Redemption Amount.

The Redemption Amount is calculated as follows:

Step 1: Divide the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) computed pursuant to Step 1 of Section L.1 by the total Maximum Facilities Special Taxes (or total Effective Tax Rate Evaluation Maximum Facilities Special Taxes) for the entire CFD No. 24 IA1, based on the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) that could be charged in the current Fiscal Year if all Taxable Property were designated as Developed Property, excluding any Assessor's Parcels which have prepaid the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) obligation (the "Prepayment Quotient").

Step 2: Multiply the Prepayment Quotient by the Outstanding Bonds to compute the amount of Outstanding Bonds to be redeemed (the "Bond Redemption Amount").

Step 3: Multiply the Bond Redemption Amount by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed.

Step 4: Compute the amount needed to pay interest on the Bond Redemption Amount from the first Bond interest payment date following the current Fiscal Year until the earliest redemption date for the Outstanding Bonds.

Step 5: Determine that portion of Facilities Special Taxes levied on the Assessor's Parcel in the current Fiscal Year to satisfy the Facilities Special Tax Requirement, which have not yet been paid.

Step 6: A reserve fund credit shall equal the lesser of: (a) the expected reduction in the reserve requirement (as defined in the Indenture for the Bonds), if any, associated with the redemption of Outstanding Bonds as a result of the partial prepayment, or (b) the amount derived by subtracting the new reserve requirement (as defined in the Indenture for the Bonds) in effect after the redemption of Outstanding Bonds as a result of the partial prepayment from the balance in the reserve fund on the prepayment date, but in no event shall such amount be less than zero. Such reserve fund credit will not decrease the balance in the reserve fund below the new reserve requirement.

Step 7: If any capitalized interest for the Outstanding Bonds will not have been expended at the time of the first interest and/or principal payment following the current Fiscal Year, a capitalized interest credit shall be calculated by multiplying the quotient computed pursuant to Step 1 by the expected balance in the capitalized interest fund after such first interest payment.

Step 8: The redemption amount is equal to the sum of the amounts computed pursuant to Steps 2, 3, 4, and 5, less the amount computed pursuant to Steps 6 and 7 (the "Redemption Amount").

If the Partial Prepayment Amount exceeds the Redemption Amount, then any remaining Partial Prepayment Amount, after allocating the Redemption Amount, shall be designated as Pay as You Go Costs.

The Partial Prepayment Amount shall include any fees or expenses, including the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the cost of redeeming Bonds, and the costs of recording any notices to evidence the prepayment and the redemption (the "Administrative Fees and Expenses").

In addition, the City has the authority to adjust the Partial Prepayment Amount calculated above if a portion or all of the current property tax bill and the portion attributable to the payment of the Facilities Special Tax has not been used to make an interest and/or principal payment on the Bonds.

Notwithstanding the foregoing, no partial prepayment shall be allowed unless the amount of Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes), net of any priority administration, if any as defined in the Bond documents, that may be levied on Taxable Property, in each Fiscal Year, both prior to and after the proposed partial prepayment, is at least 1.1 times the annual debt service on all Outstanding Bonds to be paid from the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) in each Fiscal Year.

M. TERM OF SPECIAL TAX

The Maximum Facilities Special Tax and Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be levied commencing in Fiscal Year 2026-2027 to the extent necessary to fully satisfy the Facilities Special Tax Requirement and shall be levied for the Facilities Special Tax Term.

The Maximum Services Special Tax shall be levied commencing in Fiscal Year 2026-2027 and shall be levied until the Transition Event to the extent necessary to fully satisfy the Services Special Tax Requirement.

The Maximum Transition Services Special Tax shall be levied commencing in the Fiscal Year following the Transition Event in perpetuity, unless and until such time the City determines that revenues are no longer needed to pay the Transition Services Special Tax Requirement.

ATTACHMENT A
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24 (ALDER CREEK WEST)
IMPROVEMENT AREA 1
MAXIMUM SPECIAL TAX RATES
(FISCAL YEAR 2026-2027)

Land Use Category	Lot / Village #	2026-2027 Maximum Facilities Special Tax Rate(1)	2026-2027 Maximum Services Special Tax Rate(2)	Taxed Per
Developed Property:				
Single-Family Detached Property – SF Zoning	5	$3,920	$858	Residential Lot
Single-Family Detached Property – SFHD Zoning	6	3,505	616	Residential Lot
Single-Family Detached Property – SF Zoning	7A	5,402	977	Residential Lot
Single-Family Detached Property – SFHD Zoning	7B	4,522	659	Residential Lot
Single-Family Detached Property – SF Zoning	7B	5,719	659	Residential Lot
Small Lot Final Map Property:				
Single-Family Detached Property – SF Zoning	5	$3,920	$858	Residential Lot
Single-Family Detached Property – SFHD Zoning	6	3,505	616	Residential Lot
Single-Family Detached Property – SF Zoning	7A	5,402	977	Residential Lot
Single-Family Detached Property – SFHD Zoning	7B	4,522	659	Residential Lot
Single-Family Detached Property – SF Zoning	7B	5,719	659	Residential Lot
Permit Ready Multi-Family/Non-Residential Property		$20,000	N/A	Acre
Large Lot Property		$20,000	N/A	Acre
Undeveloped Property		$20,000	N/A	Acre

(1) On each July 1, commencing on July 1, 2027, the Maximum Facilities Special Tax Rates shall be increased by the Facilities Special Tax Escalation Factor of the Maximum Facilities Special Tax Rates in effect for the previous Fiscal Year.

(2) On each July 1, commencing on July 1, 2027, the Maximum Services Special Tax Rates shall be increased by an amount equal to the Services Special Tax Escalation Factor of the Maximum Services Special Tax Rates in effect for the previous Fiscal Year.

ATTACHMENT B
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24 (ALDER CREEK WEST)
IMPROVEMENT AREA 1
MINIMUM FACILITIES REVENUE
(FISCAL YEAR 2026-2027)

Land Use Category	Lot / Village #	Planned Number of Residential Lots / Acres	2026-2027 Developed Property Maximum Facilities Special Tax Rate(1)(2)	2026-2027 Minimum Facilities Revenue (1)(3)
Developed Property:				
Single-Family Detached Property – SF Zoning	5	38	$3,920	$148,960
Single-Family Detached Property – SFHD Zoning	6	99	3,505	346,955
Single-Family Detached Property – SF Zoning	7A	56	5,402	302,512
Single-Family Detached Property – SFHD Zoning	7B	42	4,522	189,924
Single-Family Detached Property – SF Zoning	7B	41	5,719	234,479
Total Minimum Facilities Revenue(4)				**$1,222,870**

(1) On each July 1, commencing on July 1, 2027, the Developed Property Maximum Facilities Special Tax Rates and Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Developed Property Maximum Facilities Special Tax Rates and Minimum Facilities Revenue in effect for the previous Fiscal Year.

(2) As a result of future Assessor's Parcel changes, described in Section C.1, the assigned Maximum Facilities Special Tax Rates for Developed Property may exceed the Developed Property Maximum Facilities Special Tax Rates set forth in this table.

(3) The total Minimum Facilities Revenue may be decreased as result of a portion of Maximum Facilities Special Tax obligations being prepaid pursuant to Section L.

(4) Based upon the Developed Property Maximum Facilities Special Tax Rate for Single-Family Detached Property in Lot/Village 5, 6, 7A and 7B.

ATTACHMENT C
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24 (ALDER CREEK WEST)
IMPROVEMENT AREA 1
EFFECTIVE TAX RATE EVALUATION MAXIMUM FACILITIES SPECIAL TAX RATES
(FISCAL YEAR 2026-2027)

Land Use Category	Lot / Village #	2026-2027 Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate(1)(2)	Taxed Per
Developed Property:			
Single-Family Detached Property – SF Zoning	5	$_____	Residential Lot
Single-Family Detached Property – SFHD Zoning	6	_____	Residential Lot
Single-Family Detached Property – SF Zoning	7A	_____	Residential Lot
Single-Family Detached Property – SFHD Zoning	7B	_____	Residential Lot
Single-Family Detached Property – SF Zoning	7B	_____	Residential Lot
Small Lot Final Map Property:			
Single-Family Detached Property – SF Zoning	5	$_____	Residential Lot
Single-Family Detached Property – SFHD Zoning	6	_____	Residential Lot
Single-Family Detached Property – SF Zoning	7A	_____	Residential Lot
Single-Family Detached Property – SFHD Zoning	7B	_____	Residential Lot
Single-Family Detached Property – SF Zoning	7B	_____	Residential Lot
Permit Ready Multi-Family/Non-Residential Property		$_____	Acre
Large Lot Property		$_____	Acre
Undeveloped Property		$_____	Acre

(1) Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates will be inserted following the Effective Tax Rate Evaluation.
(2) On each July 1, commencing in the Fiscal Year after the Effective Tax Rate Evaluation occurs, the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be increased by the Facilities Special Tax Escalation Factor of the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates in effect for the previous Fiscal Year.

ATTACHMENT D
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24 (ALDER CREEK WEST)
IMPROVEMENT AREA 1
EFFECTIVE TAX RATE EVALUATION MINIMUM FACILITIES REVENUE
(FISCAL YEAR 2026-2027)

Land Use Category	Lot / Village #	Planned Number of Residential Lots / Acres[1]	2026-2027 Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate[1][2][3]	2026-2027 Effective Tax Rate Evaluation Minimum Facilities Revenue[1][2][4]
Developed Property:				
Single-Family Detached Property – SF Zoning	5	38	$_____	$_____
Single-Family Detached Property – SFHD Zoning	6	99	_____	_____
Single-Family Detached Property – SF Zoning	7A	56	_____	_____
Single-Family Detached Property – SFHD Zoning	7B	42	_____	_____
Single-Family Detached Property – SF Zoning	7B	41	_____	_____
Total Effective Tax Rate Evaluation Minimum Facilities Revenue[5]				**$_____**

(1) Planned Number of Residential Units/Acres, Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate and Effective Tax Rate Evaluation Minimum Facilities Revenue to be inserted following the Effective Tax Rate Evaluation.

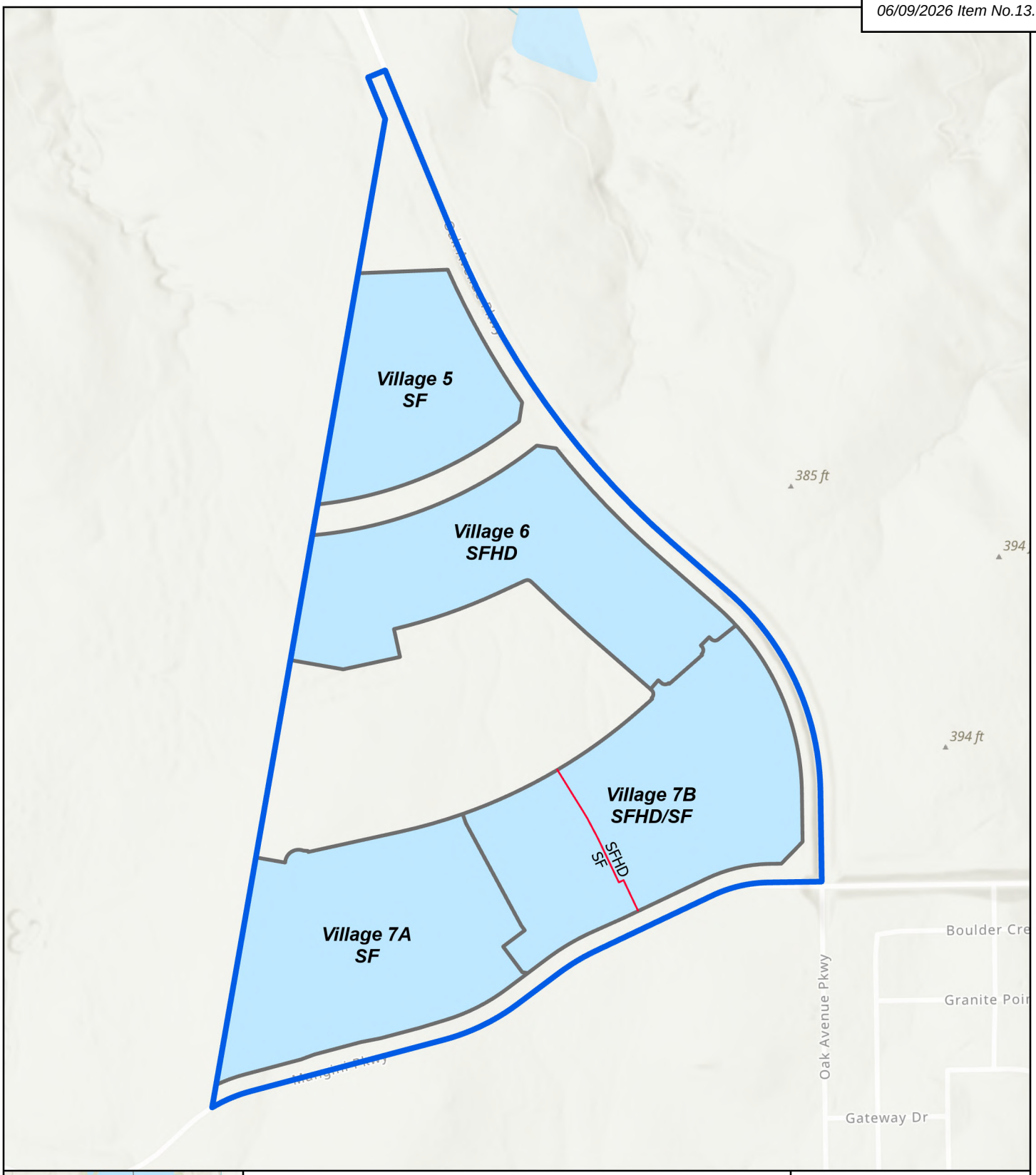
(2) On each July 1, commencing in the Fiscal Year after the Effective Tax Rate Evaluation occurs, the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates and Effective Tax Rate Evaluation Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates and Effective Tax Rate Evaluation Minimum Facilities Revenue in effect for the previous Fiscal Year.

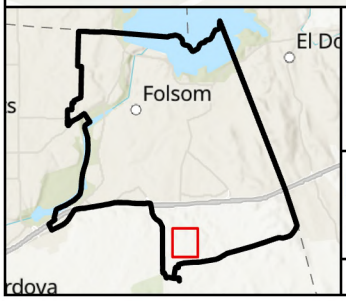
(3) As a result of future Assessor's Parcel changes, described in Section C.3, the assigned Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates may exceed the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates set forth in this table.

(4) The total Effective Tax Rate Evaluation Minimum Facilities Revenue may be decreased as result of a portion of Effective Tax Rate Evaluation Maximum Facilities Special Tax obligations being prepaid pursuant to Section L.

(5) Based upon the total Effective Developed Property Maximum Facilities Special Tax Rate Evaluation for Single-Family Detached Property in Lot/Village 5, 6, 7A and 7B.

ATTACHMENT E
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24 (ALDER CREEK WEST)
IMPROVEMENT AREA 1
MAP OF VILLAGES





City of Folsom
Community Facilities District No. 24 (Alder Creek West)
Improvement Area 1

Improvement Area 1 Boundary

Village Boundaries

2026

N

0 0.05 0.1 Mi

0 300 600 US Feet

Coordinate System: NAD 1983 State[illegible] I FIPS 0402 Feet

For illustration purposes o[illegible]ficial map.

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APPENDIX C: RATE AND METHOD OF APPORTIONMENT – IA 2A

The following pages provide a copy of the Rate and Method of Apportionment for IA 2A.

RATE AND METHOD OF APPORTIONMENT FOR
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24
(ALDER CREEK WEST)
IMPROVEMENT AREA 2A

A Special Tax, as hereinafter defined, shall be levied on each Assessor's Parcel of Taxable Property within the City of Folsom Community Facilities District No. 24 (Alder Creek West) Improvement Area 2A (CFD No. 24 IA2A) and collected each Fiscal Year in an amount determined by the CFD No. 24 IA2A Administrator through the application of the Rate and Method of Apportionment as described below. All of the real property within CFD No. 24 IA2A, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

A. GENERAL DEFINITIONS

The terms hereinafter set forth have the following meaning:

"Accessory Dwelling Unit" or **"ADU"** means a secondary residential unit of limited size, as defined in California Government Code Section 66313, as may be amended from time to time, that is accessory to a single-unit dwelling. The ADU may be on the same Assessor's Parcel as the single-unit dwelling or on a separate Assessor's Parcel. For purposes of clarification, where an ADU and primary Unit are on the same Assessor's Parcel, the ADU located on such Assessor's Parcel is considered a separate Unit from the primary Unit on such Assessor's Parcel for purposes of the Special Tax. Should an Assessor's Parcel contain only an ADU, such Assessor's Parcel will be taxed as an ADU only.

"Acre" or **"Acreage"** means the land area of an Assessor's Parcel as shown on County records, such as an Assessor's Parcel Map and secured roll data, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable Large Lot Map, Small Lot Final Subdivision Map, condominium plan, record of survey, or other recorded document creating or describing the parcel. If the preceding maps for a land area are not available, the Acreage of such land area may be determined utilizing available spatial data and GIS. The square footage of an Assessor's Parcel is equal to the Acreage of such parcel multiplied by 43,560.

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Division 2 of Title 5 of the Government Code of the State of California.

"Assessor's Parcel" or **"Parcel"** means a lot or parcel shown in an Assessor's Parcel Map with an assigned Assessor's Parcel number.

"Assessor's Parcel Map" means an official map of the County Assessor of the County designating lots or parcels by an Assessor's Parcel number.

"Authorized Services" means the services authorized to be financed by CFD No. 24 IA2A.

"Bond Year" means a one-year period beginning on September 2nd in each year and ending on September 1st in the following year, unless defined differently in the applicable Indenture.

"Bonds" means any bonds or other debt (as defined in the Act), whether in one or more series, issued by CFD No. 24 IA2A under the Act.

"CFD No. 24 IA2A" means City of Folsom Community Facilities District No. 24 (Alder Creek West) Improvement Area 2A.

"CFD No. 24 IA2A Administrator" means the City's Finance Director, or designee thereof, responsible for determining the Facilities Special Tax Requirement, Services Special Tax Requirement and providing for the levy and collection of the Special Taxes.

"City" means the City of Folsom.

"City Council" means the City Council of the City, acting as the legislative body of CFD No. 24 IA2A.

"County" means the County of Sacramento.

"Developed Property" means, for each Fiscal Year, all Taxable Property for which a building permit for new construction was issued prior to June 30 of the previous Fiscal Year.

"Effective Tax Rate Evaluation" means an evaluation of the Total Effective Tax Rate of Residential Property at the time of such evaluation. The Effective Tax Rate Evaluation will be based upon a prepared Price Point Study to determine the Total Effective Tax Rate for Residential Property, based upon the calculated Total Estimated Tax Burden.

"Effective Tax Rate Evaluation Maximum Facilities Special Tax" means the total maximum annual Facilities Special Tax, as determined during the Effective Tax Rate Evaluation, in accordance with the provisions of Section C.2, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate" means the maximum annual Facilities Special Tax rate for each land use category of Taxable Property that will be set forth in Attachment C, following the Effective Tax Rate Evaluation, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Effective Tax Rate Evaluation Minimum Facilities Revenue" means, following the Effective Tax Rate Evaluation, the total minimum amount of CFD No. 24 IA2A Effective Tax Rate Evaluation Maximum Facilities Special Tax, as adjusted annually by the Facilities Special Tax Escalation Factor after the Fiscal Year in which the Effective Tax Rate Evaluation occurs, less any Effective Tax Rate Evaluation Maximum Facilities Special Tax amounts partially prepaid pursuant to Section L. The Effective Tax Rate Evaluation Minimum Facilities Revenue, based on Planned Development, is set forth in Attachment D of this Rate and Method of Apportionment.

"Exempt Property" means all Assessors' Parcels that are exempt from the Special Tax pursuant to Section F.

"Facilities Administrative Expenses" means the actual or reasonably estimated costs directly related to the administration of the Facilities Special Tax including, but not limited to, the following: the costs of computing the Facilities Special Tax and preparing the annual Facilities Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Facilities Special Taxes (whether by the County, the City, or otherwise); the costs of remitting the Facilities Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of

the duties required of it under the Indenture; the costs to the City, CFD No. 24 IA2A, or any designee thereof of complying with arbitrage rebate requirements or responding to questions from the IRS or SEC pertaining to any Bonds or any audit of any Bonds by the SEC or IRS; the costs to the City, CFD No. 24 IA2A, or any designee thereof of providing continuing disclosure regarding the Bonds pursuant to applicable state or federal securities law; the costs associated with preparing Facilities Special Tax disclosure statements and responding to public inquiries regarding the Facilities Special Taxes; the costs of the City, CFD No. 24 IA2A, or any designee thereof related to any appeal of the levy or application of the Facilities Special Tax; the costs associated with the release of funds from an escrow account, if any; and the costs associated with computing and preparing the Effective Tax Rate Evaluation, including the Price Point Study. Facilities Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 24 IA2A for any other administrative purposes, including, but not limited to, attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Facilities Special Taxes.

"Facilities Special Tax" means the annual Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Facilities Special Tax Requirement.

"Facilities Special Tax Escalation Factor" means two percent (2%) annually.

"Facilities Special Tax Requirement" means that amount of Special Tax revenue required in any Fiscal Year for CFD No. 24 IA2A to: (i) Pay Facilities Administrative Expenses in an amount designated by the City; (ii) pay annual debt service on all Outstanding Bonds due in the Bond Year beginning in such Fiscal Year; (iii) pay other periodic costs on Outstanding Bonds, including but not limited to, credit enhancement and rebate payments on Outstanding Bonds; (iv) pay any amounts required to establish or replenish any reserve funds for all Outstanding Bonds in accordance with the Indenture; (v) pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year and known upcoming delinquencies; and (vi) pay for Pay As You Go Costs; less (vii) a credit for funds available to reduce the annual Facilities Special Tax levy as determined by the CFD No. 24 IA2A Administrator pursuant to the Indenture.

"Facilities Special Tax Term" means the earlier of Fiscal Year 2085-2086 or the Fiscal Year occurring 50 years following the Fiscal Year in which the first building permit was issued, or the first series of Bonds was issued within CFD No. 24 IA2A.

"Fiscal Year" means the period starting July 1 and ending on the following June 30.

"Indenture" means the indenture, fiscal agent agreement, trust agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended and/or supplemented from time to time, and any instrument replacing or supplementing the same.

"Large Lot Map" means a recorded subdivision map creating larger parcels by land use. The Large Lot Map does not create individual lots for which building permits may be issued for single-family Residential Units.

"Large Lot Property" means, for each Fiscal Year, all Taxable Property for which a Large Lot Map was recorded prior to June 30 of the previous Fiscal Year, excluding any portion(s) thereof classified as

Developed Property, Small Lot Final Map Property, or Permit Ready Multi-Family/Non-Residential Property. Large Lot Property also means, for each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property as of June 30 of the previous Fiscal Year.

"Maximum Facilities Special Tax" means the total maximum annual Facilities Special Tax, determined in accordance with the provisions of Section C, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Maximum Facilities Special Tax Rate" means the maximum annual Facilities Special Tax rate for each land use category of Taxable Property, as shown in Attachment A, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Maximum Services Special Tax" means the total maximum annual Services Special Tax, determined in accordance with the provisions of Section D, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Maximum Services Special Tax Rate" means the maximum annual Services Special Tax rate for each land use category of Taxable Property, as shown in Attachment A, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Maximum Special Tax" means, prior to the Transition Year, the total annual Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) and Maximum Services Special Tax, determined in accordance with the provisions of Section C and Section D, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

Beginning in the Transition Year, "Maximum Special Tax", means the total annual Maximum Transition Services Special Tax, determined in accordance with the provisions of Section D, which may be levied in any Fiscal Year following the Transition Event on any Assessor's Parcel of Taxable Property

"Maximum Total Effective Tax Rate" means 1.80%, unless the City determines, in its sole discretion, that a higher Maximum Total Effective Tax Rate is appropriate.

"MHD Multi-Family Attached Property" means all Assessor's Parcels for which a building permit could be issued for purposes of constructing one or more attached Residential Units per Assessor's Parcel with a permitted density range of greater than 20 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council. MHD Multi-Family Attached Property shall also include an Assessor's Parcel or that portion of an Assessor's Parcel designated as a Mixed Use Residential Parcel.

"Minimum Facilities Revenue" means the minimum amount of total CFD No. 24 IA2A Maximum Facilities Special Tax, as adjusted annually by the Facilities Special Tax Escalation Factor, less any Maximum Facilities Special Tax amounts partially prepaid pursuant to Section L. The Minimum Facilities Revenue, based on Planned Development, is set forth in Attachment B of this Rate and Method of Apportionment. Following the Transition Event, the Minimum Facilities Revenue shall be zero.

"MMD Multi-Family Attached Property" means all Assessor's Parcels for which a building permit could be issued for purposes of constructing one or more attached Residential Units per Assessor's

Parcel with a permitted density range of 12-20 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

"Mixed-Use Residential Parcel" means a mixed-use Assessor's Parcel that is designated for residential land use. If the mixed-use Assessor's Parcel contains a combination of residential land use and non-residential land use, only that portion of an Assessor's Parcel designated for residential land use shall be classified as a Mixed-Use Residential Parcel and the remaining non-residential land use of the Assessor's Parcel shall be classified as Non-Residential Property.

"Non-Residential Property" means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing non-residential buildings.

"Open Space Property" means property within the boundaries of CFD No. 24 IA2A which (a) has been designated with specific boundaries and acreage on a Small Lot Final Subdivision Map as open space, or (b) is classified by the City zoning code or County Assessor as open space, or (c) has been irrevocably offered for dedication as open space to the federal government, the State of California, the County, the City, any other public agency, a private, non-profit organization, or (d) is encumbered by an easement or other restriction required by the City limiting the use of such property to open space.

"Outstanding Bonds" means all Bonds, which remain outstanding as defined in the Indenture pursuant to which such Bonds were issued.

"Pay as You Go Costs" means that portion of the Facilities Special Tax Requirement attributable to the direct payment for the acquisition and/or construction of public improvements, which are authorized to be financed by CFD No. 24 IA2A.

"Permit Ready Multi-Family/Non-Residential Property" means an Assessor's Parcel of Taxable Property zoned for multi-family or non-residential land use for which all discretionary entitlements have been obtained, including, without limitation, development plan review and improvement plan approval, such that building permits may be issued without further approvals for the construction of multi-family Residential Units or non-residential buildings within such Assessor's Parcel. The City shall have sole discretion, based upon available development information, in classifying an Assessor's Parcel as Permit Ready Multi-Family/Non-Residential Property.

"Planned Development" means the planned number of Residential Lots, MHD Multi-Family Attached Property Acreage, MMD Multi-Family Attached Property Acreage, and Non-Residential Property Acreage planned within CFD No. 24 IA2A, set forth in Attachment B or, following the Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment, as amended by the future recordation of all Large Lot Maps and Small Lot Final Subdivision Maps within CFD No. 24 IA2A.

"Price Point Study" means an analysis, prepared by an independent firm, to verify the estimated average sales price within each land use category of Residential Property given the project location and current market conditions.

"Property Owner Association Property" means any property within the boundaries of CFD No. 24 IA2A, which is (a) owned by a property owner association or (b) designated with specific boundaries

and Acreage on a Small Lot Final Subdivision Map as property owner association property. As used in this definition, a property owner association includes any master or sub-association.

"Proportionately" means for Taxable Property that the ratio of the Facilities Special Tax levy to the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) and the Services Special Tax levy to the Maximum Services Special Tax is equal for all Assessors' Parcels within each classification (Developed Property, Single Family Final Map Property, Permit Ready Multi-Family/Non-Residential Property, Large Lot Property, etc.) within CFD No. 24 IA2A.

"Public Property" means any property within the boundaries of CFD No. 24 IA2A, which (a) is owned by a public agency, (b) has been irrevocably offered for dedication to a public agency, or (c) is designated with specific boundaries and Acreage on a Small Lot Final Subdivision Map as property, which will be owned by a public agency. For purposes of this definition, a public agency includes the federal government, the State of California, the County, the City, or any other public agency.

"Residential Lot" means an individual lot of land for which a building permit could be issued to construct a Residential Unit.

"Residential Property" means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing Residential Units, including Single-Family Detached Property – SF/SFHD Zoning, Single-Family Detached Property – MLD Zoning, MHD Multi-Family Attached Property, and MMD Multi-Family Attached Property.

"Residential Unit" means a residential dwelling unit, including Accessory Dwelling Units, as allowed by the City zoning code.

"Services Administrative Expenses" means the actual or reasonably estimated costs directly related to the administration of the Services Special Tax including, but not limited to, the following: the costs of computing the Services Special Taxes and preparing the annual Services Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Services Special Taxes (whether by the County, the City, or otherwise); the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Services Special Tax; and the costs of the City, CFD No. 24 IA2A, or any designee thereof related to any appeal of the levy or application of the Services Special Tax. Services Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 24 IA2A for any other administrative purposes related to the Services Special Tax.

"Services Special Tax" means, prior to the Transition Event, the annual Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Services Special Tax Requirement.

"Services Special Tax Escalation Factor" means the maximum of two percent (2%) or the June annualized percentage change of the Consumer Price Index for all Urban Consumers, for the San Francisco-Oakland-San Jose area, not to exceed four percent (4%).

"Services Special Tax Requirement" means the amount of Services Special Tax revenue required for CFD No. 24 IA2A, before the Transition Year, to (i) pay Services Administrative Expenses in an amount

designated by the City; (ii) pay Authorized Services expenses; (iii) pay any amounts required to establish or replenish any repair and contingency funds, capital improvement funds, or reserve funds related to the Authorized Services expenses; (iv) cover any shortfalls that exist if, in any Fiscal Year, the levy of the Facilities Special Tax on each Assessor's Parcel of Taxable Property is insufficient to pay the Facilities Special Tax Requirement in that Fiscal Year. Facilities Special Tax Requirement shortfalls shall not include Pay As You Go Costs, and (v) pay for reasonably anticipated delinquent Services Special Taxes based on the delinquency rate for Services Special Taxes levied in the previous Fiscal Year; less (vi) a credit for funds available to reduce the annual Services Special Tax levy as determined by the CFD No. 24 IA2A Administrator.

"Single-Family Detached Property – MLD Zoning" means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing one or more detached or attached Residential Units with a permitted density range of 7-12 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

"Single-Family Detached Property – SF/SFHD Zoning" means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing one or more Residential Units. Single-Family Detached Property – SF/SFHD Zoning shall consist of either single-family property with a permitted density range of 1-4 Residential Units per Acre or single-family high density property with a permitted density range of 4-7 Residential Units per Acre, which is more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

"Special Tax" means, before the Transition Year, the annual Facilities Special Tax and Services Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Facilities Special Tax Requirement and the Services Special Tax Requirement.

Beginning in the Transition Year, the annual Transition Services Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Transition Services Special Tax Requirement.

"Small Lot Final Map Property" means, for each Fiscal Year, all Taxable Property for which a Small Lot Final Subdivision Map was recorded prior to June 30 of the previous Fiscal Year.

"Small Lot Final Map Remainder Property" means an Assessor's Parcel that is created from the subdivision of Large Lot Property by the recordation of a Small Lot Final Subdivision Map that has not yet been mapped for final development approval. Small Lot Final Map Remainder Property is that portion of property for which the Small Lot Final Subdivision Map definition does not apply (i.e., does not contain individual lots for which building permits may be issued for Residential Units without further subdivision of such property). Each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property, as of June 30 of the previous Fiscal Year, will be considered Large Lot Property.

"Small Lot Final Subdivision Map" means a subdivision of property created by recordation of a final subdivision map, parcel map or lot line adjustment, approved by the City pursuant to the Subdivision

Map Act (California Government Code Section 66410 et seq.) or recordation of a condominium plan pursuant to California Civil Code 1352, that creates individual lots for which building permits may be issued for Residential Units without further subdivision of such property.

"State" means the State of California.

"Taxable Property" means all of the Assessor's Parcels within the boundaries of CFD No. 24 IA2A that are not exempt from the CFD No. 24 IA2A Special Tax pursuant to law or Section F below.

"Total Effective Tax Rate" means the percentage of the Total Estimated Tax Burden as compared to the estimated average sales price identified in the Price Point Study for each land use category of Residential Property.

"Total Estimated Tax Burden" means the total amount of overlapping property taxes anticipated to be levied upon a Residential Unit, based upon the estimated average sales price identified in the Price Point Study and existing property tax rates for the current Fiscal Year. Existing property tax rates shall reflect the actual property tax rates levied upon Taxable Property in the Fiscal Year that the Effective Tax Rate Evaluation is completed.

"Transition Event" means the earlier of (i) Fiscal Year 2085-2086 or (ii) the Fiscal Year when the CFD No. 24 IA2A Administrator determines that both of the following events have occurred (1) all Bonds secured by the levy and collection of the Facilities Special Tax in CFD No. 24 IA2A have been fully repaid and the City determines that no additional Bonds are to be issued, and (2) all Facilities Administrative Expenses have been paid or reimbursed to CFD No. 24 IA2A.

"Transition Services Administrative Expenses" means the actual or reasonably estimated costs directly related to the administration of the Transition Services Special Tax including, but not limited to, the following: the costs of computing the Transition Services Special Taxes and preparing the annual Transition Services Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Transition Services Special Taxes (whether by the County, the City, or otherwise); the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Transition Services Special Tax; and the costs of the City, CFD No. 24 IA2A, or any designee thereof related to any appeal of the levy or application of the Transition Services Special Tax. Transition Services Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 24 IA2A for any other administrative purposes related to the Transition Services Special Tax.

"Transition Services Special Tax" means, after the Transition Event, the annual Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Transition Services Special Tax Requirement.

"Transition Services Special Tax Escalation Factor" means the maximum of two percent (2%) or the June annualized percentage change of the Consumer Price Index for all Urban Consumers, for the San Francisco-Oakland-San Jose area, not to exceed four percent (4%).

"Transition Services Special Tax Rate" means, calculated in the Transition Year, the amount equal to the prior year's Maximum Services Special Tax Rate plus fifty percent (50%) of the prior year's

Maximum Facilities Special Tax Rate. The Transition Services Special Tax Escalation Factor shall be applied beginning in the Transition Year. Following the Transition Year, the Transition Services Special Tax Rate shall be equal to the prior year's Transition Services Special Tax Rate, increased by the Transition Services Special Tax Escalation Factor.

"Transition Services Special Tax Requirement" Beginning in the Transition Year, to (i) pay Transition Services Administrative Expenses in an amount designated by the City; (ii) pay Authorized Services expenses; (iii) pay any amounts required to establish or replenish any repair, replacement and contingency funds, capital improvement funds, or reserve funds related to the Authorized Services expenses; (iv) pay for reasonably anticipated delinquent Transition Services Special Taxes based on the delinquency rate for Transition Services Special Taxes levied in the previous Fiscal Year; less (v) a credit for funds available to reduce the annual Transition Services Special Tax levy as determined by the CFD No. 24 IA2A Administrator.

"Transition Year" means the first year in which the CFD No. 24 IA2A Administrator determines that the Transition Event occurred in the prior Fiscal Year.

"Trustee" means the entity appointed pursuant to an Indenture to act as the trustee, fiscal agent, or paying agent or a combination thereof.

"Undeveloped Property" means, for each Fiscal Year, all Taxable Property not classified as Developed Property, Small Lot Final Map Property, Permit Ready Multi-Family/Non-Residential Property, or Large Lot Property.

"Welfare Exempt Property" means, in any Fiscal Year, all Parcels within the boundaries of CFD No. 24 IA2A that (a) have been granted a welfare exemption by the County under subdivision (g) of Section 214 of the Revenue and Taxation Code indicated in the Assessor's Data finalized as of January 1 of the previous Fiscal Year, and (b) are exempt from the Special Tax pursuant to Section 53340(c) of the Act. Pursuant to Section 53340(c) of the Act, after the issuance of the first series of Bonds, as applicable, any Assessor's Parcels that receives a welfare exemption under subdivision (g) of Section 214 of the Revenue and Taxation Code shall not be classified as Welfare Exempt Property and will be subject to the Facilities Special Tax.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, using City and County records, City zoning information, and land use development plans, all Assessor's Parcels within the boundaries of CFD No. 24 IA2A shall be designated as either Taxable Property or Exempt Property.

All Taxable Property shall be further classified as Developed Property, Small Lot Final Map Property, Permit Ready Multi-Family/Non-Residential Property, Large Lot Property, or Undeveloped Property and shall be subject to the levy of the annual Special Tax determined pursuant to Sections C and D below.

C. FACILITIES SPECIAL TAX

Prior to the Transition Year, a Maximum Facilities Special Tax shall be assigned to all Taxable Property within CFD No. 24 IA2A according to the Maximum Facilities Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

Once assigned, the sum of the total Maximum Facilities Special Tax shall be equal to or greater than the Minimum Facilities Revenue, unless adjusted by an Effective Tax Rate Evaluation as described below. The Minimum Facilities Revenue for Fiscal Year 2026-2027 is set forth in Attachment B of this Rate and Method of Apportionment.

On each July 1, commencing on July 1, 2027, the Maximum Facilities Special Tax Rates and Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Maximum Facilities Special Tax Rates and Minimum Facilities Revenue in effect for the previous Fiscal Year.

C.1. Future Assessor's Parcel Changes – Prior to an Effective Tax Rate Evaluation

The Maximum Facilities Special Tax shall be assigned to all future Assessor's Parcel(s) created from a subdivision, lot line adjustment, or merger of one or more Assessor's Parcels so that the revised sum of the total Maximum Facilities Special Tax revenue is not less than the Minimum Facilities Revenue set forth in Attachment B of this Rate and Method of Apportionment.

Undeveloped Property Subdividing into Large Lot Property

When Undeveloped Property subdivides into Large Lot Property, the Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. The expected Developed Property Maximum Facilities Special Tax for any Large Lot Property and any remaining Undeveloped Property shall be based upon the Planned Development for the Large Lot Property and remaining Undeveloped Property.

If the sum of the total expected Developed Property Maximum Facilities Special Tax generated by all of the Taxable Property is greater than or equal to the Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates for the Large Lot Property created from the Undeveloped Property subdivision.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Large Lot Property created from the Undeveloped Property subdivision, until the sum of the total expected Developed Property Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Further, if the sum of the total current Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, the Maximum Facilities Special Tax Rates for the Large Lot Property and any remaining Undeveloped Property created from the Undeveloped Property subdivision shall be Proportionately increased until the sum of the total current Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Attachment B of this Rate and Method of Apportionment shall be updated to reflect any increases to the Maximum Facilities Special Tax Rates from the Undeveloped Property subdivision. The

Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property.

Large Lot Property Subdividing into Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property

When Large Lot Property subdivides into Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property, the Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. If the Large Lot Property subdivision also creates Small Lot Final Map Remainder Property, the expected Developed Property Maximum Facilities Special Tax for the Small Lot Final Map Remainder Property shall be based upon the Planned Development for the Small Lot Final Map Remainder Property. The expected Developed Property Maximum Facilities Special Tax for any remaining Large Lot Property and Undeveloped Property shall be based upon the Planned Development of the Large Lot Property and the Undeveloped Property.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is greater than or equal to the Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates for the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, and such difference is not eliminated by the partial prepayment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax pursuant to Section L, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision, until the sum of the total expected Developed Property Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Attachment B of this Rate and Method of Apportionment shall be updated to reflect any increases to the Maximum Facilities Special Tax Rates from the Large Lot Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property created prior to the Large Lot Property subdivision.

C.2. Effective Tax Rate Evaluation

Prior to the issuance of the first series of Bonds within CFD No. 24 IA2A an Effective Tax Rate Evaluation will be completed. Following the Effective Tax Rate Evaluation, Attachment C of this

Rate and Method of Apportionment will be updated to reflect the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for all Taxable Property in CFD No. 24 IA2A.

Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates

As part of the Effective Tax Rate Evaluation, a Price Point Study will be prepared and an estimated average sales prices will be established for each Residential Property land use category. Using the estimated average sales price information determined in the Price Point Study, the Total Estimated Tax Burden and Total Effective Tax Rate will be calculated, using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment A, for each Residential Property land use category. If the calculated Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for a Residential Property land use category, the Maximum Facilities Special Tax Rate shall not be adjusted and will be assigned using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment A. Attachment C of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category.

If the Total Effective Tax Rate for any Residential Property land use category exceeds the Total Maximum Effective Tax Rate, the Developed Property Maximum Facilities Special Tax Rate set forth in Attachment A shall be reduced until the Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for that Residential Property land use category. Attachment C of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category.

Effective Tax Rate Evaluation Minimum Facilities Revenue

As a result of the Effective Tax Rate Evaluation, if the calculated Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for a Residential Property land use category used in the Minimum Facilities Revenue calculation, the Developed Property Maximum Facilities Special Tax Rate for the applicable Residential Property land use category shall not be adjusted and the Effective Tax Rate Evaluation Developed Property Maximum Facilities Special Tax Rate will be assigned using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment B. Attachment D of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category and the Effective Tax Rate Evaluation Minimum Facilities Revenue.

If the calculated Total Effective Tax Rate exceeds the Total Maximum Effective Tax Rate for a Residential Property land use category used in the Minimum Facilities Revenue calculation, the Effective Tax Rate Evaluation Developed Property Maximum Facilities Special Tax Rate will be assigned using the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates set forth in Attachment C. Attachment D of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum

Facilities Special Tax Rate for each Residential Property land use category and the Effective Tax Rate Evaluation Minimum Facilities Revenue.

C.3. Future Assessor's Parcel Changes – After an Effective Tax Rate Evaluation

The Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be assigned to all future Assessor's Parcel(s) created from a subdivision, lot line adjustment, or merger of one or more Assessor's Parcels so that the revised sum of the total Effective Tax Rate Evaluation Maximum Facilities Special Tax revenue is not less than the total Effective Tax Rate Evaluation Minimum Facilities Revenue set forth in Attachment D of this Rate and Method of Apportionment.

Undeveloped Property Subdividing into Large Lot Property

When Undeveloped Property subdivides into Large Lot Property, the Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. The expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for any Large Lot Property and any remaining Undeveloped Property shall be based upon the Planned Development for the Large Lot Property and remaining Undeveloped Property.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax generated by all of the Taxable Property is greater than or equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Large Lot Property created from the Undeveloped Property subdivision.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Large Lot Property created from the Undeveloped Property subdivision, until the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Further, if the sum of the total current Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Large Lot Property and any remaining Undeveloped Property created from the Undeveloped Property subdivision shall be Proportionately increased until the sum of the total current Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Attachment D of this Rate and Method of Apportionment shall be updated to reflect any increases to the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates from the Undeveloped Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as

Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property.

Large Lot Property Subdividing into Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property

When Large Lot Property subdivides into Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property, the Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. If the Large Lot Property subdivision also creates Small Lot Final Map Remainder Property, the expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for the Small Lot Final Map Remainder Property shall be based upon the Planned Development for the Small Lot Final Map Remainder Property. The expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for any remaining Large Lot Property and Undeveloped Property shall be based upon the Planned Development of the Large Lot Property and the Undeveloped Property.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is greater than or equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, and such difference is not eliminated by the partial prepayment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax pursuant to Section L, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision, until the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Attachment D of this Rate and Method of Apportionment shall be updated to reflect any increases to the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates from the Large Lot Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property created prior to the Large Lot Property subdivision.

C.4. Method of Apportionment of Facilities Special Tax

Using the definitions and procedures described herein, the CFD No. 24 IA2A Administrator shall determine the Facilities Special Tax Requirement and levy the Facilities Special Tax until the amount of Facilities Special Taxes equals the Facilities Special Tax Requirement. The Facilities Special Tax shall be levied each Fiscal Year until the Transition Year as follows:

Prior to an Effective Tax Rate Evaluation

First: The Facilities Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Facilities Special Tax in order to satisfy the Facilities Special Tax Requirement.

Second: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first step has been completed, the Facilities Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Small Lot Final Map Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Third: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first two steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Permit Ready Multi-Family/Non-Residential Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fourth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first three steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Large Lot Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fifth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first four steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Undeveloped Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

After an Effective Tax Rate Evaluation

First: The Facilities Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax in order to satisfy the Facilities Special Tax Requirement.

Second: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first step has been completed, the Facilities Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Small Lot Final Map Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Third: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first two steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Permit Ready Multi-Family/Non-Residential Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fourth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first three steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Large Lot Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fifth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first four steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Undeveloped Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

D. SERVICES SPECIAL TAX

A Services Special Tax shall be assigned to all Taxable Property within CFD No. 24 IA2A according to the Maximum Services Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

D.1. Prior to the Transition Event - Increase in the Maximum Services Special Tax

Prior to the Transition Event, on each July 1, commencing on July 1, 2027, the Maximum Services Special Tax Rates shall be increased by the Services Special Tax Escalation Factor of the Maximum Services Special Tax Rates in effect for the previous Fiscal Year.

D.2. Prior to the Transition Event - Method of Apportionment of Services Special Tax

If, in any Fiscal Year prior to the Transition Year, the Facilities Special Tax is levied against each Assessor's Parcel of Taxable Property within CFD No. 24 IA2A and the Facilities Special Tax revenues generated are insufficient to pay the Facilities Special Tax Requirement such shortfall shall be deemed a component of the Services Special Tax Requirement in that Fiscal Year, and proceeds from the levy of the Services Special Tax shall first be applied to mitigate the shortfall in the Facilities Special Tax Requirement before being used to pay for Authorized Services. The Services Special Tax revenue shall not be applied to any Facilities Special Tax Requirement shortfalls attributable to Pay As You Go Costs authorized to be financed by CFD No. 24 IA2A.

Using the definitions and procedures described herein, the CFD No. 24 IA2A Administrator shall determine the Services Special Tax Requirement and levy the Services Special Tax until the amount of Services Special Tax equals the Services Special Tax Requirement. The Services Special Tax shall be levied each Fiscal Year as follows:

First: The Services Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Second: If additional monies are needed to satisfy the Services Special Tax Requirement after the first step has been completed, the Services Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Third: If additional monies are needed to satisfy the Services Special Tax Requirement after the first two steps have been completed, the Services Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Fourth: If additional monies are needed to satisfy the Services Special Tax Requirement after the three steps have been completed, the Services Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Fifth: If additional monies are needed to satisfy the Services Special Tax Requirement after the three steps have been completed, the Services Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

E. TRANSITION SERVICES SPECIAL TAX

A Transition Services Special Tax shall be assigned to all Taxable Property within CFD No. 24 IA2A according to the Maximum Transition Services Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

E.1. After the Transition Event – Method of Apportionment of Transition Services Special Tax

Using the definitions and procedures described herein, the CFD No. 24 IA2A Administrator shall determine the Transition Services Special Tax Requirement and levy the Transition Services Special Tax until the amount of Transition Services Special Tax equals the Transition Services Special Tax Requirement. The Transition Services Special Tax shall be levied each Fiscal Year as follows:

First: The Transition Services Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Transition Services Special Tax in order to satisfy the Transition Services Special Tax Requirement.

Second: If additional monies are needed to satisfy the Transition Services Special Tax Requirement after the first step has been completed, the Transition Services Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Transition Services Special Tax in order to satisfy the Transition Services Special Tax Requirement.

Third: If additional monies are needed to satisfy the Transition Services Special Tax Requirement after the first two steps have been completed, the Transition Services Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Transition Services Special Tax in order to satisfy the Transition Services Special Tax Requirement.

Fourth: If additional monies are needed to satisfy the Transition Services Special Tax Requirement after the three steps have been completed, the Transition Services Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Transition Services Special Tax in order to satisfy the Transition Services Special Tax Requirement.

Fifth: If additional monies are needed to satisfy the Transition Services Special Tax Requirement after the three steps have been completed, the Transition Services Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Maximum Transition Services Special Tax in order to satisfy the Transition Services Special Tax Requirement.

F. DELINQUENCIES

Notwithstanding the above, under no circumstances will the CFD No. 24 IA2A Facilities Special Tax levied against any Assessor's Parcel of Developed Property classified as Residential Property, in any Fiscal Year, be increased as a consequence of the delinquency or default in the payment of the CFD No. 24 IA2A Facilities Special Taxes by the owner or owners of any other Taxable Property by more than ten percent (10%) above the amount that would have been levied against such Assessor's Parcel in such Fiscal Year had there been no delinquencies or defaults.

G. EXEMPTIONS

The CFD No. 24 IA2A Administrator shall classify the following as Exempt Property: Public Property, Property Owner Association Property, Open Space Property, and Assessor's Parcels with public or utility easements making impractical their utilization for any use other than the purposes set forth in the easement.

The Maximum Facilities Special Tax obligation or, if applicable, the Effective Tax Rate Evaluation Maximum Facilities Special Tax obligation for Taxable Property which will be transferred or dedicated to a public agency and will be classified as Public Property may be fully prepaid by the seller, pursuant to Section L, prior to the transfer/dedication of such Taxable Property. Until the Maximum Facilities Special Tax obligation or, if applicable, the Effective Tax Rate Evaluation Maximum Facilities Special Tax obligation for any such Taxable Property is prepaid, the Taxable Property shall continue to be subject to the levy of the Facilities Special Tax. An exception to this may be made if an Assessor's Parcel of Public Property, such as a school site, is relocated to an Assessor's Parcel of Taxable Property, in which case the Assessor's Parcel of previously Public Property becomes Taxable Property and the Assessor's Parcel of previously Taxable Property becomes Public Property. This trading of an Assessor's Parcel from Taxable Property to Public Property will be permitted to the extent there is no loss in Maximum Facilities Special Tax revenue or, if applicable, Effective Tax Rate Evaluation Maximum Facilities Special Tax revenue, and the transfer is agreed to by the owners of all Assessor's Parcels involved in the transfer and the City Council.

If the use of an Assessor's Parcel changes so that such Assessor's Parcel is no longer eligible to be classified as one of the uses set forth in Section G.1. above that would make such Assessor's Parcel eligible to continue to be classified as Exempt Property, such Assessor's Parcel shall cease to be classified as Exempt Property and shall be deemed to be Taxable Property and subject to the Special Tax.

No Special Tax shall be levied on any Assessor's Parcel in any Fiscal Year in which such Assessor's Parcel is classified as Welfare Exempt Property; however, pursuant to Section 53340(c) of the Act, after the issuance of the first series of Bonds, as applicable, any Assessor's Parcel that receives a welfare exemption under subdivision (g) of Section 214 of the Revenue and Taxation Code shall not be classified as Welfare Exempt Property and will be subject to the Facilities Special Tax.

H. TRANSFERS

Prior to the issuance of the first series of Bonds within CFD No. 24 IA2A, the City may permit the transfer of Maximum Facilities Special Tax or Effective Tax Rate Evaluation Maximum Facilities Special Tax from one Assessor's Parcel to another Assessor's Parcel. Before recordation of a Small Lot Final Subdivision Map, if a subdivision map is required, the City may permit a transfer if the number of planned Residential Units, Multi-Family Attached Property Acreage, or Non-Residential Property Acreage is transferred from one Assessor's Parcel(s) to another Assessor's Parcel(s) in any portion of Large Lot Property. The City may, in its sole discretion, allow for a transfer of the Maximum Facilities Special Tax or Effective Tax Rate Evaluation Maximum Facilities Special Tax from one Assessor's Parcel to another Assessor's Parcel provided such a transfer shall be allowed only if (1) all adjustments are agreed to in writing by the affected property owners and the City's Finance Director, and (2) there is no reduction in the sum of the total Maximum Facilities Special Tax or sum of the total Effective Tax Rate Evaluation Maximum Facilities Special Tax as a result of the transfer. Should a transfer result in an amendment to Attachment B or, following an Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment, the requesting property owner shall bear the costs to affect the transfer in the CFD No. 24 IA2A records and prepare the required amendments to Attachment B or, following an Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment.

I. INTERPRETATIONS

The City reserves the right to make minor administrative and technical changes to this document that do not materially affect the Rate and Method of Apportionment of Special Tax. In addition, the interpretation and application of any section of this document shall be at the City's discretion. Interpretations may be made by the City by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment of Special Tax.

J. REVIEW/APPEALS

The CFD No. 24 IA2A Administrator may establish such procedures, as it deems necessary to undertake the review of any such appeal. The CFD No. 24 IA2A Administrator shall interpret this Rate and Method of Apportionment of Special Tax and make determinations relative to the annual administration of the Special Tax and any property owner appeals, as herein specified.

Any property owner may file a written appeal of the Special Tax with the CFD No. 24 IA2A Administrator claiming that the amount or application of the Special Tax is not correct. The appeal must be filed not later than one calendar year after having paid the Special Taxes that are disputed, and the appellant must be current in all payments of Special Taxes. In addition, during the term of the appeal process, all Special Taxes levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Taxes are in error. The CFD No. 24 IA2A Administrator shall review the appeal, meet with the appellant if the CFD No. 24 IA2A Administrator deems necessary, and advise the appellant of its determination.

If the property owner disagrees with the CFD No. 24 IA2A Administrator's decision relative to the appeal, the owner may file a written notice with the City Manager appealing the amount of the Special Tax levied on such Assessor's Parcel. If following such consultation and action (if any by the City Manager), the property owner believes such error still exists, such person may file a written notice with the City Council appealing the amount of the Special Tax levied on such Assessor's Parcel. The decision of the City shall be final and binding to all persons. If the decision of the CFD No. 24 IA2A Administrator or subsequent decision by the City Manager or City Council requires the Special Taxes to be modified or changed in favor of the property owner, no cash refund shall be made for prior years' Special Taxes, but an adjustment shall be made to credit future Special Taxes. This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to filing any legal action by such owner.

K. MANNER OF COLLECTION

The annual Special Tax shall be collected in the same manner and at the same time as ordinary ad valorem property taxes; provided, however, that CFD No. 24 IA2A, may, at the sole discretion of the City, directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner as necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on Assessor's Parcels of Taxable Property that are delinquent in the payment of Special Taxes.

L. PREPAYMENT IN PART OF FACILITIES SPECIAL TAX

The Facilities Special Tax obligation of an Assessor's Parcel of Taxable Property may be partially prepaid as described herein; provided that there are no delinquent Special Taxes with respect to such Assessor's Parcel at the time of partial prepayment. An owner of an Assessor's Parcel intending to partially prepay the Facilities Special Tax obligation shall provide the CFD No. 24 IA2A Administrator with written notice of intent to partially prepay. Within 30 days of receipt of such written notice, the CFD No. 24 IA2A Administrator shall notify such owner of the partial prepayment amount of such Assessor's Parcel. Any partial prepayment must be submitted at least 60 days before the next occurring bond redemption date, and the proceeds of such prepayment shall be provided to the Trustee for application toward bond redemption in accordance with the Indenture. The CFD No. 24 IA2A Administrator may charge a fee for providing this service.

L.1. Partial Prepayment Amount

The Facilities Special Tax may be prepaid in an amount determined at the time of prepayment based on the portion of Bonds then outstanding; provided, however, that no partial prepayment shall be accepted in an amount equal to an annual Special Tax amount less than the annual Transition Services Special Tax rate escalated to the then current fiscal year less the then current Services Special Tax rate.

Step 1: Determine the current Fiscal Year Maximum Facilities Special Tax for the Assessor's Parcel based on the assignment of the Maximum Facilities Special Tax described in Section C above. If an Effective Tax Rate Evaluation has occurred, determine the current Fiscal Year Effective Tax Rate Evaluation Maximum Facilities Special Tax for the Assessor's Parcel based on the assignment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax described in Section C above. If the Assessor's Parcel is not already classified as Developed Property, the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) shall be assigned as though the Assessor's Parcel was already designated as Developed Property.

Step 2: Calculate the annual revenue produced, by annually applying the Facilities Special Tax Escalation Factor, from the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) from the date of prepayment through the earlier of the end of the Facilities Special Tax Term or the Transition Event, except that this final date may be amended by the City no later than the time of the calculation of the prepayment. If the final date used in the prepayment calculation is amended by the City, this amended final date shall apply to any and all prepayment calculations from that point forward.

Step 3: Calculate the present value of the Assessor's Parcel's annual Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) revenue stream determined in Step 2. The present value shall be calculated using a discount rate that earns a rate of interest that, when the prepayment is invested in City permitted and available investments, would produce annual revenues equal to the amounts calculated in Step 2.

If there are Outstanding Bonds at the time of the Partial Prepayment Amount calculation, the Partial Prepayment Amount shall be first allocated to the Redemption Amount. If the Partial Prepayment Amount is insufficient to fund the Redemption Amount, then the Partial Prepayment Amount shall be increased to equal the Redemption Amount.

The Redemption Amount is calculated as follows:

Step 1: Divide the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) computed pursuant to Step 1 of Section L.1 by the total Maximum Facilities Special Taxes (or total Effective Tax Rate Evaluation Maximum Facilities Special Taxes) for the entire CFD No. 24 IA2A, based on the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) that could be charged in the current Fiscal Year if all Taxable Property were designated as Developed Property, excluding any Assessor's Parcels which have prepaid the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) obligation (the "Prepayment Quotient").

Step 2: Multiply the Prepayment Quotient by the Outstanding Bonds to compute the amount of Outstanding Bonds to be redeemed (the "Bond Redemption Amount").

Step 3: Multiply the Bond Redemption Amount by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed.

Step 4: Compute the amount needed to pay interest on the Bond Redemption Amount from the first Bond interest payment date following the current Fiscal Year until the earliest redemption date for the Outstanding Bonds.

Step 5: Determine that portion of Facilities Special Taxes levied on the Assessor's Parcel in the current Fiscal Year to satisfy the Facilities Special Tax Requirement, which have not yet been paid.

Step 6: A reserve fund credit shall equal the lesser of: (a) the expected reduction in the reserve requirement (as defined in the Indenture for the Bonds), if any, associated with the redemption of Outstanding Bonds as a result of the partial prepayment, or (b) the amount derived by subtracting the new reserve requirement (as defined in the Indenture for the Bonds) in effect after the redemption of Outstanding Bonds as a result of the partial prepayment from the balance in the reserve fund on the prepayment date, but in no event shall such amount be less than zero. Such reserve fund credit will not decrease the balance in the reserve fund below the new reserve requirement.

Step 7: If any capitalized interest for the Outstanding Bonds will not have been expended at the time of the first interest and/or principal payment following the current Fiscal Year, a capitalized interest credit shall be calculated by multiplying the quotient computed pursuant to Step 1 by the expected balance in the capitalized interest fund after such first interest payment.

Step 8: The redemption amount is equal to the sum of the amounts computed pursuant to Steps 2, 3, 4, and 5, less the amount computed pursuant to Steps 6 and 7 (the "Redemption Amount").

If the Partial Prepayment Amount exceeds the Redemption Amount, then any remaining Partial Prepayment Amount, after allocating the Redemption Amount, shall be designated as Pay as You Go Costs.

The Partial Prepayment Amount shall include any fees or expenses, including the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the cost of redeeming Bonds, and the costs of recording any notices to evidence the prepayment and the redemption (the "Administrative Fees and Expenses").

In addition, the City has the authority to adjust the Partial Prepayment Amount calculated above if a portion or all of the current property tax bill and the portion attributable to the payment of the Facilities Special Tax has not been used to make an interest and/or principal payment on the Bonds.

Notwithstanding the foregoing, no partial prepayment shall be allowed unless the amount of Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes), net of any priority administration, if any as defined in the Bond documents, that may be levied on Taxable Property, in each Fiscal Year, both prior to and after the proposed partial prepayment, is at least 1.1 times the annual debt service on all Outstanding Bonds to be paid from the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) in each Fiscal Year.

M. TERM OF SPECIAL TAX

The Maximum Facilities Special Tax and Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be levied commencing in Fiscal Year 2026-2027 to the extent necessary to fully satisfy the Facilities Special Tax Requirement and shall be levied for the Facilities Special Tax Term.

The Maximum Services Special Tax shall be levied commencing in Fiscal Year 2026-2027 and shall be levied until the Transition Event to the extent necessary to fully satisfy the Services Special Tax Requirement.

The Maximum Transition Services Special Tax shall be levied commencing in the Fiscal Year following the Transition Event in perpetuity, unless and until such time the City determines that revenues are no longer needed to pay the Transition Services Special Tax Requirement.

including Single-Family Detached Property – SF/SFHD Zoning, Single-Family Detached Property – MLD Zoning, MHD Multi-Family Attached Property, and MMD Multi-Family Attached Property.

ATTACHMENT A
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24 (ALDER CREEK WEST)
IMPROVEMENT AREA 2A
MAXIMUM SPECIAL TAX RATES
(FISCAL YEAR 2026-2027)

Land Use Category	Lot / Village #	2026-2027 Maximum Facilities Special Tax Rate(1)	2026-2027 Maximum Services Special Tax Rate(2)	Taxed Per
Developed Property:				
Multi-Family Attached Property – MLD Zoning	1A	$2,547	$450	Residential Lot
Multi-Family Attached Property – MLD Zoning	1B	2,598	470	Residential Lot
Multi-Family Attached Property – MLD Zoning	1C	2,498	400	Residential Lot
Small Lot Final Map Property:				
Multi-Family Attached Property – MLD Zoning	1A	$2,547	$450	Residential Lot
Multi-Family Attached Property – MLD Zoning	1B	2,598	470	Residential Lot
Multi-Family Attached Property – MLD Zoning	1C	2,498	400	Residential Lot
Permit Ready Multi-Family/Non-Residential Property		$23,000	N/A	Acre
Large Lot Property		$23,000	N/A	Acre
Undeveloped Property		$23,000	N/A	Acre

(1) On each July 1, commencing on July 1, 2027, the Maximum Facilities Special Tax Rates shall be increased by the Facilities Special Tax Escalation Factor of the Maximum Facilities Special Tax Rates in effect for the previous Fiscal Year.

(2) On each July 1, commencing on July 1, 2027, the Maximum Services Special Tax Rates shall be increased by an amount equal to the Services Special Tax Escalation Factor of the Maximum Services Special Tax Rates in effect for the previous Fiscal Year.

ATTACHMENT B
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24 (ALDER CREEK WEST)
IMPROVEMENT AREA 2A
MINIMUM FACILITIES REVENUE
(FISCAL YEAR 2026-2027)

Land Use Category	Lot / Village #	Planned Number of Residential Lots / Acres	2026-2027 Developed Property Maximum Facilities Special Tax Rate(1)(2)	2026-2027 Minimum Facilities Revenue (1)(3)
Developed Property:				
Multi-Family Attached Property – MLD Zoning	1A	104	$2,547	$264,888
Multi-Family Attached Property – MLD Zoning	1B	101	2,598	262,398
Multi-Family Attached Property – MLD Zoning	1C	124	2,498	309,752
Total Minimum Facilities Revenue(4)				**$837,038**

(1) On each July 1, commencing on July 1, 2027, the Developed Property Maximum Facilities Special Tax Rates and Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Developed Property Maximum Facilities Special Tax Rates and Minimum Facilities Revenue in effect for the previous Fiscal Year.

(2) As a result of future Assessor's Parcel changes, described in Section C.1, the assigned Maximum Facilities Special Tax Rates for Developed Property may exceed the Developed Property Maximum Facilities Special Tax Rates set forth in this table.

(3) The total Minimum Facilities Revenue may be decreased as result of a portion of Maximum Facilities Special Tax obligations being prepaid pursuant to Section L.

(4) Based upon the Developed Property Maximum Facilities Special Tax Rate for Single-Family Detached Property in Lot/Village 1A, 1B, and 1C.

ATTACHMENT C
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24 (ALDER CREEK WEST)
IMPROVEMENT AREA 2A
EFFECTIVE TAX RATE EVALUATION MAXIMUM FACILITIES SPECIAL TAX RATES
(FISCAL YEAR 2026-2027)

Land Use Category	Lot / Village #	2026-2027 Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate(1)(2)	Taxed Per
Developed Property:			
Multi-Family Attached Property – MLD Zoning	1A	$_____	Residential Lot
Multi-Family Attached Property – MLD Zoning	1B	_____	Residential Lot
Multi-Family Attached Property – MLD Zoning	1C	_____	Residential Lot
Small Lot Final Map Property:			
Multi-Family Attached Property – MLD Zoning	1A	$_____	Residential Lot
Multi-Family Attached Property – MLD Zoning	1B	_____	Residential Lot
Multi-Family Attached Property – MLD Zoning	1C	_____	Residential Lot
Permit Ready Multi-Family/Non-Residential Property		$_____	Acre
Large Lot Property		$_____	Acre
Undeveloped Property		$_____	Acre

(1) Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates will be inserted following the Effective Tax Rate Evaluation.
(2) On each July 1, commencing in the Fiscal Year after the Effective Tax Rate Evaluation occurs, the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be increased by the Facilities Special Tax Escalation Factor of the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates in effect for the previous Fiscal Year.

ATTACHMENT D
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24 (ALDER CREEK WEST)
IMPROVEMENT AREA 2A
EFFECTIVE TAX RATE EVALUATION MINIMUM FACILITIES REVENUE
(FISCAL YEAR 2026-2027)

Land Use Category	Lot / Village #	Planned Number of Residential Lots / Acres[(1)]	2026-2027 Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate[(1)(2)(3)]	2026-2027 Effective Tax Rate Evaluation Minimum Facilities Revenue[(1)(2)(4)]
Developed Property:				
Multi-Family Attached Property – MLD Zoning	1A	104	$_____	$_____
Multi-Family Attached Property – MLD Zoning	1B	101	_____	_____
Multi-Family Attached Property – MLD Zoning	1C	124	_____	_____
Total Effective Tax Rate Evaluation Minimum Facilities Revenue[(5)]				**$_____**

(1) Planned Number of Residential Units/Acres, Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate and Effective Tax Rate Evaluation Minimum Facilities Revenue to be inserted following the Effective Tax Rate Evaluation.

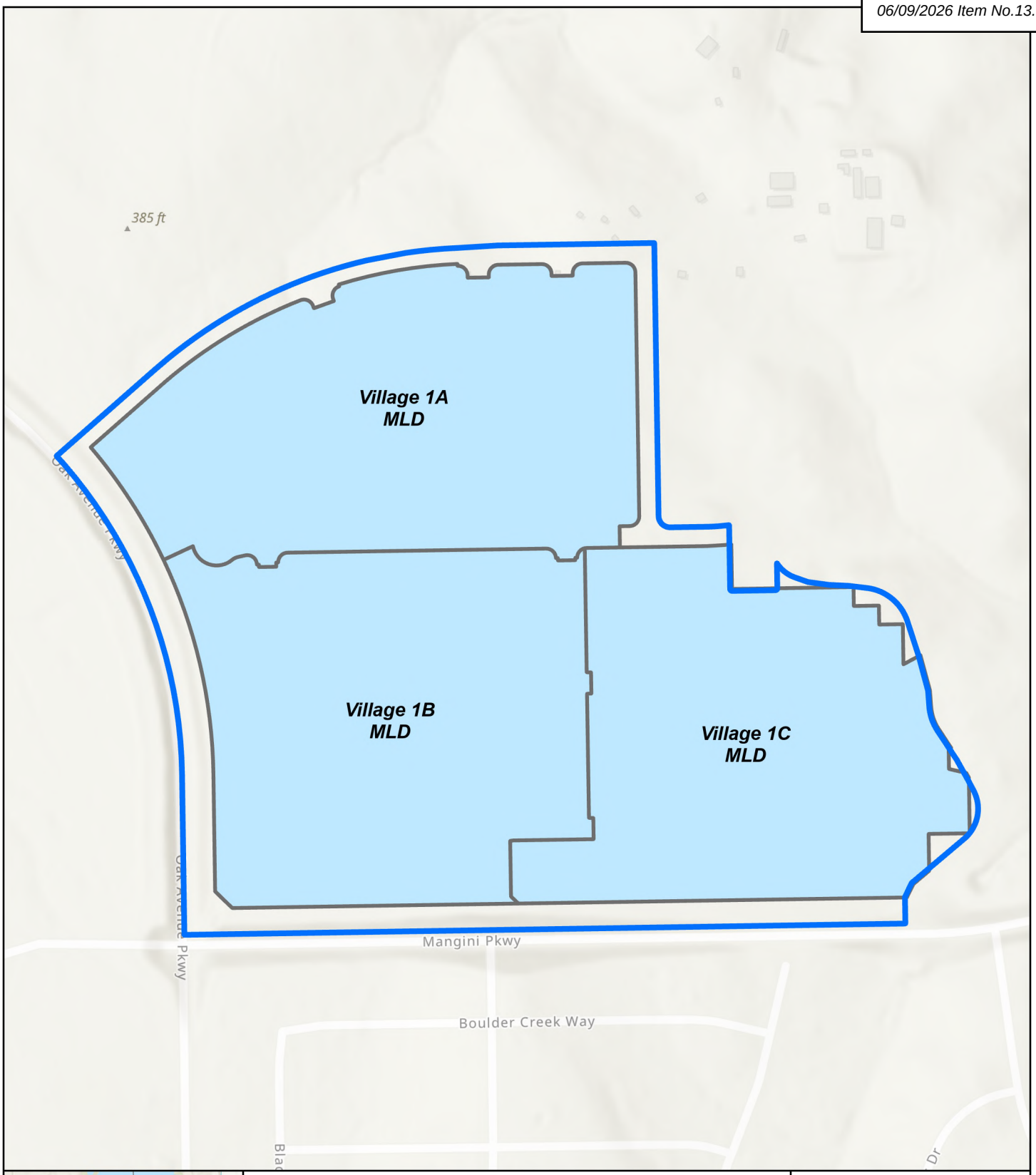
(2) On each July 1, commencing in the Fiscal Year after the Effective Tax Rate Evaluation occurs, the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates and Effective Tax Rate Evaluation Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates and Effective Tax Rate Evaluation Minimum Facilities Revenue in effect for the previous Fiscal Year.

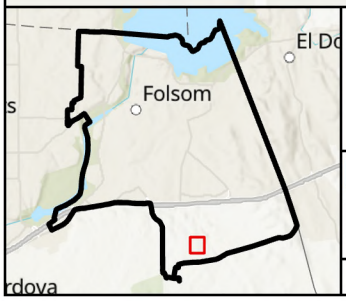
(3) As a result of future Assessor's Parcel changes, described in Section C.3, the assigned Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates may exceed the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates set forth in this table.

(4) The total Effective Tax Rate Evaluation Minimum Facilities Revenue may be decreased as result of a portion of Effective Tax Rate Evaluation Maximum Facilities Special Tax obligations being prepaid pursuant to Section L.

(5) Based upon the Developed Property Maximum Facilities Special Tax Rate for Single-Family Detached Property in Lot/Village 1A, 1B, and 1C.

ATTACHMENT E
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24 (ALDER CREEK WEST)
IMPROVEMENT AREA 2A
MAP OF VILLAGES





City of Folsom
Community Facilities District No. 24 (Alder Creek West)
Improvement Area 2A

Improvement Area 2A Boundary
Village Boundaries

2026

N

0 0.03 0.06 Mi

0 165 330 US Feet

Coordinate System: NAD 1983 State I FIPS 0402 Feet

For illustration purposes o ficial map.

NBS helping communities fund tomorrow

APPENDIX D: RATE AND METHOD OF APPORTIONMENT – IA 2B

The following pages provide a copy of the Rate and Method of Apportionment for IA 2B.

RATE AND METHOD OF APPORTIONMENT FOR
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24
(ALDER CREEK WEST)
IMPROVEMENT AREA 2B

A Special Tax, as hereinafter defined, shall be levied on each Assessor's Parcel of Taxable Property within the City of Folsom Community Facilities District No. 24 (Alder Creek West) Improvement Area 2B (CFD No. 24 IA2B) and collected each Fiscal Year in an amount determined by the CFD No. 24 IA2B Administrator through the application of the Rate and Method of Apportionment as described below. All of the real property within CFD No. 24 IA2B, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

A. GENERAL DEFINITIONS

The terms hereinafter set forth have the following meaning:

"Accessory Dwelling Unit" or **"ADU"** means a secondary residential unit of limited size, as defined in California Government Code Section 66313, as may be amended from time to time, that is accessory to a single-unit dwelling. The ADU may be on the same Assessor's Parcel as the single-unit dwelling or on a separate Assessor's Parcel. For purposes of clarification, where an ADU and primary Unit are on the same Assessor's Parcel, the ADU located on such Assessor's Parcel is considered a separate Unit from the primary Unit on such Assessor's Parcel for purposes of the Special Tax. Should an Assessor's Parcel contain only an ADU, such Assessor's Parcel will be taxed as an ADU only.

"Acre" or **"Acreage"** means the land area of an Assessor's Parcel as shown on County records, such as an Assessor's Parcel Map and secured roll data, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable Large Lot Map, Small Lot Final Subdivision Map, condominium plan, record of survey, or other recorded document creating or describing the parcel. If the preceding maps for a land area are not available, the Acreage of such land area may be determined utilizing available spatial data and GIS. The square footage of an Assessor's Parcel is equal to the Acreage of such parcel multiplied by 43,560.

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Division 2 of Title 5 of the Government Code of the State of California.

"Assessor's Parcel" or **"Parcel"** means a lot or parcel shown in an Assessor's Parcel Map with an assigned Assessor's Parcel number.

"Assessor's Parcel Map" means an official map of the County Assessor of the County designating lots or parcels by an Assessor's Parcel number.

"Authorized Services" means the services authorized to be financed by CFD No. 24 IA2B.

"Bond Year" means a one-year period beginning on September 2nd in each year and ending on September 1st in the following year, unless defined differently in the applicable Indenture.

"Bonds" means any bonds or other debt (as defined in the Act), whether in one or more series, issued by CFD No. 24 IA2B under the Act.

"CFD No. 24 IA2B" means City of Folsom Community Facilities District No. 24 (Alder Creek West) Improvement Area 2B.

"CFD No. 24 IA2B Administrator" means the City's Finance Director, or designee thereof, responsible for determining the Facilities Special Tax Requirement, Services Special Tax Requirement and providing for the levy and collection of the Special Taxes.

"City" means the City of Folsom.

"City Council" means the City Council of the City, acting as the legislative body of CFD No. 24 IA2B.

"County" means the County of Sacramento.

"Developed Property" means, for each Fiscal Year, all Taxable Property for which a building permit for new construction was issued prior to June 30 of the previous Fiscal Year.

"Effective Tax Rate Evaluation" means an evaluation of the Total Effective Tax Rate of Residential Property at the time of such evaluation. The Effective Tax Rate Evaluation will be based upon a prepared Price Point Study to determine the Total Effective Tax Rate for Residential Property, based upon the calculated Total Estimated Tax Burden.

"Effective Tax Rate Evaluation Maximum Facilities Special Tax" means the total maximum annual Facilities Special Tax, as determined during the Effective Tax Rate Evaluation, in accordance with the provisions of Section C.2, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate" means the maximum annual Facilities Special Tax rate for each land use category of Taxable Property that will be set forth in Attachment C, following the Effective Tax Rate Evaluation, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Effective Tax Rate Evaluation Minimum Facilities Revenue" means, following the Effective Tax Rate Evaluation, the total minimum amount of CFD No. 24 IA2B Effective Tax Rate Evaluation Maximum Facilities Special Tax, as adjusted annually by the Facilities Special Tax Escalation Factor after the Fiscal Year in which the Effective Tax Rate Evaluation occurs, less any Effective Tax Rate Evaluation Maximum Facilities Special Tax amounts partially prepaid pursuant to Section L. The Effective Tax Rate Evaluation Minimum Facilities Revenue, based on Planned Development, is set forth in Attachment D of this Rate and Method of Apportionment.

"Exempt Property" means all Assessors' Parcels that are exempt from the Special Tax pursuant to Section F.

"Facilities Administrative Expenses" means the actual or reasonably estimated costs directly related to the administration of the Facilities Special Tax including, but not limited to, the following: the costs of computing the Facilities Special Tax and preparing the annual Facilities Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Facilities Special Taxes (whether by the County, the City, or otherwise); the costs of remitting the Facilities Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of

the duties required of it under the Indenture; the costs to the City, CFD No. 24 IA2B, or any designee thereof of complying with arbitrage rebate requirements or responding to questions from the IRS or SEC pertaining to any Bonds or any audit of any Bonds by the SEC or IRS; the costs to the City, CFD No. 24 IA2B, or any designee thereof of providing continuing disclosure regarding the Bonds pursuant to applicable state or federal securities law; the costs associated with preparing Facilities Special Tax disclosure statements and responding to public inquiries regarding the Facilities Special Taxes; the costs of the City, CFD No. 24 IA2B, or any designee thereof related to any appeal of the levy or application of the Facilities Special Tax; the costs associated with the release of funds from an escrow account, if any; and the costs associated with computing and preparing the Effective Tax Rate Evaluation, including the Price Point Study. Facilities Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 24 IA2B for any other administrative purposes, including, but not limited to, attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Facilities Special Taxes.

"Facilities Special Tax" means the annual Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Facilities Special Tax Requirement.

"Facilities Special Tax Escalation Factor" means two percent (2%) annually.

"Facilities Special Tax Requirement" means that amount of Special Tax revenue required in any Fiscal Year for CFD No. 24 IA2B to: (i) Pay Facilities Administrative Expenses in an amount designated by the City; (ii) pay annual debt service on all Outstanding Bonds due in the Bond Year beginning in such Fiscal Year; (iii) pay other periodic costs on Outstanding Bonds, including but not limited to, credit enhancement and rebate payments on Outstanding Bonds; (iv) pay any amounts required to establish or replenish any reserve funds for all Outstanding Bonds in accordance with the Indenture; (v) pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year and known upcoming delinquencies; and (vi) pay for Pay As You Go Costs; less (vii) a credit for funds available to reduce the annual Facilities Special Tax levy as determined by the CFD No. 24 IA2B Administrator pursuant to the Indenture.

"Facilities Special Tax Term" means the earlier of Fiscal Year 2085-2086 or the Fiscal Year occurring 50 years following the Fiscal Year in which the first building permit was issued, or the first series of Bonds was issued within CFD No. 24 IA2B.

"Fiscal Year" means the period starting July 1 and ending on the following June 30.

"Indenture" means the indenture, fiscal agent agreement, trust agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended and/or supplemented from time to time, and any instrument replacing or supplementing the same.

"Large Lot Map" means a recorded subdivision map creating larger parcels by land use. The Large Lot Map does not create individual lots for which building permits may be issued for single-family Residential Units.

"Large Lot Property" means, for each Fiscal Year, all Taxable Property for which a Large Lot Map was recorded prior to June 30 of the previous Fiscal Year, excluding any portion(s) thereof classified as

Developed Property, Small Lot Final Map Property, or Permit Ready Multi-Family/Non-Residential Property. Large Lot Property also means, for each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property as of June 30 of the previous Fiscal Year.

"Maximum Facilities Special Tax" means the total maximum annual Facilities Special Tax, determined in accordance with the provisions of Section C, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Maximum Facilities Special Tax Rate" means the maximum annual Facilities Special Tax rate for each land use category of Taxable Property, as shown in Attachment A, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Maximum Services Special Tax" means the total maximum annual Services Special Tax, determined in accordance with the provisions of Section D, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Maximum Services Special Tax Rate" means the maximum annual Services Special Tax rate for each land use category of Taxable Property, as shown in Attachment A, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Maximum Special Tax" means, prior to the Transition Year, the total annual Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) and Maximum Services Special Tax, determined in accordance with the provisions of Section C and Section D, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

Beginning in the Transition Year, "Maximum Special Tax", means the total annual Maximum Transition Services Special Tax, determined in accordance with the provisions of Section D, which may be levied in any Fiscal Year following the Transition Event on any Assessor's Parcel of Taxable Property

"Maximum Total Effective Tax Rate" means 1.80%, unless the City determines, in its sole discretion, that a higher Maximum Total Effective Tax Rate is appropriate.

"MHD Multi-Family Attached Property" means all Assessor's Parcels for which a building permit could be issued for purposes of constructing one or more attached Residential Units per Assessor's Parcel with a permitted density range of greater than 20 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council. MHD Multi-Family Attached Property shall also include an Assessor's Parcel or that portion of an Assessor's Parcel designated as a Mixed Use Residential Parcel.

"Minimum Facilities Revenue" means the minimum amount of total CFD No. 24 IA2B Maximum Facilities Special Tax, as adjusted annually by the Facilities Special Tax Escalation Factor, less any Maximum Facilities Special Tax amounts partially prepaid pursuant to Section L. The Minimum Facilities Revenue, based on Planned Development, is set forth in Attachment B of this Rate and Method of Apportionment. Following the Transition Event, the Minimum Facilities Revenue shall be zero.

"MMD Multi-Family Attached Property" means all Assessor's Parcels for which a building permit could be issued for purposes of constructing one or more attached Residential Units per Assessor's

Parcel with a permitted density range of 12-20 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

"Mixed-Use Residential Parcel" means a mixed-use Assessor's Parcel that is designated for residential land use. If the mixed-use Assessor's Parcel contains a combination of residential land use and non-residential land use, only that portion of an Assessor's Parcel designated for residential land use shall be classified as a Mixed-Use Residential Parcel and the remaining non-residential land use of the Assessor's Parcel shall be classified as Non-Residential Property.

"Non-Residential Property" means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing non-residential buildings.

"Open Space Property" means property within the boundaries of CFD No. 24 IA2B which (a) has been designated with specific boundaries and acreage on a Small Lot Final Subdivision Map as open space, or (b) is classified by the City zoning code or County Assessor as open space, or (c) has been irrevocably offered for dedication as open space to the federal government, the State of California, the County, the City, any other public agency, a private, non-profit organization, or (d) is encumbered by an easement or other restriction required by the City limiting the use of such property to open space.

"Outstanding Bonds" means all Bonds, which remain outstanding as defined in the Indenture pursuant to which such Bonds were issued.

"Pay as You Go Costs" means that portion of the Facilities Special Tax Requirement attributable to the direct payment for the acquisition and/or construction of public improvements, which are authorized to be financed by CFD No. 24 IA2B.

"Permit Ready Multi-Family/Non-Residential Property" means an Assessor's Parcel of Taxable Property zoned for multi-family or non-residential land use for which all discretionary entitlements have been obtained, including, without limitation, development plan review and improvement plan approval, such that building permits may be issued without further approvals for the construction of multi-family Residential Units or non-residential buildings within such Assessor's Parcel. The City shall have sole discretion, based upon available development information, in classifying an Assessor's Parcel as Permit Ready Multi-Family/Non-Residential Property.

"Planned Development" means the planned number of Residential Lots, MHD Multi-Family Attached Property Acreage, MMD Multi-Family Attached Property Acreage, and Non-Residential Property Acreage planned within CFD No. 24 IA2B, set forth in Attachment B or, following the Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment, as amended by the future recordation of all Large Lot Maps and Small Lot Final Subdivision Maps within CFD No. 24 IA2B.

"Price Point Study" means an analysis, prepared by an independent firm, to verify the estimated average sales price within each land use category of Residential Property given the project location and current market conditions.

"Property Owner Association Property" means any property within the boundaries of CFD No. 24 IA2B, which is (a) owned by a property owner association or (b) designated with specific boundaries

and Acreage on a Small Lot Final Subdivision Map as property owner association property. As used in this definition, a property owner association includes any master or sub-association.

"Proportionately" means for Taxable Property that the ratio of the Facilities Special Tax levy to the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) and the Services Special Tax levy to the Maximum Services Special Tax is equal for all Assessors' Parcels within each classification (Developed Property, Single Family Final Map Property, Permit Ready Multi-Family/Non-Residential Property, Large Lot Property, etc.) within CFD No. 24 IA2B.

"Public Property" means any property within the boundaries of CFD No. 24 IA2B, which (a) is owned by a public agency, (b) has been irrevocably offered for dedication to a public agency, or (c) is designated with specific boundaries and Acreage on a Small Lot Final Subdivision Map as property, which will be owned by a public agency. For purposes of this definition, a public agency includes the federal government, the State of California, the County, the City, or any other public agency.

"Residential Lot" means an individual lot of land for which a building permit could be issued to construct a Residential Unit.

"Residential Property" means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing Residential Units, including Single-Family Detached Property – SF/SFHD Zoning, Single-Family Detached Property – MLD Zoning, MHD Multi-Family Attached Property, and MMD Multi-Family Attached Property.

"Residential Unit" means a residential dwelling unit, including Accessory Dwelling Units, as allowed by the City zoning code.

"Services Administrative Expenses" means the actual or reasonably estimated costs directly related to the administration of the Services Special Tax including, but not limited to, the following: the costs of computing the Services Special Taxes and preparing the annual Services Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Services Special Taxes (whether by the County, the City, or otherwise); the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Services Special Tax; and the costs of the City, CFD No. 24 IA2B, or any designee thereof related to any appeal of the levy or application of the Services Special Tax. Services Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 24 IA2B for any other administrative purposes related to the Services Special Tax.

"Services Special Tax" means, prior to the Transition Event, the annual Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Services Special Tax Requirement.

"Services Special Tax Escalation Factor" means the maximum of two percent (2%) or the June annualized percentage change of the Consumer Price Index for all Urban Consumers, for the San Francisco-Oakland-San Jose area, not to exceed four percent (4%).

"Services Special Tax Requirement" means the amount of Services Special Tax revenue required for CFD No. 24 IA2B, before the Transition Year, to (i) pay Services Administrative Expenses in an amount

designated by the City; (ii) pay Authorized Services expenses; (iii) pay any amounts required to establish or replenish any repair and contingency funds, capital improvement funds, or reserve funds related to the Authorized Services expenses; (iv) cover any shortfalls that exist if, in any Fiscal Year, the levy of the Facilities Special Tax on each Assessor's Parcel of Taxable Property is insufficient to pay the Facilities Special Tax Requirement in that Fiscal Year. Facilities Special Tax Requirement shortfalls shall not include Pay As You Go Costs, and (v) pay for reasonably anticipated delinquent Services Special Taxes based on the delinquency rate for Services Special Taxes levied in the previous Fiscal Year; less (vi) a credit for funds available to reduce the annual Services Special Tax levy as determined by the CFD No. 24 IA2B Administrator.

"Single-Family Detached Property – MLD Zoning" means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing one or more detached or attached Residential Units with a permitted density range of 7-12 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

"Single-Family Detached Property – SF/SFHD Zoning" means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing one or more Residential Units. Single-Family Detached Property – SF/SFHD Zoning shall consist of either single-family property with a permitted density range of 1-4 Residential Units per Acre or single-family high density property with a permitted density range of 4-7 Residential Units per Acre, which is more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

"Special Tax" means, before the Transition Year, the annual Facilities Special Tax and Services Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Facilities Special Tax Requirement and the Services Special Tax Requirement.

Beginning in the Transition Year, the annual Transition Services Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Transition Services Special Tax Requirement.

"Small Lot Final Map Property" means, for each Fiscal Year, all Taxable Property for which a Small Lot Final Subdivision Map was recorded prior to June 30 of the previous Fiscal Year.

"Small Lot Final Map Remainder Property" means an Assessor's Parcel that is created from the subdivision of Large Lot Property by the recordation of a Small Lot Final Subdivision Map that has not yet been mapped for final development approval. Small Lot Final Map Remainder Property is that portion of property for which the Small Lot Final Subdivision Map definition does not apply (i.e., does not contain individual lots for which building permits may be issued for Residential Units without further subdivision of such property). Each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property, as of June 30 of the previous Fiscal Year, will be considered Large Lot Property.

"Small Lot Final Subdivision Map" means a subdivision of property created by recordation of a final subdivision map, parcel map or lot line adjustment, approved by the City pursuant to the Subdivision

Map Act (California Government Code Section 66410 et seq.) or recordation of a condominium plan pursuant to California Civil Code 1352, that creates individual lots for which building permits may be issued for Residential Units without further subdivision of such property.

"State" means the State of California.

"Taxable Property" means all of the Assessor's Parcels within the boundaries of CFD No. 24 IA2B that are not exempt from the CFD No. 24 IA2B Special Tax pursuant to law or Section F below.

"Total Effective Tax Rate" means the percentage of the Total Estimated Tax Burden as compared to the estimated average sales price identified in the Price Point Study for each land use category of Residential Property.

"Total Estimated Tax Burden" means the total amount of overlapping property taxes anticipated to be levied upon a Residential Unit, based upon the estimated average sales price identified in the Price Point Study and existing property tax rates for the current Fiscal Year. Existing property tax rates shall reflect the actual property tax rates levied upon Taxable Property in the Fiscal Year that the Effective Tax Rate Evaluation is completed.

"Transition Event" means the earlier of (i) Fiscal Year 2085-2086 or (ii) the Fiscal Year when the CFD No. 24 IA2B Administrator determines that both of the following events have occurred (1) all Bonds secured by the levy and collection of the Facilities Special Tax in CFD No. 24 IA2B have been fully repaid and the City determines that no additional Bonds are to be issued, and (2) all Facilities Administrative Expenses have been paid or reimbursed to CFD No. 24 IA2B.

"Transition Services Administrative Expenses" means the actual or reasonably estimated costs directly related to the administration of the Transition Services Special Tax including, but not limited to, the following: the costs of computing the Transition Services Special Taxes and preparing the annual Transition Services Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Transition Services Special Taxes (whether by the County, the City, or otherwise); the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Transition Services Special Tax; and the costs of the City, CFD No. 24 IA2B, or any designee thereof related to any appeal of the levy or application of the Transition Services Special Tax. Transition Services Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 24 IA2B for any other administrative purposes related to the Transition Services Special Tax.

"Transition Services Special Tax" means, after the Transition Event, the annual Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Transition Services Special Tax Requirement.

"Transition Services Special Tax Escalation Factor" means the maximum of two percent (2%) or the June annualized percentage change of the Consumer Price Index for all Urban Consumers, for the San Francisco-Oakland-San Jose area, not to exceed four percent (4%).

"Transition Services Special Tax Rate" means, calculated in the Transition Year, the amount equal to the prior year's Maximum Services Special Tax Rate plus fifty percent (50%) of the prior year's

Maximum Facilities Special Tax Rate. The Transition Services Special Tax Escalation Factor shall be applied beginning in the Transition Year. Following the Transition Year, the Transition Services Special Tax Rate shall be equal to the prior year's Transition Services Special Tax Rate, increased by the Transition Services Special Tax Escalation Factor.

"Transition Services Special Tax Requirement" Beginning in the Transition Year, to (i) pay Transition Services Administrative Expenses in an amount designated by the City; (ii) pay Authorized Services expenses; (iii) pay any amounts required to establish or replenish any repair, replacement and contingency funds, capital improvement funds, or reserve funds related to the Authorized Services expenses; (iv) pay for reasonably anticipated delinquent Transition Services Special Taxes based on the delinquency rate for Transition Services Special Taxes levied in the previous Fiscal Year; less (v) a credit for funds available to reduce the annual Transition Services Special Tax levy as determined by the CFD No. 24 IA2B Administrator.

"Transition Year" means the first year in which the CFD No. 24 IA2B Administrator determines that the Transition Event occurred in the prior Fiscal Year.

"Trustee" means the entity appointed pursuant to an Indenture to act as the trustee, fiscal agent, or paying agent or a combination thereof.

"Undeveloped Property" means, for each Fiscal Year, all Taxable Property not classified as Developed Property, Small Lot Final Map Property, Permit Ready Multi-Family/Non-Residential Property, or Large Lot Property.

"Welfare Exempt Property" means, in any Fiscal Year, all Parcels within the boundaries of CFD No. 24 IA2B that (a) have been granted a welfare exemption by the County under subdivision (g) of Section 214 of the Revenue and Taxation Code indicated in the Assessor's Data finalized as of January 1 of the previous Fiscal Year, and (b) are exempt from the Special Tax pursuant to Section 53340(c) of the Act. Pursuant to Section 53340(c) of the Act, after the issuance of the first series of Bonds, as applicable, any Assessor's Parcels that receives a welfare exemption under subdivision (g) of Section 214 of the Revenue and Taxation Code shall not be classified as Welfare Exempt Property and will be subject to the Facilities Special Tax.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, using City and County records, City zoning information, and land use development plans, all Assessor's Parcels within the boundaries of CFD No. 24 IA2B shall be designated as either Taxable Property or Exempt Property.

All Taxable Property shall be further classified as Developed Property, Small Lot Final Map Property, Permit Ready Multi-Family/Non-Residential Property, Large Lot Property, or Undeveloped Property and shall be subject to the levy of the annual Special Tax determined pursuant to Sections C and D below.

C. FACILITIES SPECIAL TAX

Prior to the Transition Year, a Maximum Facilities Special Tax shall be assigned to all Taxable Property within CFD No. 24 IA2B according to the Maximum Facilities Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

Once assigned, the sum of the total Maximum Facilities Special Tax shall be equal to or greater than the Minimum Facilities Revenue, unless adjusted by an Effective Tax Rate Evaluation as described below. The Minimum Facilities Revenue for Fiscal Year 2026-2027 is set forth in Attachment B of this Rate and Method of Apportionment.

On each July 1, commencing on July 1, 2027, the Maximum Facilities Special Tax Rates and Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Maximum Facilities Special Tax Rates and Minimum Facilities Revenue in effect for the previous Fiscal Year.

C.1. Future Assessor's Parcel Changes – Prior to an Effective Tax Rate Evaluation

The Maximum Facilities Special Tax shall be assigned to all future Assessor's Parcel(s) created from a subdivision, lot line adjustment, or merger of one or more Assessor's Parcels so that the revised sum of the total Maximum Facilities Special Tax revenue is not less than the Minimum Facilities Revenue set forth in Attachment B of this Rate and Method of Apportionment.

Undeveloped Property Subdividing into Large Lot Property

When Undeveloped Property subdivides into Large Lot Property, the Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. The expected Developed Property Maximum Facilities Special Tax for any Large Lot Property and any remaining Undeveloped Property shall be based upon the Planned Development for the Large Lot Property and remaining Undeveloped Property.

If the sum of the total expected Developed Property Maximum Facilities Special Tax generated by all of the Taxable Property is greater than or equal to the Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates for the Large Lot Property created from the Undeveloped Property subdivision.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Large Lot Property created from the Undeveloped Property subdivision, until the sum of the total expected Developed Property Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Further, if the sum of the total current Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, the Maximum Facilities Special Tax Rates for the Large Lot Property and any remaining Undeveloped Property created from the Undeveloped Property subdivision shall be Proportionately increased until the sum of the total current Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Attachment B of this Rate and Method of Apportionment shall be updated to reflect any increases to the Maximum Facilities Special Tax Rates from the Undeveloped Property subdivision. The

Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property.

Large Lot Property Subdividing into Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property

When Large Lot Property subdivides into Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property, the Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. If the Large Lot Property subdivision also creates Small Lot Final Map Remainder Property, the expected Developed Property Maximum Facilities Special Tax for the Small Lot Final Map Remainder Property shall be based upon the Planned Development for the Small Lot Final Map Remainder Property. The expected Developed Property Maximum Facilities Special Tax for any remaining Large Lot Property and Undeveloped Property shall be based upon the Planned Development of the Large Lot Property and the Undeveloped Property.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is greater than or equal to the Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates for the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, and such difference is not eliminated by the partial prepayment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax pursuant to Section L, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision, until the sum of the total expected Developed Property Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Attachment B of this Rate and Method of Apportionment shall be updated to reflect any increases to the Maximum Facilities Special Tax Rates from the Large Lot Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property created prior to the Large Lot Property subdivision.

C.2. Effective Tax Rate Evaluation

Prior to the issuance of the first series of Bonds within CFD No. 24 IA2B an Effective Tax Rate Evaluation will be completed. Following the Effective Tax Rate Evaluation, Attachment C of this

Rate and Method of Apportionment will be updated to reflect the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for all Taxable Property in CFD No. 24 IA2B.

Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates

As part of the Effective Tax Rate Evaluation, a Price Point Study will be prepared and an estimated average sales prices will be established for each Residential Property land use category. Using the estimated average sales price information determined in the Price Point Study, the Total Estimated Tax Burden and Total Effective Tax Rate will be calculated, using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment A, for each Residential Property land use category. If the calculated Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for a Residential Property land use category, the Maximum Facilities Special Tax Rate shall not be adjusted and will be assigned using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment A. Attachment C of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category.

If the Total Effective Tax Rate for any Residential Property land use category exceeds the Total Maximum Effective Tax Rate, the Developed Property Maximum Facilities Special Tax Rate set forth in Attachment A shall be reduced until the Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for that Residential Property land use category. Attachment C of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category.

Effective Tax Rate Evaluation Minimum Facilities Revenue

As a result of the Effective Tax Rate Evaluation, if the calculated Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for a Residential Property land use category used in the Minimum Facilities Revenue calculation, the Developed Property Maximum Facilities Special Tax Rate for the applicable Residential Property land use category shall not be adjusted and the Effective Tax Rate Evaluation Developed Property Maximum Facilities Special Tax Rate will be assigned using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment B. Attachment D of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category and the Effective Tax Rate Evaluation Minimum Facilities Revenue.

If the calculated Total Effective Tax Rate exceeds the Total Maximum Effective Tax Rate for a Residential Property land use category used in the Minimum Facilities Revenue calculation, the Effective Tax Rate Evaluation Developed Property Maximum Facilities Special Tax Rate will be assigned using the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates set forth in Attachment C. Attachment D of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum

Facilities Special Tax Rate for each Residential Property land use category and the Effective Tax Rate Evaluation Minimum Facilities Revenue.

C.3. Future Assessor's Parcel Changes – After an Effective Tax Rate Evaluation

The Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be assigned to all future Assessor's Parcel(s) created from a subdivision, lot line adjustment, or merger of one or more Assessor's Parcels so that the revised sum of the total Effective Tax Rate Evaluation Maximum Facilities Special Tax revenue is not less than the total Effective Tax Rate Evaluation Minimum Facilities Revenue set forth in Attachment D of this Rate and Method of Apportionment.

Undeveloped Property Subdividing into Large Lot Property

When Undeveloped Property subdivides into Large Lot Property, the Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. The expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for any Large Lot Property and any remaining Undeveloped Property shall be based upon the Planned Development for the Large Lot Property and remaining Undeveloped Property.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax generated by all of the Taxable Property is greater than or equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Large Lot Property created from the Undeveloped Property subdivision.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Large Lot Property created from the Undeveloped Property subdivision, until the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Further, if the sum of the total current Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Large Lot Property and any remaining Undeveloped Property created from the Undeveloped Property subdivision shall be Proportionately increased until the sum of the total current Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Attachment D of this Rate and Method of Apportionment shall be updated to reflect any increases to the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates from the Undeveloped Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as

Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property.

Large Lot Property Subdividing into Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property

When Large Lot Property subdivides into Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property, the Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. If the Large Lot Property subdivision also creates Small Lot Final Map Remainder Property, the expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for the Small Lot Final Map Remainder Property shall be based upon the Planned Development for the Small Lot Final Map Remainder Property. The expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for any remaining Large Lot Property and Undeveloped Property shall be based upon the Planned Development of the Large Lot Property and the Undeveloped Property.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is greater than or equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, and such difference is not eliminated by the partial prepayment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax pursuant to Section L, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision, until the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Attachment D of this Rate and Method of Apportionment shall be updated to reflect any increases to the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates from the Large Lot Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property created prior to the Large Lot Property subdivision.

C.4. Method of Apportionment of Facilities Special Tax

Using the definitions and procedures described herein, the CFD No. 24 IA2B Administrator shall determine the Facilities Special Tax Requirement and levy the Facilities Special Tax until the amount of Facilities Special Taxes equals the Facilities Special Tax Requirement. The Facilities Special Tax shall be levied each Fiscal Year until the Transition Year as follows:

Prior to an Effective Tax Rate Evaluation

First: The Facilities Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Facilities Special Tax in order to satisfy the Facilities Special Tax Requirement.

Second: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first step has been completed, the Facilities Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Small Lot Final Map Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Third: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first two steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Permit Ready Multi-Family/Non-Residential Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fourth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first three steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Large Lot Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fifth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first four steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Undeveloped Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

After an Effective Tax Rate Evaluation

First: The Facilities Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax in order to satisfy the Facilities Special Tax Requirement.

Second: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first step has been completed, the Facilities Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Small Lot Final Map Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Third: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first two steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Permit Ready Multi-Family/Non-Residential Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fourth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first three steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Large Lot Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fifth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first four steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Undeveloped Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

D. SERVICES SPECIAL TAX

A Services Special Tax shall be assigned to all Taxable Property within CFD No. 24 IA2B according to the Maximum Services Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

D.1. Prior to the Transition Event - Increase in the Maximum Services Special Tax

Prior to the Transition Event, on each July 1, commencing on July 1, 2027, the Maximum Services Special Tax Rates shall be increased by the Services Special Tax Escalation Factor of the Maximum Services Special Tax Rates in effect for the previous Fiscal Year.

D.2. Prior to the Transition Event - Method of Apportionment of Services Special Tax

If, in any Fiscal Year prior to the Transition Year, the Facilities Special Tax is levied against each Assessor's Parcel of Taxable Property within CFD No. 24 IA2B and the Facilities Special Tax revenues generated are insufficient to pay the Facilities Special Tax Requirement such shortfall shall be deemed a component of the Services Special Tax Requirement in that Fiscal Year, and proceeds from the levy of the Services Special Tax shall first be applied to mitigate the shortfall in the Facilities Special Tax Requirement before being used to pay for Authorized Services. The Services Special Tax revenue shall not be applied to any Facilities Special Tax Requirement shortfalls attributable to Pay As You Go Costs authorized to be financed by CFD No. 24 IA2B.

Using the definitions and procedures described herein, the CFD No. 24 IA2B Administrator shall determine the Services Special Tax Requirement and levy the Services Special Tax until the amount of Services Special Tax equals the Services Special Tax Requirement. The Services Special Tax shall be levied each Fiscal Year as follows:

First: The Services Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Second: If additional monies are needed to satisfy the Services Special Tax Requirement after the first step has been completed, the Services Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Third: If additional monies are needed to satisfy the Services Special Tax Requirement after the first two steps have been completed, the Services Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Fourth: If additional monies are needed to satisfy the Services Special Tax Requirement after the three steps have been completed, the Services Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Fifth: If additional monies are needed to satisfy the Services Special Tax Requirement after the three steps have been completed, the Services Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

E. TRANSITION SERVICES SPECIAL TAX

A Transition Services Special Tax shall be assigned to all Taxable Property within CFD No. 24 IA2B according to the Maximum Transition Services Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

E.1. After the Transition Event – Method of Apportionment of Transition Services Special Tax

Using the definitions and procedures described herein, the CFD No. 24 IA2B Administrator shall determine the Transition Services Special Tax Requirement and levy the Transition Services Special Tax until the amount of Transition Services Special Tax equals the Transition Services Special Tax Requirement. The Transition Services Special Tax shall be levied each Fiscal Year as follows:

First: The Transition Services Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Transition Services Special Tax in order to satisfy the Transition Services Special Tax Requirement.

Second: If additional monies are needed to satisfy the Transition Services Special Tax Requirement after the first step has been completed, the Transition Services Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Transition Services Special Tax in order to satisfy the Transition Services Special Tax Requirement.

Third: If additional monies are needed to satisfy the Transition Services Special Tax Requirement after the first two steps have been completed, the Transition Services Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Transition Services Special Tax in order to satisfy the Transition Services Special Tax Requirement.

Fourth: If additional monies are needed to satisfy the Transition Services Special Tax Requirement after the three steps have been completed, the Transition Services Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Transition Services Special Tax in order to satisfy the Transition Services Special Tax Requirement.

Fifth: If additional monies are needed to satisfy the Transition Services Special Tax Requirement after the three steps have been completed, the Transition Services Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Maximum Transition Services Special Tax in order to satisfy the Transition Services Special Tax Requirement.

F. DELINQUENCIES

Notwithstanding the above, under no circumstances will the CFD No. 24 IA2B Facilities Special Tax levied against any Assessor's Parcel of Developed Property classified as Residential Property, in any Fiscal Year, be increased as a consequence of the delinquency or default in the payment of the CFD No. 24 IA2B Facilities Special Taxes by the owner or owners of any other Taxable Property by more than ten percent (10%) above the amount that would have been levied against such Assessor's Parcel in such Fiscal Year had there been no delinquencies or defaults.

G. EXEMPTIONS

The CFD No. 24 IA2B Administrator shall classify the following as Exempt Property: Public Property, Property Owner Association Property, Open Space Property, and Assessor's Parcels with public or utility easements making impractical their utilization for any use other than the purposes set forth in the easement.

The Maximum Facilities Special Tax obligation or, if applicable, the Effective Tax Rate Evaluation Maximum Facilities Special Tax obligation for Taxable Property which will be transferred or dedicated to a public agency and will be classified as Public Property may be fully prepaid by the seller, pursuant to Section L, prior to the transfer/dedication of such Taxable Property. Until the Maximum Facilities Special Tax obligation or, if applicable, the Effective Tax Rate Evaluation Maximum Facilities Special Tax obligation for any such Taxable Property is prepaid, the Taxable Property shall continue to be subject to the levy of the Facilities Special Tax. An exception to this may be made if an Assessor's Parcel of Public Property, such as a school site, is relocated to an Assessor's Parcel of Taxable Property, in which case the Assessor's Parcel of previously Public Property becomes Taxable Property and the Assessor's Parcel of previously Taxable Property becomes Public Property. This trading of an Assessor's Parcel from Taxable Property to Public Property will be permitted to the extent there is no loss in Maximum Facilities Special Tax revenue or, if applicable, Effective Tax Rate Evaluation Maximum Facilities Special Tax revenue, and the transfer is agreed to by the owners of all Assessor's Parcels involved in the transfer and the City Council.

If the use of an Assessor's Parcel changes so that such Assessor's Parcel is no longer eligible to be classified as one of the uses set forth in Section G.1. above that would make such Assessor's Parcel eligible to continue to be classified as Exempt Property, such Assessor's Parcel shall cease to be classified as Exempt Property and shall be deemed to be Taxable Property and subject to the Special Tax.

No Special Tax shall be levied on any Assessor's Parcel in any Fiscal Year in which such Assessor's Parcel is classified as Welfare Exempt Property; however, pursuant to Section 53340(c) of the Act, after the issuance of the first series of Bonds, as applicable, any Assessor's Parcel that receives a welfare exemption under subdivision (g) of Section 214 of the Revenue and Taxation Code shall not be classified as Welfare Exempt Property and will be subject to the Facilities Special Tax.

H. TRANSFERS

Prior to the issuance of the first series of Bonds within CFD No. 24 IA2B, the City may permit the transfer of Maximum Facilities Special Tax or Effective Tax Rate Evaluation Maximum Facilities Special Tax from one Assessor's Parcel to another Assessor's Parcel. Before recordation of a Small Lot Final Subdivision Map, if a subdivision map is required, the City may permit a transfer if the number of planned Residential Units, Multi-Family Attached Property Acreage, or Non-Residential Property Acreage is transferred from one Assessor's Parcel(s) to another Assessor's Parcel(s) in any portion of Large Lot Property. The City may, in its sole discretion, allow for a transfer of the Maximum Facilities Special Tax or Effective Tax Rate Evaluation Maximum Facilities Special Tax from one Assessor's Parcel to another Assessor's Parcel provided such a transfer shall be allowed only if (1) all adjustments are agreed to in writing by the affected property owners and the City's Finance Director, and (2) there is no reduction in the sum of the total Maximum Facilities Special Tax or sum of the total Effective Tax Rate Evaluation Maximum Facilities Special Tax as a result of the transfer. Should a transfer result in an amendment to Attachment B or, following an Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment, the requesting property owner shall bear the costs to affect the transfer in the CFD No. 24 IA2B records and prepare the required amendments to Attachment B or, following an Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment.

I. INTERPRETATIONS

The City reserves the right to make minor administrative and technical changes to this document that do not materially affect the Rate and Method of Apportionment of Special Tax. In addition, the interpretation and application of any section of this document shall be at the City's discretion. Interpretations may be made by the City by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment of Special Tax.

J. REVIEW/APPEALS

The CFD No. 24 IA2B Administrator may establish such procedures, as it deems necessary to undertake the review of any such appeal. The CFD No. 24 IA2B Administrator shall interpret this Rate and Method of Apportionment of Special Tax and make determinations relative to the annual administration of the Special Tax and any property owner appeals, as herein specified.

Any property owner may file a written appeal of the Special Tax with the CFD No. 24 IA2B Administrator claiming that the amount or application of the Special Tax is not correct. The appeal must be filed not later than one calendar year after having paid the Special Taxes that are disputed, and the appellant must be current in all payments of Special Taxes. In addition, during the term of the appeal process, all Special Taxes levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Taxes are in error. The CFD No. 24 IA2B Administrator shall review the appeal, meet with the appellant if the CFD No. 24 IA2B Administrator deems necessary, and advise the appellant of its determination.

If the property owner disagrees with the CFD No. 24 IA2B Administrator's decision relative to the appeal, the owner may file a written notice with the City Manager appealing the amount of the Special Tax levied on such Assessor's Parcel. If following such consultation and action (if any by the City Manager), the property owner believes such error still exists, such person may file a written notice with the City Council appealing the amount of the Special Tax levied on such Assessor's Parcel. The decision of the City shall be final and binding to all persons. If the decision of the CFD No. 24 IA2B Administrator or subsequent decision by the City Manager or City Council requires the Special Taxes to be modified or changed in favor of the property owner, no cash refund shall be made for prior years' Special Taxes, but an adjustment shall be made to credit future Special Taxes. This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to filing any legal action by such owner.

K. MANNER OF COLLECTION

The annual Special Tax shall be collected in the same manner and at the same time as ordinary ad valorem property taxes; provided, however, that CFD No. 24 IA2B, may, at the sole discretion of the City, directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner as necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on Assessor's Parcels of Taxable Property that are delinquent in the payment of Special Taxes.

L. PREPAYMENT IN PART OF FACILITIES SPECIAL TAX

The Facilities Special Tax obligation of an Assessor's Parcel of Taxable Property may be partially prepaid as described herein; provided that there are no delinquent Special Taxes with respect to such Assessor's Parcel at the time of partial prepayment. An owner of an Assessor's Parcel intending to partially prepay the Facilities Special Tax obligation shall provide the CFD No. 24 IA2B Administrator with written notice of intent to partially prepay. Within 30 days of receipt of such written notice, the CFD No. 24 IA2B Administrator shall notify such owner of the partial prepayment amount of such Assessor's Parcel. Any partial prepayment must be submitted at least 60 days before the next occurring bond redemption date, and the proceeds of such prepayment shall be provided to the Trustee for application toward bond redemption in accordance with the Indenture. The CFD No. 24 IA2B Administrator may charge a fee for providing this service.

L.1. Partial Prepayment Amount

The Facilities Special Tax may be prepaid in an amount determined at the time of prepayment based on the portion of Bonds then outstanding; provided, however, that no partial prepayment shall be accepted in an amount equal to an annual Special Tax amount less than the annual Transition Services Special Tax rate escalated to the then current fiscal year less the then current Services Special Tax rate.

Step 1: Determine the current Fiscal Year Maximum Facilities Special Tax for the Assessor's Parcel based on the assignment of the Maximum Facilities Special Tax described in Section C above. If an Effective Tax Rate Evaluation has occurred, determine the current Fiscal Year Effective Tax Rate Evaluation Maximum Facilities Special Tax for the Assessor's Parcel based on the assignment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax described in Section C above. If the Assessor's Parcel is not already classified as Developed Property, the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) shall be assigned as though the Assessor's Parcel was already designated as Developed Property.

Step 2: Calculate the annual revenue produced, by annually applying the Facilities Special Tax Escalation Factor, from the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) from the date of prepayment through the earlier of the end of the Facilities Special Tax Term or the Transition Event, except that this final date may be amended by the City no later than the time of the calculation of the prepayment. If the final date used in the prepayment calculation is amended by the City, this amended final date shall apply to any and all prepayment calculations from that point forward.

Step 3: Calculate the present value of the Assessor's Parcel's annual Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) revenue stream determined in Step 2. The present value shall be calculated using a discount rate that earns a rate of interest that, when the prepayment is invested in City permitted and available investments, would produce annual revenues equal to the amounts calculated in Step 2.

If there are Outstanding Bonds at the time of the Partial Prepayment Amount calculation, the Partial Prepayment Amount shall be first allocated to the Redemption Amount. If the Partial Prepayment Amount is insufficient to fund the Redemption Amount, then the Partial Prepayment Amount shall be increased to equal the Redemption Amount.

The Redemption Amount is calculated as follows:

Step 1: Divide the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) computed pursuant to Step 1 of Section L.1 by the total Maximum Facilities Special Taxes (or total Effective Tax Rate Evaluation Maximum Facilities Special Taxes) for the entire CFD No. 24 IA2B, based on the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) that could be charged in the current Fiscal Year if all Taxable Property were designated as Developed Property, excluding any Assessor's Parcels which have prepaid the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) obligation (the "Prepayment Quotient").

Step 2: Multiply the Prepayment Quotient by the Outstanding Bonds to compute the amount of Outstanding Bonds to be redeemed (the "Bond Redemption Amount").

Step 3: Multiply the Bond Redemption Amount by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed.

Step 4: Compute the amount needed to pay interest on the Bond Redemption Amount from the first Bond interest payment date following the current Fiscal Year until the earliest redemption date for the Outstanding Bonds.

Step 5: Determine that portion of Facilities Special Taxes levied on the Assessor's Parcel in the current Fiscal Year to satisfy the Facilities Special Tax Requirement, which have not yet been paid.

Step 6: A reserve fund credit shall equal the lesser of: (a) the expected reduction in the reserve requirement (as defined in the Indenture for the Bonds), if any, associated with the redemption of Outstanding Bonds as a result of the partial prepayment, or (b) the amount derived by subtracting the new reserve requirement (as defined in the Indenture for the Bonds) in effect after the redemption of Outstanding Bonds as a result of the partial prepayment from the balance in the reserve fund on the prepayment date, but in no event shall such amount be less than zero. Such reserve fund credit will not decrease the balance in the reserve fund below the new reserve requirement.

Step 7: If any capitalized interest for the Outstanding Bonds will not have been expended at the time of the first interest and/or principal payment following the current Fiscal Year, a capitalized interest credit shall be calculated by multiplying the quotient computed pursuant to Step 1 by the expected balance in the capitalized interest fund after such first interest payment.

Step 8: The redemption amount is equal to the sum of the amounts computed pursuant to Steps 2, 3, 4, and 5, less the amount computed pursuant to Steps 6 and 7 (the "Redemption Amount").

If the Partial Prepayment Amount exceeds the Redemption Amount, then any remaining Partial Prepayment Amount, after allocating the Redemption Amount, shall be designated as Pay as You Go Costs.

The Partial Prepayment Amount shall include any fees or expenses, including the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the cost of redeeming Bonds, and the costs of recording any notices to evidence the prepayment and the redemption (the "Administrative Fees and Expenses").

In addition, the City has the authority to adjust the Partial Prepayment Amount calculated above if a portion or all of the current property tax bill and the portion attributable to the payment of the Facilities Special Tax has not been used to make an interest and/or principal payment on the Bonds.

Notwithstanding the foregoing, no partial prepayment shall be allowed unless the amount of Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes), net of any priority administration, if any as defined in the Bond documents, that may be levied on Taxable Property, in each Fiscal Year, both prior to and after the proposed partial prepayment, is at least 1.1 times the annual debt service on all Outstanding Bonds to be paid from the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) in each Fiscal Year.

M. TERM OF SPECIAL TAX

The Maximum Facilities Special Tax and Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be levied commencing in Fiscal Year 2026-2027 to the extent necessary to fully satisfy the Facilities Special Tax Requirement and shall be levied for the Facilities Special Tax Term.

The Maximum Services Special Tax shall be levied commencing in Fiscal Year 2026-2027 and shall be levied until the Transition Event to the extent necessary to fully satisfy the Services Special Tax Requirement.

The Maximum Transition Services Special Tax shall be levied commencing in the Fiscal Year following the Transition Event in perpetuity, unless and until such time the City determines that revenues are no longer needed to pay the Transition Services Special Tax Requirement.

including Single-Family Detached Property – SF/SFHD Zoning, Single-Family Detached Property – MLD Zoning, MHD Multi-Family Attached Property, and MMD Multi-Family Attached Property.

ATTACHMENT A
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24 (ALDER CREEK WEST)
IMPROVEMENT AREA 2B
MAXIMUM SPECIAL TAX RATES
(FISCAL YEAR 2026-2027)

Land Use Category	Lot / Village #	2026-2027 Maximum Facilities Special Tax Rate(1)	2026-2027 Maximum Services Special Tax Rate(2)	Taxed Per
Developed Property:				
Single-Family Detached Property – SFHD Zoning	2A	$2,947	$578	Residential Lot
Single-Family Detached Property – SFHD Zoning	2B	2,563	566	Residential Lot
Multi-Family Attached Property – MLD Zoning	3A	2,573	461	Residential Lot
Single-Family Detached Property – SF Zoning	3B	5,025	857	Residential Lot
Single-Family Detached Property – SF Zoning	4A	3,848	931	Residential Lot
Single-Family Detached Property – SF Zoning	4B	5,042	840	Residential Lot
Small Lot Final Map Property:				
Single-Family Detached Property – SFHD Zoning	2A	$2,947	$578	Residential Lot
Single-Family Detached Property – SFHD Zoning	2B	2,563	566	Residential Lot
Multi-Family Attached Property – MLD Zoning	3A	2,573	461	Residential Lot
Single-Family Detached Property – SF Zoning	3B	5,025	857	Residential Lot
Single-Family Detached Property – SF Zoning	4A	3,848	931	Residential Lot
Single-Family Detached Property – SF Zoning	4B	5,042	840	Residential Lot
Permit Ready Multi-Family/Non-Residential Property		$20,000	N/A	Acre
Large Lot Property		$20,000	N/A	Acre
Undeveloped Property		$20,000	N/A	Acre

(1) On each July 1, commencing on July 1, 2027, the Maximum Facilities Special Tax Rates shall be increased by the Facilities Special Tax Escalation Factor of the Maximum Facilities Special Tax Rates in effect for the previous Fiscal Year.

(2) On each July 1, commencing on July 1, 2027, the Maximum Services Special Tax Rates shall be increased by an amount equal to the Services Special Tax Escalation Factor of the Maximum Services Special Tax Rates in effect for the previous Fiscal Year.

ATTACHMENT B
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24 (ALDER CREEK WEST)
IMPROVEMENT AREA 2B
MINIMUM FACILITIES REVENUE
(FISCAL YEAR 2026-2027)

Land Use Category	Lot / Village #	Planned Number of Residential Lots / Acres	2026-2027 Developed Property Maximum Facilities Special Tax Rate(1)(2)	2026-2027 Minimum Facilities Revenue (1)(3)
Developed Property:				
Single-Family Detached Property – SFHD Zoning	2A	106	$2,947	$312,382
Single-Family Detached Property – SFHD Zoning	2B	71	2,563	181,973
Multi-Family Attached Property – MLD Zoning	3A	132	2,573	339,636
Single-Family Detached Property – SF Zoning	3B	25	5,025	125,625
Single-Family Detached Property – SF Zoning	4A	31	3,848	119,288
Single-Family Detached Property – SF Zoning	4B	63	5,042	317,646
Total Minimum Facilities Revenue(4)				**$1,396,550**

(1) On each July 1, commencing on July 1, 2027, the Developed Property Maximum Facilities Special Tax Rates and Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Developed Property Maximum Facilities Special Tax Rates and Minimum Facilities Revenue in effect for the previous Fiscal Year.

(2) As a result of future Assessor's Parcel changes, described in Section C.1, the assigned Maximum Facilities Special Tax Rates for Developed Property may exceed the Developed Property Maximum Facilities Special Tax Rates set forth in this table.

(3) The total Minimum Facilities Revenue may be decreased as result of a portion of Maximum Facilities Special Tax obligations being prepaid pursuant to Section L.

(4) Based upon the Developed Property Maximum Facilities Special Tax Rate for Single-Family Detached Property in Lot/Village 2A, 2B, 3A, 3B, 4A, and 4B.

ATTACHMENT C
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24 (ALDER CREEK WEST)
IMPROVEMENT AREA 2B
EFFECTIVE TAX RATE EVALUATION MAXIMUM FACILITIES SPECIAL TAX RATES
(FISCAL YEAR 2026-2027)

Land Use Category	Lot / Village #	2026-2027 Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate(1)(2)	Taxed Per
Developed Property:			
Single-Family Detached Property – SFHD Zoning	2A	$_____	Residential Lot
Single-Family Detached Property – SFHD Zoning	2B	_____	Residential Lot
Multi-Family Attached Property – MLD Zoning	3A	_____	Residential Lot
Single-Family Detached Property – SF Zoning	3B	_____	Residential Lot
Single-Family Detached Property – SF Zoning	4A	_____	Residential Lot
Single-Family Detached Property – SF Zoning	4B	_____	Residential Lot
Small Lot Final Map Property:			
Single-Family Detached Property – SFHD Zoning	2A	$_____	Residential Lot
Single-Family Detached Property – SFHD Zoning	2B	_____	Residential Lot
Multi-Family Attached Property – MLD Zoning	3A	_____	Residential Lot
Single-Family Detached Property – SF Zoning	3B	_____	Residential Lot
Single-Family Detached Property – SF Zoning	4A	_____	Residential Lot
Single-Family Detached Property – SF Zoning	4B	_____	Residential Lot
Permit Ready Multi-Family/Non-Residential Property		$_____	Acre
Large Lot Property		$_____	Acre
Undeveloped Property		$_____	Acre

(1) Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates will be inserted following the Effective Tax Rate Evaluation.
(2) On each July 1, commencing in the Fiscal Year after the Effective Tax Rate Evaluation occurs, the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be increased by the Facilities Special Tax Escalation Factor of the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates in effect for the previous Fiscal Year.

ATTACHMENT D
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24 (ALDER CREEK WEST)
IMPROVEMENT AREA 2B
EFFECTIVE TAX RATE EVALUATION MINIMUM FACILITIES REVENUE
(FISCAL YEAR 2026-2027)

Land Use Category	Lot / Village #	Planned Number of Residential Lots / Acres[1]	2026-2027 Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate[1][2][3]	2026-2027 Effective Tax Rate Evaluation Minimum Facilities Revenue[1][2][4]
Developed Property:				
Single-Family Detached Property – SFHD Zoning	2A	106	$_____	$_____
Single-Family Detached Property – SFHD Zoning	2B	71	_____	_____
Multi-Family Attached Property – MLD Zoning	3A	132	_____	_____
Single-Family Detached Property – SF Zoning	3B	25	_____	_____
Single-Family Detached Property – SF Zoning	4A	31	_____	_____
Single-Family Detached Property – SF Zoning	4B	63	_____	_____
Total Effective Tax Rate Evaluation Minimum Facilities Revenue[5]				**$_____**

(1) Planned Number of Residential Units/Acres, Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate and Effective Tax Rate Evaluation Minimum Facilities Revenue to be inserted following the Effective Tax Rate Evaluation.

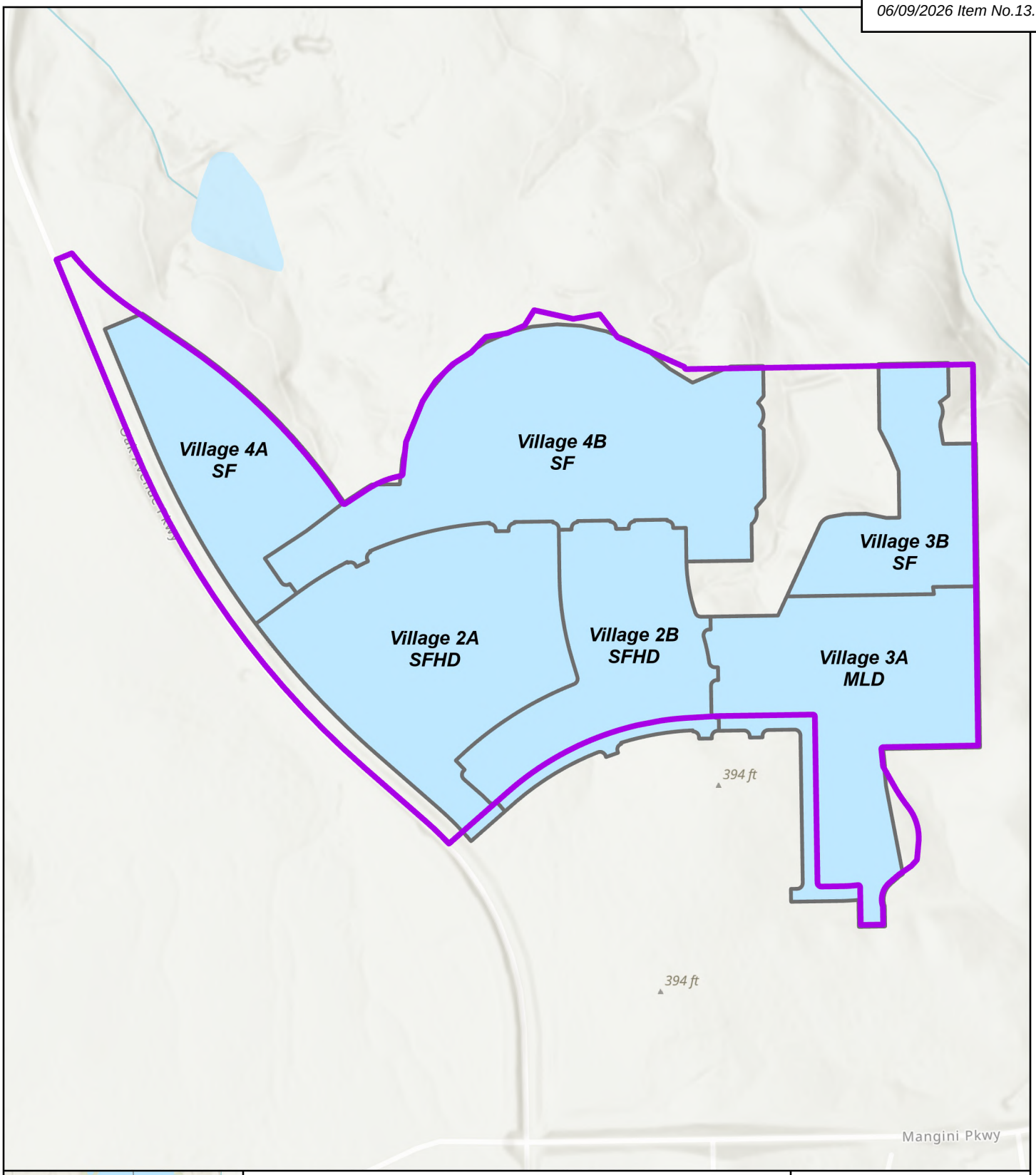
(2) On each July 1, commencing in the Fiscal Year after the Effective Tax Rate Evaluation occurs, the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates and Effective Tax Rate Evaluation Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates and Effective Tax Rate Evaluation Minimum Facilities Revenue in effect for the previous Fiscal Year.

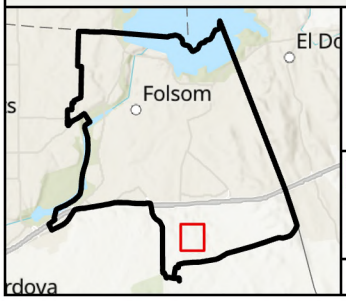
(3) As a result of future Assessor's Parcel changes, described in Section C.3, the assigned Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates may exceed the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates set forth in this table.

(4) The total Effective Tax Rate Evaluation Minimum Facilities Revenue may be decreased as result of a portion of Effective Tax Rate Evaluation Maximum Facilities Special Tax obligations being prepaid pursuant to Section L.

(5) Based upon the Developed Property Maximum Facilities Special Tax Rate for Single-Family Detached Property in Lot/Village 2A, 2B, 3A, 3B, 4A, and 4B.

ATTACHMENT E
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24 (ALDER CREEK WEST)
IMPROVEMENT AREA 2B
MAP OF VILLAGES





City of Folsom
Community Facilities District No. 24 (Alder Creek West)
Improvement Area 2B

Improvement Area 2B Boundary
Village Boundaries

2026

N

0 0.05 0.1 Mi

US Feet
0 275 550

Coordinate System: NAD 1983 State[illegible] I FIPS 0402 Feet

For illustration purposes o[illegible]ficial map.

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APPENDIX E: RATE AND METHOD OF APPORTIONMENT – IA 3

The following pages provide a copy of the Rate and Method of Apportionment for IA 3.

RATE AND METHOD OF APPORTIONMENT FOR
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24
(ALDER CREEK WEST)
IMPROVEMENT AREA 3

A Special Tax, as hereinafter defined, shall be levied on each Assessor's Parcel of Taxable Property within the City of Folsom Community Facilities District No. 24 (Alder Creek West) Improvement Area 3 (CFD No. 24 IA3) and collected each Fiscal Year in an amount determined by the CFD No. 24 IA3 Administrator through the application of the Rate and Method of Apportionment as described below. All of the real property within CFD No. 24 IA3, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

A. GENERAL DEFINITIONS

The terms hereinafter set forth have the following meaning:

"Accessory Dwelling Unit" or **"ADU"** means a secondary residential unit of limited size, as defined in California Government Code Section 66313, as may be amended from time to time, that is accessory to a single-unit dwelling. The ADU may be on the same Assessor's Parcel as the single-unit dwelling or on a separate Assessor's Parcel. For purposes of clarification, where an ADU and primary Unit are on the same Assessor's Parcel, the ADU located on such Assessor's Parcel is considered a separate Unit from the primary Unit on such Assessor's Parcel for purposes of the Special Tax. Should an Assessor's Parcel contain only an ADU, such Assessor's Parcel will be taxed as an ADU only.

"Acre" or **"Acreage"** means the land area of an Assessor's Parcel as shown on County records, such as an Assessor's Parcel Map and secured roll data, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable Large Lot Map, Small Lot Final Subdivision Map, condominium plan, record of survey, or other recorded document creating or describing the parcel. If the preceding maps for a land area are not available, the Acreage of such land area may be determined utilizing available spatial data and GIS. The square footage of an Assessor's Parcel is equal to the Acreage of such parcel multiplied by 43,560.

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Division 2 of Title 5 of the Government Code of the State of California.

"Assessor's Parcel" or **"Parcel"** means a lot or parcel shown in an Assessor's Parcel Map with an assigned Assessor's Parcel number.

"Assessor's Parcel Map" means an official map of the County Assessor of the County designating lots or parcels by an Assessor's Parcel number.

"Authorized Services" means the services authorized to be financed by CFD No. 24 IA3.

"Bond Year" means a one-year period beginning on September 2nd in each year and ending on September 1st in the following year, unless defined differently in the applicable Indenture.

"Bonds" means any bonds or other debt (as defined in the Act), whether in one or more series, issued by CFD No. 24 IA3 under the Act.

"CFD No. 24 IA3" means City of Folsom Community Facilities District No. 24 (Alder Creek West) Improvement Area 3.

"CFD No. 24 IA3 Administrator" means the City's Finance Director, or designee thereof, responsible for determining the Facilities Special Tax Requirement, Services Special Tax Requirement and providing for the levy and collection of the Special Taxes.

"City" means the City of Folsom.

"City Council" means the City Council of the City, acting as the legislative body of CFD No. 24 IA3.

"County" means the County of Sacramento.

"Developed Property" means, for each Fiscal Year, all Taxable Property for which a building permit for new construction was issued prior to June 30 of the previous Fiscal Year.

"Effective Tax Rate Evaluation" means an evaluation of the Total Effective Tax Rate of Residential Property at the time of such evaluation. The Effective Tax Rate Evaluation will be based upon a prepared Price Point Study to determine the Total Effective Tax Rate for Residential Property, based upon the calculated Total Estimated Tax Burden.

"Effective Tax Rate Evaluation Maximum Facilities Special Tax" means the total maximum annual Facilities Special Tax, as determined during the Effective Tax Rate Evaluation, in accordance with the provisions of Section C.2, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate" means the maximum annual Facilities Special Tax rate for each land use category of Taxable Property that will be set forth in Attachment C, following the Effective Tax Rate Evaluation, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Effective Tax Rate Evaluation Minimum Facilities Revenue" means, following the Effective Tax Rate Evaluation, the total minimum amount of CFD No. 24 IA3 Effective Tax Rate Evaluation Maximum Facilities Special Tax, as adjusted annually by the Facilities Special Tax Escalation Factor after the Fiscal Year in which the Effective Tax Rate Evaluation occurs, less any Effective Tax Rate Evaluation Maximum Facilities Special Tax amounts partially prepaid pursuant to Section L. The Effective Tax Rate Evaluation Minimum Facilities Revenue, based on Planned Development, is set forth in Attachment D of this Rate and Method of Apportionment.

"Exempt Property" means all Assessors' Parcels that are exempt from the Special Tax pursuant to Section F.

"Facilities Administrative Expenses" means the actual or reasonably estimated costs directly related to the administration of the Facilities Special Tax including, but not limited to, the following: the costs of computing the Facilities Special Tax and preparing the annual Facilities Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Facilities Special Taxes (whether by the County, the City, or otherwise); the costs of remitting the Facilities Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of

the duties required of it under the Indenture; the costs to the City, CFD No. 24 IA3, or any designee thereof of complying with arbitrage rebate requirements or responding to questions from the IRS or SEC pertaining to any Bonds or any audit of any Bonds by the SEC or IRS; the costs to the City, CFD No. 24 IA3, or any designee thereof of providing continuing disclosure regarding the Bonds pursuant to applicable state or federal securities law; the costs associated with preparing Facilities Special Tax disclosure statements and responding to public inquiries regarding the Facilities Special Taxes; the costs of the City, CFD No. 24 IA3, or any designee thereof related to any appeal of the levy or application of the Facilities Special Tax; the costs associated with the release of funds from an escrow account, if any; and the costs associated with computing and preparing the Effective Tax Rate Evaluation, including the Price Point Study. Facilities Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 24 IA3 for any other administrative purposes, including, but not limited to, attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Facilities Special Taxes.

"Facilities Special Tax" means the annual Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Facilities Special Tax Requirement.

"Facilities Special Tax Escalation Factor" means two percent (2%) annually.

"Facilities Special Tax Requirement" means that amount of Special Tax revenue required in any Fiscal Year for CFD No. 24 IA3 to: (i) Pay Facilities Administrative Expenses in an amount designated by the City; (ii) pay annual debt service on all Outstanding Bonds due in the Bond Year beginning in such Fiscal Year; (iii) pay other periodic costs on Outstanding Bonds, including but not limited to, credit enhancement and rebate payments on Outstanding Bonds; (iv) pay any amounts required to establish or replenish any reserve funds for all Outstanding Bonds in accordance with the Indenture; (v) pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year and known upcoming delinquencies; and (vi) pay for Pay As You Go Costs; less (vii) a credit for funds available to reduce the annual Facilities Special Tax levy as determined by the CFD No. 24 IA3 Administrator pursuant to the Indenture.

"Facilities Special Tax Term" means the earlier of Fiscal Year 2085-2086 or the Fiscal Year occurring 50 years following the Fiscal Year in which the first building permit was issued, or the first series of Bonds was issued within CFD No. 24 IA3.

"Fiscal Year" means the period starting July 1 and ending on the following June 30.

"Indenture" means the indenture, fiscal agent agreement, trust agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended and/or supplemented from time to time, and any instrument replacing or supplementing the same.

"Large Lot Map" means a recorded subdivision map creating larger parcels by land use. The Large Lot Map does not create individual lots for which building permits may be issued for single-family Residential Units.

"Large Lot Property" means, for each Fiscal Year, all Taxable Property for which a Large Lot Map was recorded prior to June 30 of the previous Fiscal Year, excluding any portion(s) thereof classified as

Developed Property, Small Lot Final Map Property, or Permit Ready Multi-Family/Non-Residential Property. Large Lot Property also means, for each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property as of June 30 of the previous Fiscal Year.

"Maximum Facilities Special Tax" means the total maximum annual Facilities Special Tax, determined in accordance with the provisions of Section C, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Maximum Facilities Special Tax Rate" means the maximum annual Facilities Special Tax rate for each land use category of Taxable Property, as shown in Attachment A, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Maximum Services Special Tax" means the total maximum annual Services Special Tax, determined in accordance with the provisions of Section D, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Maximum Services Special Tax Rate" means the maximum annual Services Special Tax rate for each land use category of Taxable Property, as shown in Attachment A, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Maximum Special Tax" means, prior to the Transition Year, the total annual Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) and Maximum Services Special Tax, determined in accordance with the provisions of Section C and Section D, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

Beginning in the Transition Year, "Maximum Special Tax", means the total annual Maximum Transition Services Special Tax, determined in accordance with the provisions of Section D, which may be levied in any Fiscal Year following the Transition Event on any Assessor's Parcel of Taxable Property

"Maximum Total Effective Tax Rate" means 1.80%, unless the City determines, in its sole discretion, that a higher Maximum Total Effective Tax Rate is appropriate.

"MHD Multi-Family Attached Property" means all Assessor's Parcels for which a building permit could be issued for purposes of constructing one or more attached Residential Units per Assessor's Parcel with a permitted density range of greater than 20 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council. MHD Multi-Family Attached Property shall also include an Assessor's Parcel or that portion of an Assessor's Parcel designated as a Mixed Use Residential Parcel.

"Minimum Facilities Revenue" means the minimum amount of total CFD No. 24 IA3 Maximum Facilities Special Tax, as adjusted annually by the Facilities Special Tax Escalation Factor, less any Maximum Facilities Special Tax amounts partially prepaid pursuant to Section L. The Minimum Facilities Revenue, based on Planned Development, is set forth in Attachment B of this Rate and Method of Apportionment. Following the Transition Event, the Minimum Facilities Revenue shall be zero.

"MMD Multi-Family Attached Property" means all Assessor's Parcels for which a building permit could be issued for purposes of constructing one or more attached Residential Units per Assessor's

Parcel with a permitted density range of 12-20 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

"Mixed-Use Residential Parcel" means a mixed-use Assessor's Parcel that is designated for residential land use. If the mixed-use Assessor's Parcel contains a combination of residential land use and non-residential land use, only that portion of an Assessor's Parcel designated for residential land use shall be classified as a Mixed-Use Residential Parcel and the remaining non-residential land use of the Assessor's Parcel shall be classified as Non-Residential Property.

"Non-Residential Property" means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing non-residential buildings.

"Open Space Property" means property within the boundaries of CFD No. 24 IA3 which (a) has been designated with specific boundaries and acreage on a Small Lot Final Subdivision Map as open space, or (b) is classified by the City zoning code or County Assessor as open space, or (c) has been irrevocably offered for dedication as open space to the federal government, the State of California, the County, the City, any other public agency, a private, non-profit organization, or (d) is encumbered by an easement or other restriction required by the City limiting the use of such property to open space.

"Outstanding Bonds" means all Bonds, which remain outstanding as defined in the Indenture pursuant to which such Bonds were issued.

"Pay as You Go Costs" means that portion of the Facilities Special Tax Requirement attributable to the direct payment for the acquisition and/or construction of public improvements, which are authorized to be financed by CFD No. 24 IA3.

"Permit Ready Multi-Family/Non-Residential Property" means an Assessor's Parcel of Taxable Property zoned for multi-family or non-residential land use for which all discretionary entitlements have been obtained, including, without limitation, development plan review and improvement plan approval, such that building permits may be issued without further approvals for the construction of multi-family Residential Units or non-residential buildings within such Assessor's Parcel. The City shall have sole discretion, based upon available development information, in classifying an Assessor's Parcel as Permit Ready Multi-Family/Non-Residential Property.

"Planned Development" means the planned number of Residential Lots, MHD Multi-Family Attached Property Acreage, MMD Multi-Family Attached Property Acreage, and Non-Residential Property Acreage planned within CFD No. 24 IA3, set forth in Attachment B or, following the Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment, as amended by the future recordation of all Large Lot Maps and Small Lot Final Subdivision Maps within CFD No. 24 IA3.

"Price Point Study" means an analysis, prepared by an independent firm, to verify the estimated average sales price within each land use category of Residential Property given the project location and current market conditions.

"Property Owner Association Property" means any property within the boundaries of CFD No. 24 IA3, which is (a) owned by a property owner association or (b) designated with specific boundaries

and Acreage on a Small Lot Final Subdivision Map as property owner association property. As used in this definition, a property owner association includes any master or sub-association.

"Proportionately" means for Taxable Property that the ratio of the Facilities Special Tax levy to the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) and the Services Special Tax levy to the Maximum Services Special Tax is equal for all Assessors' Parcels within each classification (Developed Property, Single Family Final Map Property, Permit Ready Multi-Family/Non-Residential Property, Large Lot Property, etc.) within CFD No. 24 IA3.

"Public Property" means any property within the boundaries of CFD No. 24 IA3, which (a) is owned by a public agency, (b) has been irrevocably offered for dedication to a public agency, or (c) is designated with specific boundaries and Acreage on a Small Lot Final Subdivision Map as property, which will be owned by a public agency. For purposes of this definition, a public agency includes the federal government, the State of California, the County, the City, or any other public agency.

"Residential Lot" means an individual lot of land for which a building permit could be issued to construct a Residential Unit.

"Residential Property" means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing Residential Units, including Single-Family Detached Property – SF/SFHD Zoning, Single-Family Detached Property – MLD Zoning, MHD Multi-Family Attached Property, and MMD Multi-Family Attached Property.

"Residential Unit" means a residential dwelling unit, including Accessory Dwelling Units, as allowed by the City zoning code.

"Services Administrative Expenses" means the actual or reasonably estimated costs directly related to the administration of the Services Special Tax including, but not limited to, the following: the costs of computing the Services Special Taxes and preparing the annual Services Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Services Special Taxes (whether by the County, the City, or otherwise); the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Services Special Tax; and the costs of the City, CFD No. 24 IA3, or any designee thereof related to any appeal of the levy or application of the Services Special Tax. Services Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 24 IA3 for any other administrative purposes related to the Services Special Tax.

"Services Special Tax" means, prior to the Transition Event, the annual Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Services Special Tax Requirement.

"Services Special Tax Escalation Factor" means the maximum of two percent (2%) or the June annualized percentage change of the Consumer Price Index for all Urban Consumers, for the San Francisco-Oakland-San Jose area, not to exceed four percent (4%).

"Services Special Tax Requirement" means the amount of Services Special Tax revenue required for CFD No. 24 IA3, before the Transition Year, to (i) pay Services Administrative Expenses in an amount

designated by the City; (ii) pay Authorized Services expenses; (iii) pay any amounts required to establish or replenish any repair and contingency funds, capital improvement funds, or reserve funds related to the Authorized Services expenses; (iv) cover any shortfalls that exist if, in any Fiscal Year, the levy of the Facilities Special Tax on each Assessor's Parcel of Taxable Property is insufficient to pay the Facilities Special Tax Requirement in that Fiscal Year. Facilities Special Tax Requirement shortfalls shall not include Pay As You Go Costs, and (v) pay for reasonably anticipated delinquent Services Special Taxes based on the delinquency rate for Services Special Taxes levied in the previous Fiscal Year; less (vi) a credit for funds available to reduce the annual Services Special Tax levy as determined by the CFD No. 24 IA3 Administrator.

"Single-Family Detached Property – MLD Zoning" means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing one or more detached or attached Residential Units with a permitted density range of 7-12 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

"Single-Family Detached Property – SF/SFHD Zoning" means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing one or more Residential Units. Single-Family Detached Property – SF/SFHD Zoning shall consist of either single-family property with a permitted density range of 1-4 Residential Units per Acre or single-family high density property with a permitted density range of 4-7 Residential Units per Acre, which is more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

"Special Tax" means, before the Transition Year, the annual Facilities Special Tax and Services Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Facilities Special Tax Requirement and the Services Special Tax Requirement.

Beginning in the Transition Year, the annual Transition Services Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Transition Services Special Tax Requirement.

"Small Lot Final Map Property" means, for each Fiscal Year, all Taxable Property for which a Small Lot Final Subdivision Map was recorded prior to June 30 of the previous Fiscal Year.

"Small Lot Final Map Remainder Property" means an Assessor's Parcel that is created from the subdivision of Large Lot Property by the recordation of a Small Lot Final Subdivision Map that has not yet been mapped for final development approval. Small Lot Final Map Remainder Property is that portion of property for which the Small Lot Final Subdivision Map definition does not apply (i.e., does not contain individual lots for which building permits may be issued for Residential Units without further subdivision of such property). Each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property, as of June 30 of the previous Fiscal Year, will be considered Large Lot Property.

"Small Lot Final Subdivision Map" means a subdivision of property created by recordation of a final subdivision map, parcel map or lot line adjustment, approved by the City pursuant to the Subdivision

Map Act (California Government Code Section 66410 et seq.) or recordation of a condominium plan pursuant to California Civil Code 1352, that creates individual lots for which building permits may be issued for Residential Units without further subdivision of such property.

"State" means the State of California.

"Taxable Property" means all of the Assessor's Parcels within the boundaries of CFD No. 24 IA3 that are not exempt from the CFD No. 24 IA3 Special Tax pursuant to law or Section F below.

"Total Effective Tax Rate" means the percentage of the Total Estimated Tax Burden as compared to the estimated average sales price identified in the Price Point Study for each land use category of Residential Property.

"Total Estimated Tax Burden" means the total amount of overlapping property taxes anticipated to be levied upon a Residential Unit, based upon the estimated average sales price identified in the Price Point Study and existing property tax rates for the current Fiscal Year. Existing property tax rates shall reflect the actual property tax rates levied upon Taxable Property in the Fiscal Year that the Effective Tax Rate Evaluation is completed.

"Transition Event" means the earlier of (i) Fiscal Year 2085-2086 or (ii) the Fiscal Year when the CFD No. 24 IA3 Administrator determines that both of the following events have occurred (1) all Bonds secured by the levy and collection of the Facilities Special Tax in CFD No. 24 IA3 have been fully repaid and the City determines that no additional Bonds are to be issued, and (2) all Facilities Administrative Expenses have been paid or reimbursed to CFD No. 24 IA3.

"Transition Services Administrative Expenses" means the actual or reasonably estimated costs directly related to the administration of the Transition Services Special Tax including, but not limited to, the following: the costs of computing the Transition Services Special Taxes and preparing the annual Transition Services Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Transition Services Special Taxes (whether by the County, the City, or otherwise); the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Transition Services Special Tax; and the costs of the City, CFD No. 24 IA3, or any designee thereof related to any appeal of the levy or application of the Transition Services Special Tax. Transition Services Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 24 IA3 for any other administrative purposes related to the Transition Services Special Tax.

"Transition Services Special Tax" means, after the Transition Event, the annual Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Transition Services Special Tax Requirement.

"Transition Services Special Tax Escalation Factor" means the maximum of two percent (2%) or the June annualized percentage change of the Consumer Price Index for all Urban Consumers, for the San Francisco-Oakland-San Jose area, not to exceed four percent (4%).

"Transition Services Special Tax Rate" means, calculated in the Transition Year, the amount equal to the prior year's Maximum Services Special Tax Rate plus fifty percent (50%) of the prior year's

Maximum Facilities Special Tax Rate. The Transition Services Special Tax Escalation Factor shall be applied beginning in the Transition Year. Following the Transition Year, the Transition Services Special Tax Rate shall be equal to the prior year's Transition Services Special Tax Rate, increased by the Transition Services Special Tax Escalation Factor.

"Transition Services Special Tax Requirement" Beginning in the Transition Year, to (i) pay Transition Services Administrative Expenses in an amount designated by the City; (ii) pay Authorized Services expenses; (iii) pay any amounts required to establish or replenish any repair, replacement and contingency funds, capital improvement funds, or reserve funds related to the Authorized Services expenses; (iv) pay for reasonably anticipated delinquent Transition Services Special Taxes based on the delinquency rate for Transition Services Special Taxes levied in the previous Fiscal Year; less (v) a credit for funds available to reduce the annual Transition Services Special Tax levy as determined by the CFD No. 24 IA3 Administrator.

"Transition Year" means the first year in which the CFD No. 24 IA3 Administrator determines that the Transition Event occurred in the prior Fiscal Year.

"Trustee" means the entity appointed pursuant to an Indenture to act as the trustee, fiscal agent, or paying agent or a combination thereof.

"Undeveloped Property" means, for each Fiscal Year, all Taxable Property not classified as Developed Property, Small Lot Final Map Property, Permit Ready Multi-Family/Non-Residential Property, or Large Lot Property.

"Welfare Exempt Property" means, in any Fiscal Year, all Parcels within the boundaries of CFD No. 24 IA3 that (a) have been granted a welfare exemption by the County under subdivision (g) of Section 214 of the Revenue and Taxation Code indicated in the Assessor's Data finalized as of January 1 of the previous Fiscal Year, and (b) are exempt from the Special Tax pursuant to Section 53340(c) of the Act. Pursuant to Section 53340(c) of the Act, after the issuance of the first series of Bonds, as applicable, any Assessor's Parcels that receives a welfare exemption under subdivision (g) of Section 214 of the Revenue and Taxation Code shall not be classified as Welfare Exempt Property and will be subject to the Facilities Special Tax.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, using City and County records, City zoning information, and land use development plans, all Assessor's Parcels within the boundaries of CFD No. 24 IA3 shall be designated as either Taxable Property or Exempt Property.

All Taxable Property shall be further classified as Developed Property, Small Lot Final Map Property, Permit Ready Multi-Family/Non-Residential Property, Large Lot Property, or Undeveloped Property and shall be subject to the levy of the annual Special Tax determined pursuant to Sections C and D below.

C. FACILITIES SPECIAL TAX

Prior to the Transition Year, a Maximum Facilities Special Tax shall be assigned to all Taxable Property within CFD No. 24 IA3 according to the Maximum Facilities Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

Once assigned, the sum of the total Maximum Facilities Special Tax shall be equal to or greater than the Minimum Facilities Revenue, unless adjusted by an Effective Tax Rate Evaluation as described below. The Minimum Facilities Revenue for Fiscal Year 2026-2027 is set forth in Attachment B of this Rate and Method of Apportionment.

On each July 1, commencing on July 1, 2027, the Maximum Facilities Special Tax Rates and Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Maximum Facilities Special Tax Rates and Minimum Facilities Revenue in effect for the previous Fiscal Year.

C.1. Future Assessor's Parcel Changes – Prior to an Effective Tax Rate Evaluation

The Maximum Facilities Special Tax shall be assigned to all future Assessor's Parcel(s) created from a subdivision, lot line adjustment, or merger of one or more Assessor's Parcels so that the revised sum of the total Maximum Facilities Special Tax revenue is not less than the Minimum Facilities Revenue set forth in Attachment B of this Rate and Method of Apportionment.

Undeveloped Property Subdividing into Large Lot Property

When Undeveloped Property subdivides into Large Lot Property, the Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. The expected Developed Property Maximum Facilities Special Tax for any Large Lot Property and any remaining Undeveloped Property shall be based upon the Planned Development for the Large Lot Property and remaining Undeveloped Property.

If the sum of the total expected Developed Property Maximum Facilities Special Tax generated by all of the Taxable Property is greater than or equal to the Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates for the Large Lot Property created from the Undeveloped Property subdivision.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Large Lot Property created from the Undeveloped Property subdivision, until the sum of the total expected Developed Property Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Further, if the sum of the total current Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, the Maximum Facilities Special Tax Rates for the Large Lot Property and any remaining Undeveloped Property created from the Undeveloped Property subdivision shall be Proportionately increased until the sum of the total current Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Attachment B of this Rate and Method of Apportionment shall be updated to reflect any increases to the Maximum Facilities Special Tax Rates from the Undeveloped Property subdivision. The

Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property.

Large Lot Property Subdividing into Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property

When Large Lot Property subdivides into Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property, the Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. If the Large Lot Property subdivision also creates Small Lot Final Map Remainder Property, the expected Developed Property Maximum Facilities Special Tax for the Small Lot Final Map Remainder Property shall be based upon the Planned Development for the Small Lot Final Map Remainder Property. The expected Developed Property Maximum Facilities Special Tax for any remaining Large Lot Property and Undeveloped Property shall be based upon the Planned Development of the Large Lot Property and the Undeveloped Property.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is greater than or equal to the Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates for the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, and such difference is not eliminated by the partial prepayment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax pursuant to Section L, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision, until the sum of the total expected Developed Property Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Attachment B of this Rate and Method of Apportionment shall be updated to reflect any increases to the Maximum Facilities Special Tax Rates from the Large Lot Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property created prior to the Large Lot Property subdivision.

C.2. Effective Tax Rate Evaluation

Prior to the issuance of the first series of Bonds within CFD No. 24 IA3 an Effective Tax Rate Evaluation will be completed. Following the Effective Tax Rate Evaluation, Attachment C of this

Rate and Method of Apportionment will be updated to reflect the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for all Taxable Property in CFD No. 24 IA3.

Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates

As part of the Effective Tax Rate Evaluation, a Price Point Study will be prepared and an estimated average sales prices will be established for each Residential Property land use category. Using the estimated average sales price information determined in the Price Point Study, the Total Estimated Tax Burden and Total Effective Tax Rate will be calculated, using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment A, for each Residential Property land use category. If the calculated Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for a Residential Property land use category, the Maximum Facilities Special Tax Rate shall not be adjusted and will be assigned using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment A. Attachment C of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category.

If the Total Effective Tax Rate for any Residential Property land use category exceeds the Total Maximum Effective Tax Rate, the Developed Property Maximum Facilities Special Tax Rate set forth in Attachment A shall be reduced until the Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for that Residential Property land use category. Attachment C of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category.

Effective Tax Rate Evaluation Minimum Facilities Revenue

As a result of the Effective Tax Rate Evaluation, if the calculated Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for a Residential Property land use category used in the Minimum Facilities Revenue calculation, the Developed Property Maximum Facilities Special Tax Rate for the applicable Residential Property land use category shall not be adjusted and the Effective Tax Rate Evaluation Developed Property Maximum Facilities Special Tax Rate will be assigned using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment B. Attachment D of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category and the Effective Tax Rate Evaluation Minimum Facilities Revenue.

If the calculated Total Effective Tax Rate exceeds the Total Maximum Effective Tax Rate for a Residential Property land use category used in the Minimum Facilities Revenue calculation, the Effective Tax Rate Evaluation Developed Property Maximum Facilities Special Tax Rate will be assigned using the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates set forth in Attachment C. Attachment D of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum

Facilities Special Tax Rate for each Residential Property land use category and the Effective Tax Rate Evaluation Minimum Facilities Revenue.

C.3. Future Assessor's Parcel Changes – After an Effective Tax Rate Evaluation

The Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be assigned to all future Assessor's Parcel(s) created from a subdivision, lot line adjustment, or merger of one or more Assessor's Parcels so that the revised sum of the total Effective Tax Rate Evaluation Maximum Facilities Special Tax revenue is not less than the total Effective Tax Rate Evaluation Minimum Facilities Revenue set forth in Attachment D of this Rate and Method of Apportionment.

Undeveloped Property Subdividing into Large Lot Property

When Undeveloped Property subdivides into Large Lot Property, the Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. The expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for any Large Lot Property and any remaining Undeveloped Property shall be based upon the Planned Development for the Large Lot Property and remaining Undeveloped Property.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax generated by all of the Taxable Property is greater than or equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Large Lot Property created from the Undeveloped Property subdivision.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Large Lot Property created from the Undeveloped Property subdivision, until the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Further, if the sum of the total current Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Large Lot Property and any remaining Undeveloped Property created from the Undeveloped Property subdivision shall be Proportionately increased until the sum of the total current Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Attachment D of this Rate and Method of Apportionment shall be updated to reflect any increases to the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates from the Undeveloped Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as

Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property.

Large Lot Property Subdividing into Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property

When Large Lot Property subdivides into Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property, the Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. If the Large Lot Property subdivision also creates Small Lot Final Map Remainder Property, the expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for the Small Lot Final Map Remainder Property shall be based upon the Planned Development for the Small Lot Final Map Remainder Property. The expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for any remaining Large Lot Property and Undeveloped Property shall be based upon the Planned Development of the Large Lot Property and the Undeveloped Property.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is greater than or equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, and such difference is not eliminated by the partial prepayment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax pursuant to Section L, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision, until the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Attachment D of this Rate and Method of Apportionment shall be updated to reflect any increases to the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates from the Large Lot Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property created prior to the Large Lot Property subdivision.

C.4. Method of Apportionment of Facilities Special Tax

Using the definitions and procedures described herein, the CFD No. 24 IA3 Administrator shall determine the Facilities Special Tax Requirement and levy the Facilities Special Tax until the amount of Facilities Special Taxes equals the Facilities Special Tax Requirement. The Facilities Special Tax shall be levied each Fiscal Year until the Transition Year as follows:

Prior to an Effective Tax Rate Evaluation

First: The Facilities Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Facilities Special Tax in order to satisfy the Facilities Special Tax Requirement.

Second: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first step has been completed, the Facilities Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Small Lot Final Map Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Third: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first two steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Permit Ready Multi-Family/Non-Residential Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fourth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first three steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Large Lot Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fifth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first four steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Undeveloped Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

After an Effective Tax Rate Evaluation

First: The Facilities Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax in order to satisfy the Facilities Special Tax Requirement.

Second: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first step has been completed, the Facilities Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Small Lot Final Map Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Third: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first two steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Permit Ready Multi-Family/Non-Residential Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fourth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first three steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Large Lot Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fifth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first four steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Undeveloped Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

D. SERVICES SPECIAL TAX

A Services Special Tax shall be assigned to all Taxable Property within CFD No. 24 IA3 according to the Maximum Services Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

D.1. Prior to the Transition Event - Increase in the Maximum Services Special Tax

Prior to the Transition Event, on each July 1, commencing on July 1, 2027, the Maximum Services Special Tax Rates shall be increased by the Services Special Tax Escalation Factor of the Maximum Services Special Tax Rates in effect for the previous Fiscal Year.

D.2. Prior to the Transition Event - Method of Apportionment of Services Special Tax

If, in any Fiscal Year prior to the Transition Year, the Facilities Special Tax is levied against each Assessor's Parcel of Taxable Property within CFD No. 24 IA3 and the Facilities Special Tax revenues generated are insufficient to pay the Facilities Special Tax Requirement such shortfall shall be deemed a component of the Services Special Tax Requirement in that Fiscal Year, and proceeds from the levy of the Services Special Tax shall first be applied to mitigate the shortfall in the Facilities Special Tax Requirement before being used to pay for Authorized Services. The Services Special Tax revenue shall not be applied to any Facilities Special Tax Requirement shortfalls attributable to Pay As You Go Costs authorized to be financed by CFD No. 24 IA3.

Using the definitions and procedures described herein, the CFD No. 24 IA3 Administrator shall determine the Services Special Tax Requirement and levy the Services Special Tax until the amount of Services Special Tax equals the Services Special Tax Requirement. The Services Special Tax shall be levied each Fiscal Year as follows:

First: The Services Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Second: If additional monies are needed to satisfy the Services Special Tax Requirement after the first step has been completed, the Services Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Third: If additional monies are needed to satisfy the Services Special Tax Requirement after the first two steps have been completed, the Services Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Fourth: If additional monies are needed to satisfy the Services Special Tax Requirement after the three steps have been completed, the Services Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Fifth: If additional monies are needed to satisfy the Services Special Tax Requirement after the three steps have been completed, the Services Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

E. TRANSITION SERVICES SPECIAL TAX

A Transition Services Special Tax shall be assigned to all Taxable Property within CFD No. 24 IA3 according to the Maximum Transition Services Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

E.1. After the Transition Event – Method of Apportionment of Transition Services Special Tax

Using the definitions and procedures described herein, the CFD No. 24 IA3 Administrator shall determine the Transition Services Special Tax Requirement and levy the Transition Services Special Tax until the amount of Transition Services Special Tax equals the Transition Services Special Tax Requirement. The Transition Services Special Tax shall be levied each Fiscal Year as follows:

First: The Transition Services Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Transition Services Special Tax in order to satisfy the Transition Services Special Tax Requirement.

Second: If additional monies are needed to satisfy the Transition Services Special Tax Requirement after the first step has been completed, the Transition Services Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Transition Services Special Tax in order to satisfy the Transition Services Special Tax Requirement.

Third: If additional monies are needed to satisfy the Transition Services Special Tax Requirement after the first two steps have been completed, the Transition Services Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Transition Services Special Tax in order to satisfy the Transition Services Special Tax Requirement.

Fourth: If additional monies are needed to satisfy the Transition Services Special Tax Requirement after the three steps have been completed, the Transition Services Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Transition Services Special Tax in order to satisfy the Transition Services Special Tax Requirement.

Fifth: If additional monies are needed to satisfy the Transition Services Special Tax Requirement after the three steps have been completed, the Transition Services Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Maximum Transition Services Special Tax in order to satisfy the Transition Services Special Tax Requirement.

F. DELINQUENCIES

Notwithstanding the above, under no circumstances will the CFD No. 24 IA3 Facilities Special Tax levied against any Assessor's Parcel of Developed Property classified as Residential Property, in any Fiscal Year, be increased as a consequence of the delinquency or default in the payment of the CFD No. 24 IA3 Facilities Special Taxes by the owner or owners of any other Taxable Property by more than ten percent (10%) above the amount that would have been levied against such Assessor's Parcel in such Fiscal Year had there been no delinquencies or defaults.

G. EXEMPTIONS

The CFD No. 24 IA3 Administrator shall classify the following as Exempt Property: Public Property, Property Owner Association Property, Open Space Property, and Assessor's Parcels with public or utility easements making impractical their utilization for any use other than the purposes set forth in the easement.

The Maximum Facilities Special Tax obligation or, if applicable, the Effective Tax Rate Evaluation Maximum Facilities Special Tax obligation for Taxable Property which will be transferred or dedicated to a public agency and will be classified as Public Property may be fully prepaid by the seller, pursuant to Section L, prior to the transfer/dedication of such Taxable Property. Until the Maximum Facilities Special Tax obligation or, if applicable, the Effective Tax Rate Evaluation Maximum Facilities Special Tax obligation for any such Taxable Property is prepaid, the Taxable Property shall continue to be subject to the levy of the Facilities Special Tax. An exception to this may be made if an Assessor's Parcel of Public Property, such as a school site, is relocated to an Assessor's Parcel of Taxable Property, in which case the Assessor's Parcel of previously Public Property becomes Taxable Property and the Assessor's Parcel of previously Taxable Property becomes Public Property. This trading of an Assessor's Parcel from Taxable Property to Public Property will be permitted to the extent there is no loss in Maximum Facilities Special Tax revenue or, if applicable, Effective Tax Rate Evaluation Maximum Facilities Special Tax revenue, and the transfer is agreed to by the owners of all Assessor's Parcels involved in the transfer and the City Council.

If the use of an Assessor's Parcel changes so that such Assessor's Parcel is no longer eligible to be classified as one of the uses set forth in Section G.1. above that would make such Assessor's Parcel eligible to continue to be classified as Exempt Property, such Assessor's Parcel shall cease to be classified as Exempt Property and shall be deemed to be Taxable Property and subject to the Special Tax.

No Special Tax shall be levied on any Assessor's Parcel in any Fiscal Year in which such Assessor's Parcel is classified as Welfare Exempt Property; however, pursuant to Section 53340(c) of the Act, after the issuance of the first series of Bonds, as applicable, any Assessor's Parcel that receives a welfare exemption under subdivision (g) of Section 214 of the Revenue and Taxation Code shall not be classified as Welfare Exempt Property and will be subject to the Facilities Special Tax.

H. TRANSFERS

Prior to the issuance of the first series of Bonds within CFD No. 24 IA3, the City may permit the transfer of Maximum Facilities Special Tax or Effective Tax Rate Evaluation Maximum Facilities Special Tax from one Assessor's Parcel to another Assessor's Parcel. Before recordation of a Small Lot Final Subdivision Map, if a subdivision map is required, the City may permit a transfer if the number of planned Residential Units, Multi-Family Attached Property Acreage, or Non-Residential Property Acreage is transferred from one Assessor's Parcel(s) to another Assessor's Parcel(s) in any portion of Large Lot Property. The City may, in its sole discretion, allow for a transfer of the Maximum Facilities Special Tax or Effective Tax Rate Evaluation Maximum Facilities Special Tax from one Assessor's Parcel to another Assessor's Parcel provided such a transfer shall be allowed only if (1) all adjustments are agreed to in writing by the affected property owners and the City's Finance Director, and (2) there is no reduction in the sum of the total Maximum Facilities Special Tax or sum of the total Effective Tax Rate Evaluation Maximum Facilities Special Tax as a result of the transfer. Should a transfer result in an amendment to Attachment B or, following an Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment, the requesting property owner shall bear the costs to affect the transfer in the CFD No. 24 IA3 records and prepare the required amendments to Attachment B or, following an Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment.

I. INTERPRETATIONS

The City reserves the right to make minor administrative and technical changes to this document that do not materially affect the Rate and Method of Apportionment of Special Tax. In addition, the interpretation and application of any section of this document shall be at the City's discretion. Interpretations may be made by the City by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment of Special Tax.

J. REVIEW/APPEALS

The CFD No. 24 IA3 Administrator may establish such procedures, as it deems necessary to undertake the review of any such appeal. The CFD No. 24 IA3 Administrator shall interpret this Rate and Method of Apportionment of Special Tax and make determinations relative to the annual administration of the Special Tax and any property owner appeals, as herein specified.

Any property owner may file a written appeal of the Special Tax with the CFD No. 24 IA3 Administrator claiming that the amount or application of the Special Tax is not correct. The appeal must be filed not later than one calendar year after having paid the Special Taxes that are disputed, and the appellant must be current in all payments of Special Taxes. In addition, during the term of the appeal process, all Special Taxes levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Taxes are in error. The CFD No. 24 IA3 Administrator shall review the appeal, meet with the appellant if the CFD No. 24 IA3 Administrator deems necessary, and advise the appellant of its determination.

If the property owner disagrees with the CFD No. 24 IA3 Administrator's decision relative to the appeal, the owner may file a written notice with the City Manager appealing the amount of the Special Tax levied on such Assessor's Parcel. If following such consultation and action (if any by the City Manager), the property owner believes such error still exists, such person may file a written notice with the City Council appealing the amount of the Special Tax levied on such Assessor's Parcel. The decision of the City shall be final and binding to all persons. If the decision of the CFD No. 24 IA3 Administrator or subsequent decision by the City Manager or City Council requires the Special Taxes to be modified or changed in favor of the property owner, no cash refund shall be made for prior years' Special Taxes, but an adjustment shall be made to credit future Special Taxes. This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to filing any legal action by such owner.

K. MANNER OF COLLECTION

The annual Special Tax shall be collected in the same manner and at the same time as ordinary ad valorem property taxes; provided, however, that CFD No. 24 IA3, may, at the sole discretion of the City, directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner as necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on Assessor's Parcels of Taxable Property that are delinquent in the payment of Special Taxes.

L. PREPAYMENT IN PART OF FACILITIES SPECIAL TAX

The Facilities Special Tax obligation of an Assessor's Parcel of Taxable Property may be partially prepaid as described herein; provided that there are no delinquent Special Taxes with respect to such Assessor's Parcel at the time of partial prepayment. An owner of an Assessor's Parcel intending to partially prepay the Facilities Special Tax obligation shall provide the CFD No. 24 IA3 Administrator with written notice of intent to partially prepay. Within 30 days of receipt of such written notice, the CFD No. 24 IA3 Administrator shall notify such owner of the partial prepayment amount of such Assessor's Parcel. Any partial prepayment must be submitted at least 60 days before the next occurring bond redemption date, and the proceeds of such prepayment shall be provided to the Trustee for application toward bond redemption in accordance with the Indenture. The CFD No. 24 IA3 Administrator may charge a fee for providing this service.

L.1. Partial Prepayment Amount

The Facilities Special Tax may be prepaid in an amount determined at the time of prepayment based on the portion of Bonds then outstanding; provided, however, that no partial prepayment shall be accepted in an amount equal to an annual Special Tax amount less than the annual Transition Services Special Tax rate escalated to the then current fiscal year less the then current Services Special Tax rate.

Step 1: Determine the current Fiscal Year Maximum Facilities Special Tax for the Assessor's Parcel based on the assignment of the Maximum Facilities Special Tax described in Section C above. If an Effective Tax Rate Evaluation has occurred, determine the current Fiscal Year Effective Tax Rate Evaluation Maximum Facilities Special Tax for the Assessor's Parcel based on the assignment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax described in Section C above. If the Assessor's Parcel is not already classified as Developed Property, the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) shall be assigned as though the Assessor's Parcel was already designated as Developed Property.

Step 2: Calculate the annual revenue produced, by annually applying the Facilities Special Tax Escalation Factor, from the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) from the date of prepayment through the earlier of the end of the Facilities Special Tax Term or the Transition Event, except that this final date may be amended by the City no later than the time of the calculation of the prepayment. If the final date used in the prepayment calculation is amended by the City, this amended final date shall apply to any and all prepayment calculations from that point forward.

Step 3: Calculate the present value of the Assessor's Parcel's annual Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) revenue stream determined in Step 2. The present value shall be calculated using a discount rate that earns a rate of interest that, when the prepayment is invested in City permitted and available investments, would produce annual revenues equal to the amounts calculated in Step 2.

If there are Outstanding Bonds at the time of the Partial Prepayment Amount calculation, the Partial Prepayment Amount shall be first allocated to the Redemption Amount. If the Partial Prepayment Amount is insufficient to fund the Redemption Amount, then the Partial Prepayment Amount shall be increased to equal the Redemption Amount.

The Redemption Amount is calculated as follows:

Step 1: Divide the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) computed pursuant to Step 1 of Section L.1 by the total Maximum Facilities Special Taxes (or total Effective Tax Rate Evaluation Maximum Facilities Special Taxes) for the entire CFD No. 24 IA3, based on the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) that could be charged in the current Fiscal Year if all Taxable Property were designated as Developed Property, excluding any Assessor's Parcels which have prepaid the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) obligation (the "Prepayment Quotient").

Step 2: Multiply the Prepayment Quotient by the Outstanding Bonds to compute the amount of Outstanding Bonds to be redeemed (the "Bond Redemption Amount").

Step 3: Multiply the Bond Redemption Amount by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed.

Step 4: Compute the amount needed to pay interest on the Bond Redemption Amount from the first Bond interest payment date following the current Fiscal Year until the earliest redemption date for the Outstanding Bonds.

Step 5: Determine that portion of Facilities Special Taxes levied on the Assessor's Parcel in the current Fiscal Year to satisfy the Facilities Special Tax Requirement, which have not yet been paid.

Step 6: A reserve fund credit shall equal the lesser of: (a) the expected reduction in the reserve requirement (as defined in the Indenture for the Bonds), if any, associated with the redemption of Outstanding Bonds as a result of the partial prepayment, or (b) the amount derived by subtracting the new reserve requirement (as defined in the Indenture for the Bonds) in effect after the redemption of Outstanding Bonds as a result of the partial prepayment from the balance in the reserve fund on the prepayment date, but in no event shall such amount be less than zero. Such reserve fund credit will not decrease the balance in the reserve fund below the new reserve requirement.

Step 7: If any capitalized interest for the Outstanding Bonds will not have been expended at the time of the first interest and/or principal payment following the current Fiscal Year, a capitalized interest credit shall be calculated by multiplying the quotient computed pursuant to Step 1 by the expected balance in the capitalized interest fund after such first interest payment.

Step 8: The redemption amount is equal to the sum of the amounts computed pursuant to Steps 2, 3, 4, and 5, less the amount computed pursuant to Steps 6 and 7 (the "Redemption Amount").

If the Partial Prepayment Amount exceeds the Redemption Amount, then any remaining Partial Prepayment Amount, after allocating the Redemption Amount, shall be designated as Pay as You Go Costs.

The Partial Prepayment Amount shall include any fees or expenses, including the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the cost of redeeming Bonds, and the costs of recording any notices to evidence the prepayment and the redemption (the "Administrative Fees and Expenses").

In addition, the City has the authority to adjust the Partial Prepayment Amount calculated above if a portion or all of the current property tax bill and the portion attributable to the payment of the Facilities Special Tax has not been used to make an interest and/or principal payment on the Bonds.

Notwithstanding the foregoing, no partial prepayment shall be allowed unless the amount of Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes), net of any priority administration, if any as defined in the Bond documents, that may be levied on Taxable Property, in each Fiscal Year, both prior to and after the proposed partial prepayment, is at least 1.1 times the annual debt service on all Outstanding Bonds to be paid from the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) in each Fiscal Year.

M. TERM OF SPECIAL TAX

The Maximum Facilities Special Tax and Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be levied commencing in Fiscal Year 2026-2027 to the extent necessary to fully satisfy the Facilities Special Tax Requirement and shall be levied for the Facilities Special Tax Term.

The Maximum Services Special Tax shall be levied commencing in Fiscal Year 2026-2027 and shall be levied until the Transition Event to the extent necessary to fully satisfy the Services Special Tax Requirement.

The Maximum Transition Services Special Tax shall be levied commencing in the Fiscal Year following the Transition Event in perpetuity, unless and until such time the City determines that revenues are no longer needed to pay the Transition Services Special Tax Requirement.

including Single-Family Detached Property – SF/SFHD Zoning, Single-Family Detached Property – MLD Zoning, MHD Multi-Family Attached Property, and MMD Multi-Family Attached Property.

ATTACHMENT A
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24 (ALDER CREEK WEST)
IMPROVEMENT AREA 3
MAXIMUM SPECIAL TAX RATES
(FISCAL YEAR 2026-2027)

Land Use Category	Lot / Village #	2026-2027 Maximum Facilities Special Tax Rate(1)	2026-2027 Maximum Services Special Tax Rate(2)	Taxed Per
Developed Property:				
Single-Family Detached Property – SF Zoning	8A	$4,237	$695	Residential Lot
Single-Family Detached Property – SF Zoning	8A	4,083	695	Residential Lot
Single-Family Detached Property – SF Zoning	8B	5,013	869	Residential Lot
Single-Family Detached Property – SF Zoning	8C	5,563	816	Residential Lot
Single-Family Detached Property – SF Zoning	9A	5,086	796	Residential Lot
Single-Family Detached Property – SF Zoning	9B	4,279	653	Residential Lot
Small Lot Final Map Property:				
Single-Family Detached Property – SF Zoning	2A	$4,237	$695	Residential Lot
Single-Family Detached Property – SF Zoning	2B	4,083	695	Residential Lot
Single-Family Detached Property – SF Zoning	3A	5,013	869	Residential Lot
Single-Family Detached Property – SF Zoning	3B	5,563	816	Residential Lot
Single-Family Detached Property – SF Zoning	4A	5,086	796	Residential Lot
Single-Family Detached Property – SF Zoning	4B	4,279	653	Residential Lot
Permit Ready Multi-Family/Non-Residential Property		$20,000	N/A	Acre
Large Lot Property		$20,000	N/A	Acre
Undeveloped Property		$20,000	N/A	Acre

(1) On each July 1, commencing on July 1, 2027, the Maximum Facilities Special Tax Rates shall be increased by the Facilities Special Tax Escalation Factor of the Maximum Facilities Special Tax Rates in effect for the previous Fiscal Year.

(2) On each July 1, commencing on July 1, 2027, the Maximum Services Special Tax Rates shall be increased by an amount equal to the Services Special Tax Escalation Factor of the Maximum Services Special Tax Rates in effect for the previous Fiscal Year.

ATTACHMENT B
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24 (ALDER CREEK WEST)
IMPROVEMENT AREA 3
MINIMUM FACILITIES REVENUE
(FISCAL YEAR 2026-2027)

Land Use Category	Lot / Village #	Planned Number of Residential Lots / Acres	2026-2027 Developed Property Maximum Facilities Special Tax Rate(1)(2)	2026-2027 Minimum Facilities Revenue (1)(3)
Developed Property:				
Single-Family Detached Property – SF Zoning	8A	52	$4,237	$220,324
Single-Family Detached Property – SF Zoning	8A	52	4,083	212,316
Single-Family Detached Property – SF Zoning	8B	27	5,013	135,351
Single-Family Detached Property – SF Zoning	8C	96	5,563	534,048
Single-Family Detached Property – SF Zoning	9A	62	5,086	315,332
Single-Family Detached Property – SF Zoning	9B	102	4,279	436,458
Total Minimum Facilities Revenue				**$1,853,829**

(1) On each July 1, commencing on July 1, 2027, the Developed Property Maximum Facilities Special Tax Rates and Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Developed Property Maximum Facilities Special Tax Rates and Minimum Facilities Revenue in effect for the previous Fiscal Year.

(2) As a result of future Assessor's Parcel changes, described in Section C.1, the assigned Maximum Facilities Special Tax Rates for Developed Property may exceed the Developed Property Maximum Facilities Special Tax Rates set forth in this table.

(3) The total Minimum Facilities Revenue may be decreased as result of a portion of Maximum Facilities Special Tax obligations being prepaid pursuant to Section L.

(4) Based upon the Developed Property Maximum Facilities Special Tax Rate for Single-Family Detached Property in Lot/Village 8A, 8B, 8C, 9A and 9B.

ATTACHMENT C
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24 (ALDER CREEK WEST)
IMPROVEMENT AREA 3
EFFECTIVE TAX RATE EVALUATION MAXIMUM FACILITIES SPECIAL TAX RATES
(FISCAL YEAR 2026-2027)

Land Use Category	Lot / Village #	2026-2027 Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate(1)(2)	Taxed Per
Developed Property:			
Single-Family Detached Property – SF Zoning	8A	$_____	Residential Lot
Single-Family Detached Property – SF Zoning	8A	_____	Residential Lot
Single-Family Detached Property – SF Zoning	8B	_____	Residential Lot
Single-Family Detached Property – SF Zoning	8C	_____	Residential Lot
Single-Family Detached Property – SF Zoning	9A	_____	Residential Lot
Single-Family Detached Property – SF Zoning	9B	_____	Residential Lot
Small Lot Final Map Property:			
Single-Family Detached Property – SF Zoning	8A	$_____	Residential Lot
Single-Family Detached Property – SF Zoning	8A	_____	Residential Lot
Single-Family Detached Property – SF Zoning	8B	_____	Residential Lot
Single-Family Detached Property – SF Zoning	8C	_____	Residential Lot
Single-Family Detached Property – SF Zoning	9A	_____	Residential Lot
Single-Family Detached Property – SF Zoning	9B	_____	Residential Lot
Permit Ready Multi-Family/Non-Residential Property		$_____	Acre
Large Lot Property		$_____	Acre
Undeveloped Property		$_____	Acre

(1) Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates will be inserted following the Effective Tax Rate Evaluation.
(2) On each July 1, commencing in the Fiscal Year after the Effective Tax Rate Evaluation occurs, the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be increased by the Facilities Special Tax Escalation Factor of the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates in effect for the previous Fiscal Year.

ATTACHMENT D
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24 (ALDER CREEK WEST)
IMPROVEMENT AREA 3
EFFECTIVE TAX RATE EVALUATION MINIMUM FACILITIES REVENUE
(FISCAL YEAR 2026-2027)

Land Use Category	Lot / Village #	Planned Number of Residential Lots / Acres[1]	2026-2027 Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate[1][2][3]	2026-2027 Effective Tax Rate Evaluation Minimum Facilities Revenue[1][2][4]
Developed Property:				
Single-Family Detached Property – SF Zoning	8A	52	$_____	$_____
Single-Family Detached Property – SF Zoning	8A	52	_____	_____
Single-Family Detached Property – SF Zoning	8B	27	_____	_____
Single-Family Detached Property – SF Zoning	8C	96	_____	_____
Single-Family Detached Property – SF Zoning	9A	62	_____	_____
Single-Family Detached Property – SF Zoning	9B	102	_____	_____
Total Effective Tax Rate Evaluation Minimum Facilities Revenue[5]				**$_____**

(1) Planned Number of Residential Units/Acres, Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate and Effective Tax Rate Evaluation Minimum Facilities Revenue to be inserted following the Effective Tax Rate Evaluation.

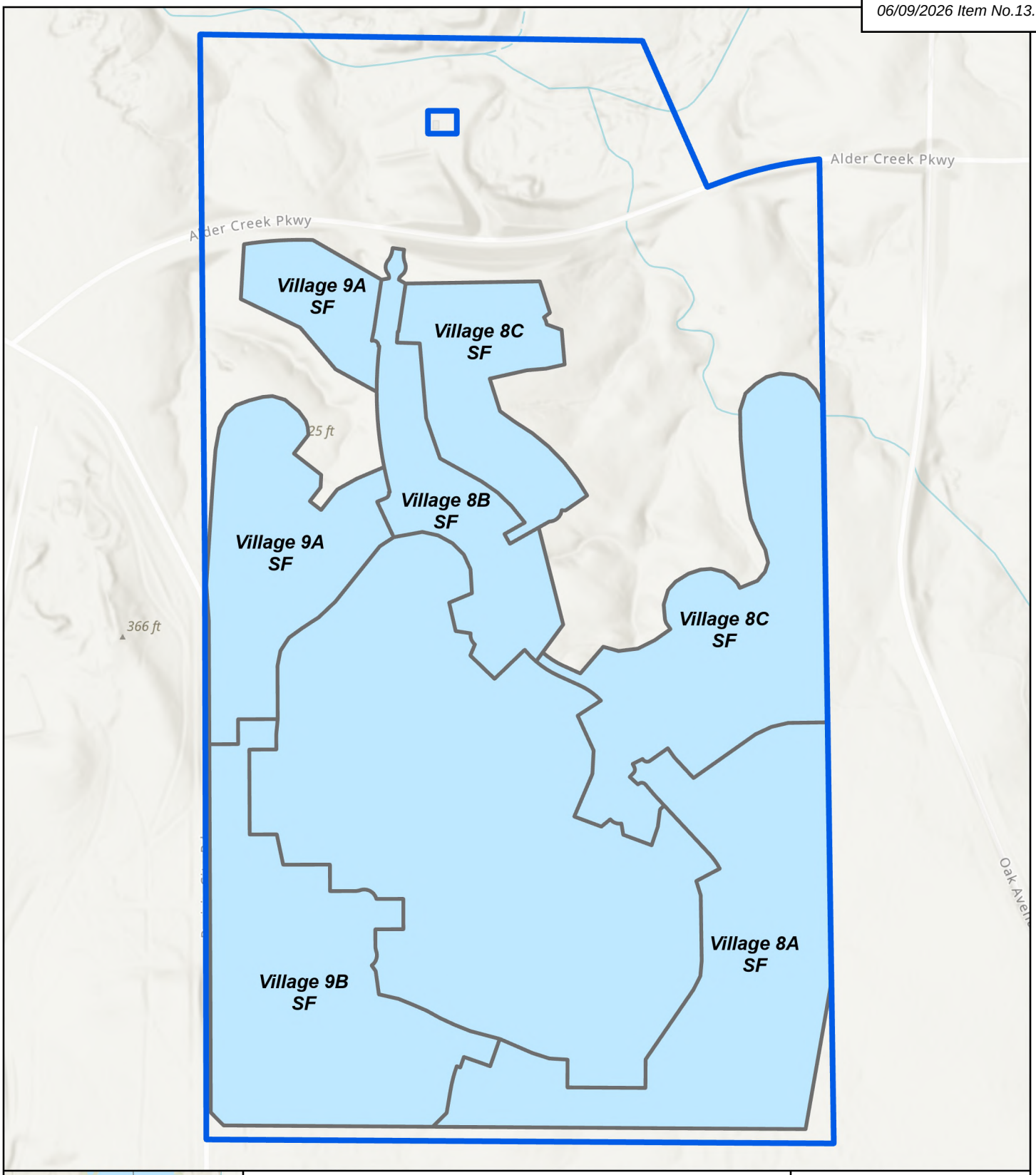
(2) On each July 1, commencing in the Fiscal Year after the Effective Tax Rate Evaluation occurs, the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates and Effective Tax Rate Evaluation Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates and Effective Tax Rate Evaluation Minimum Facilities Revenue in effect for the previous Fiscal Year.

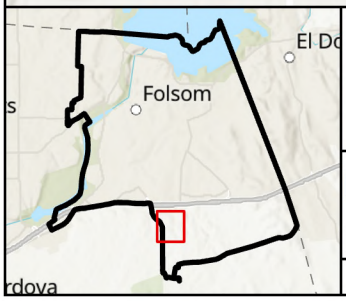
(3) As a result of future Assessor's Parcel changes, described in Section C.3, the assigned Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates may exceed the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates set forth in this table.

(4) The total Effective Tax Rate Evaluation Minimum Facilities Revenue may be decreased as result of a portion of Effective Tax Rate Evaluation Maximum Facilities Special Tax obligations being prepaid pursuant to Section L.

(5) Based upon the Developed Property Maximum Facilities Special Tax Rate for Single-Family Detached Property in Lot/Village 8A, 8B, 8C, 9A and 9B.

ATTACHMENT E
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24 (ALDER CREEK WEST)
IMPROVEMENT AREA 3
MAP OF VILLAGES





City of Folsom
Community Facilities District No. 24 (Alder Creek West)
Improvement Area 3

Improvement Area 3 Boundary

Village Boundaries

2026

N

0 0.05 0.1 Mi

0 320 640 US Feet

Coordinate System: NAD 1983 Statel I FIPS 0402 Feet

For illustration purposes o ficial map.

NBS helping communities fund tomorrow

Attachment 7

CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24
(ALDER CREEK WEST)

SPECIAL ELECTION BALLOT

(Mailed-Ballot Election)

This ballot is for the use of Alder Creek West Improvement Company LLC, a landowner owning land within City of Folsom Community Facilities District No. 24 (Alder Creek West), Improvement Area No. 1.

According to the provisions of the Mello-Roos Community Facilities Act of 1982 and the resolutions of the City Council of the City of Folsom, the above-named landowner is entitled to cast 87 votes on this ballot.

In order to be counted, this ballot must be certified below and be returned, either by mail or in person, before 6:30 p.m. on May 26, 2026, to:

Christa Freemantle, City Clerk
City of Folsom
50 Natoma Street
Folsom, CA 95630

Mailing by that date will not be sufficient. The ballot must be physically received by the City Clerk prior to the deadline in order to be counted.

AN "X" OR OTHER MARK WILL CAST ALL VOTES ASSIGNED TO THIS BALLOT, OR THE VOTER MAY WRITE NUMBERS IN THE SPACES PROVIDED.

BALLOT MEASURE

Shall the City of Folsom be authorized to issue a maximum amount not to exceed $31,000,000 in bonds that will be paid for by Improvement Area No. 1 of the City of Folsom Community Facilities District No. 24 (Alder Creek West) (the "District"), designate Improvement Area No. 1 and a future annexation therein, levy a special tax in Improvement Area No. 1 and finance public facilities and services by and through the District and shall the appropriations limit for Improvement Area No. 1 within the District for fiscal year 2026-27 be established in the amount of $31,000,000, all as specified in the City's Resolution to Form a Community Facilities District, to Designate a Future Annexation Therein and to Levy Special Taxes Therein and Resolution Deeming it Necessary to Incur Bonded Indebtedness In and for City of Folsom Community Facilities District No. 24 (Alder Creek West) adopted by the City Council of the City on May 26, 2026?	Number of votes YES X Number of votes NO _____

Certification

The undersigned is or are the authorized representative(s) of the above-named landowner and is the person legally authorized and entitled to cast this ballot on behalf of the above-named landowner.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed as of May 26, 2026.

ALDER CREEK WEST IMPROVEMENT COMPANY LLC

By: _____

Name: William B. Bunce

Title: President

CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24
(ALDER CREEK WEST)

SPECIAL ELECTION BALLOT

(Mailed-Ballot Election)

This ballot is for the use of ____Alder Creek West Improvement Company LLC _____, a landowner owning land within City of Folsom Community Facilities District No. 24 (Alder Creek West), Improvement Area No. 2A.

According to the provisions of the Mello-Roos Community Facilities Act of 1982 and the resolutions of the City Council of the City of Folsom, the above-named landowner is entitled to cast ___42_____ votes on this ballot.

In order to be counted, this ballot must be certified below and be returned, either by mail or in person, before 6:30 p.m. on May 26, 2026, to:

Christa Freemantle, City Clerk
City of Folsom
50 Natoma Street
Folsom, CA 95630

Mailing by that date will not be sufficient. The ballot must be physically received by the City Clerk prior to the deadline in order to be counted.

AN "X" OR OTHER MARK WILL CAST ALL VOTES ASSIGNED TO THIS BALLOT, OR THE VOTER MAY WRITE NUMBERS IN THE SPACES PROVIDED.

BALLOT MEASURE

Shall the City of Folsom be authorized to issue a maximum amount not to exceed $21,000,000 in bonds that will be paid for by Improvement Area No. 2A of the City of Folsom Community Facilities District No. 24 (Alder Creek West) (the "District"), designate Improvement Area No. 2A and a future annexation therein, levy a special tax in Improvement Area No. 2A and finance public facilities and services by and through the District and shall the appropriations limit for Improvement Area No. 2A within the District for fiscal year 2026-27 be established in the amount of $21,000,000, all as specified in the City's Resolution to Form a Community Facilities District, to Designate a Future Annexation Therein and to Levy Special Taxes Therein and Resolution Deeming it Necessary to Incur Bonded Indebtedness In and for City of Folsom Community Facilities District No. 24 (Alder Creek West) adopted by the City Council of the City on May 26, 2026?	Number of votes YES X Number of votes NO _____

Certification

The undersigned is or are the authorized representative(s) of the above-named landowner and is the person legally authorized and entitled to cast this ballot on behalf of the above-named landowner.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed as of May 26, 2026.

ALDER CREEK WEST IMPROVEMENT COMPANY LLC

By: _____

Name: William B. Bunce

Title: President

CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24
(ALDER CREEK WEST)

SPECIAL ELECTION BALLOT

(Mailed-Ballot Election)

This ballot is for the use of ____Alder Creek West Improvement Company LLC _____, a landowner owning land within City of Folsom Community Facilities District No. 24 (Alder Creek West), Improvement Area No. 2B.

According to the provisions of the Mello-Roos Community Facilities Act of 1982 and the resolutions of the City Council of the City of Folsom, the above-named landowner is entitled to cast ___86_____ votes on this ballot.

In order to be counted, this ballot must be certified below and be returned, either by mail or in person, before 6:30 p.m. on May 26, 2026, to:

Christa Freemantle, City Clerk
City of Folsom
50 Natoma Street
Folsom, CA 95630

Mailing by that date will not be sufficient. The ballot must be physically received by the City Clerk prior to the deadline in order to be counted.

AN "X" OR OTHER MARK WILL CAST ALL VOTES ASSIGNED TO THIS BALLOT, OR THE VOTER MAY WRITE NUMBERS IN THE SPACES PROVIDED.

BALLOT MEASURE

Shall the City of Folsom be authorized to issue a maximum amount not to exceed $35,000,000 in bonds that will be paid for by Improvement Area No. 2B of the City of Folsom Community Facilities District No. 24 (Alder Creek West) (the "District"), designate Improvement Area No. 2B and a future annexation therein, levy a special tax in Improvement Area No. 2B and finance public facilities and services by and through the District and shall the appropriations limit for Improvement Area No. 2B within the District for fiscal year 2026-27 be established in the amount of $35,000,000, all as specified in the City's Resolution to Form a Community Facilities District, to Designate a Future Annexation Therein and to Levy Special Taxes Therein and Resolution Deeming it Necessary to Incur Bonded Indebtedness In and for City of Folsom Community Facilities District No. 24 (Alder Creek West) adopted by the City Council of the City on May 26, 2026?	Number of votes YES X Number of votes NO _____

Certification

The undersigned is or are the authorized representative(s) of the above-named landowner and is the person legally authorized and entitled to cast this ballot on behalf of the above-named landowner.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed as of May 26, 2026.

ALDER CREEK WEST IMPROVEMENT COMPANY LLC

By: _____

Name: William B. Bunce

Title: President

CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24
(ALDER CREEK WEST)

SPECIAL ELECTION BALLOT

(Mailed-Ballot Election)

This ballot is for the use of ____Alder Creek West Improvement Company LLC _____, a landowner owning land within City of Folsom Community Facilities District No. 24 (Alder Creek West), Improvement Area No. 3.

According to the provisions of the Mello-Roos Community Facilities Act of 1982 and the resolutions of the City Council of the City of Folsom, the above-named landowner is entitled to cast __235_____ votes on this ballot.

In order to be counted, this ballot must be certified below and be returned, either by mail or in person, before 6:30 p.m. on May 26, 2026, to:

Christa Freemantle, City Clerk
City of Folsom
50 Natoma Street
Folsom, CA 95630

Mailing by that date will not be sufficient. The ballot must be physically received by the City Clerk prior to the deadline in order to be counted.

AN "X" OR OTHER MARK WILL CAST ALL VOTES ASSIGNED TO THIS BALLOT, OR THE VOTER MAY WRITE NUMBERS IN THE SPACES PROVIDED.

BALLOT MEASURE

Shall the City of Folsom be authorized to issue a maximum amount not to exceed $47,000,000 in bonds that will be paid for by Improvement Area No. 3 of the City of Folsom Community Facilities District No. 24 (Alder Creek West) (the "District"), designate Improvement Area No. 3 and a future annexation therein, levy a special tax in Improvement Area No. 3 and finance public facilities and services by and through the District and shall the appropriations limit for Improvement Area No. 3 within the District for fiscal year 2026-27 be established in the amount of $47,000,000, all as specified in the City's Resolution to Form a Community Facilities District, to Designate a Future Annexation Therein and to Levy Special Taxes Therein and Resolution Deeming it Necessary to Incur Bonded Indebtedness In and for City of Folsom Community Facilities District No. 24 (Alder Creek West) adopted by the City Council of the City on May 26, 2026?	Number of votes YES X Number of votes NO _____

Certification

The undersigned is or are the authorized representative(s) of the above-named landowner and is the person legally authorized and entitled to cast this ballot on behalf of the above-named landowner.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed as of May 26, 2026.

ALDER CREEK WEST IMPROVEMENT COMPANY LLC

By: _____

Name: William B. Bunce

Title: President

WAIVER AND CONSENT
SHORTENING TIME PERIODS AND WAIVING VARIOUS REQUIREMENTS FOR PROCEEDINGS AND FOR CONDUCTING SPECIAL MAILED-BALLOT ELECTION
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24
(ALDER CREEK WEST)

The undersigned is the authorized representative of the owner (the "Owner") of all of the property within Improvement Area No. 1 of the above-captioned Community Facilities District (the "District").

The Owner is the present owner of approximately 86.48 acres of land located within the proposed boundaries of Improvement Area No. 1. To the actual knowledge of the undersigned, there are no registered voters residing within Improvement Area No. 1, and there have been none during the 90 day period preceding May 26, 2026.

The undersigned is (or are) the person (or persons) legally entitled and authorized to cast the ballot for the Owner in the election to be conducted within Improvement Area No. 1 of the District to determine, among other things, whether certain land, including land owned by the Owner, shall be subject to an annual special tax.

The undersigned, on behalf of the Owner, certifies that the Owner has received notice of the May 26, 2026 public hearing to be held by the City Council of the City of Folsom (the "City") regarding the levy of special taxes in Improvement Area No. 1 and the incurring of bonded indebtedness by the District for Improvement Area No. 1. The undersigned, on behalf of the Owner, agrees that the Owner received adequate notice of the May 26, 2026 hearing.

The Owner has received from the City, and the City has made available to the owner, necessary and relevant information regarding the proposed formation of the District and designation of Improvement Area No. 1 and the imposition of the special tax and the issuance of bonded indebtedness, as set forth in Resolution No. 11581 and Resolution No. 11582 adopted by the City Council of the City on April 14, 2026 (the "Resolutions") to finance the facilities, services and other amounts as set forth in the Resolutions.

In order to induce the City to conduct an election on the same date that the District is formed, the undersigned, on behalf of the Owner, hereby waives:

1. any and all minimum time periods relative to the election pursuant to Government Code Section 53326(a);

2. preparation and distribution of an impartial analysis of the ballot measure, as well as arguments in favor and against, under the authority of Government Code Section 53327(b);

3. publication of notice of the election under Government Code Section 53352;

4. requirements regarding the time to mail ballots to the qualified electors under Elections Code Section 4101;

5. requirements regarding identification envelopes for the return of mailed ballots contained in Government Code Section 53327.5;

6. requirements pertaining to impartial analysis, arguments or rebuttals concerning the election provided in Elections Code Sections 9160 to 9167, inclusive and Elections Code Section 9190; and

7. any other time limits or procedural requirements pertaining to the conduct of the election.

The undersigned, on behalf of the Owner, hereby waives any right to notice and hearing and consents to authorized facilities, expenses and rate and method of apportionment of special tax as described in the Resolution of Formation to be adopted by the City Council of the City of Folsom on May 26, 2026.

The undersigned, on behalf of the Owner, hereby waives any and all defects in notice or procedure in the formation of the District, time periods to record the boundary map, conduct of the election, whether known or unknown (other than the right to have ballots accurately counted), and states that the election is being expedited, pursuant to this waiver and consent, at the particular instance and request of the Owner.

Further, the undersigned, on behalf of the Owner, hereby waives any entitlement to initiate or prosecute any form of legal proceedings, including judicial proceedings, to challenge any aspect of the proceedings for levy of the special tax and for issuance of special tax bonds in the District.

I declare, under penalty of perjury, under the laws of the State of California, that the foregoing is true and correct and that this declaration is executed on May 8, 2026.

ALDER CREEK WEST IMPROVEMENT COMPANY LLC

By: _____

Name: William B. Bunce

Title: President

WAIVER AND CONSENT
SHORTENING TIME PERIODS AND WAIVING VARIOUS REQUIREMENTS FOR PROCEEDINGS AND FOR CONDUCTING SPECIAL MAILED-BALLOT ELECTION
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24
(ALDER CREEK WEST)

The undersigned is the authorized representative of the owner (the "Owner") of all of the property within Improvement Area No. 2A of the above-captioned Community Facilities District (the "District").

The Owner is the present owner of approximately 41.95 acres of land located within the proposed boundaries of Improvement Area No. 2A. To the actual knowledge of the undersigned, there are no registered voters residing within Improvement Area No. 2A, and there have been none during the 90 day period preceding May 26, 2026.

The undersigned is (or are) the person (or persons) legally entitled and authorized to cast the ballot for the Owner in the election to be conducted within Improvement Area No. 2A of the District to determine, among other things, whether certain land, including land owned by the Owner, shall be subject to an annual special tax.

The undersigned, on behalf of the Owner, certifies that the Owner has received notice of the May 26, 2026 public hearing to be held by the City Council of the City of Folsom (the "City") regarding the levy of special taxes in Improvement Area No. 2A and the incurring of bonded indebtedness by the District for Improvement Area No. 2A. The undersigned, on behalf of the Owner, agrees that the Owner received adequate notice of the May 26, 2026 hearing.

The Owner has received from the City, and the City has made available to the owner, necessary and relevant information regarding the proposed formation of the District and designation of Improvement Area No. 2A and the imposition of the special tax and the issuance of bonded indebtedness, as set forth in Resolution No. 11581 and Resolution No. 11582 adopted by the City Council of the City on April 14, 2026 (the "Resolutions") to finance the facilities, services and other amounts as set forth in the Resolutions.

In order to induce the City to conduct an election on the same date that the District is formed, the undersigned, on behalf of the Owner, hereby waives:

1. any and all minimum time periods relative to the election pursuant to Government Code Section 53326(a);

2. preparation and distribution of an impartial analysis of the ballot measure, as well as arguments in favor and against, under the authority of Government Code Section 53327(b);

3. publication of notice of the election under Government Code Section 53352;

4. requirements regarding the time to mail ballots to the qualified electors under Elections Code Section 4101;

5. requirements regarding identification envelopes for the return of mailed ballots contained in Government Code Section 53327.5;

6. requirements pertaining to impartial analysis, arguments or rebuttals concerning the election provided in Elections Code Sections 9160 to 9167, inclusive and Elections Code Section 9190; and

7. any other time limits or procedural requirements pertaining to the conduct of the election.

The undersigned, on behalf of the Owner, hereby waives any right to notice and hearing and consents to authorized facilities, expenses and rate and method of apportionment of special tax as described in the Resolution of Formation to be adopted by the City Council of the City of Folsom on May 26, 2026.

The undersigned, on behalf of the Owner, hereby waives any and all defects in notice or procedure in the formation of the District, time periods to record the boundary map, conduct of the election, whether known or unknown (other than the right to have ballots accurately counted), and states that the election is being expedited, pursuant to this waiver and consent, at the particular instance and request of the Owner.

Further, the undersigned, on behalf of the Owner, hereby waives any entitlement to initiate or prosecute any form of legal proceedings, including judicial proceedings, to challenge any aspect of the proceedings for levy of the special tax and for issuance of special tax bonds in the District.

I declare, under penalty of perjury, under the laws of the State of California, that the foregoing is true and correct and that this declaration is executed on May 8, 2026.

ALDER CREEK WEST IMPROVEMENT COMPANY LLC

By: _____

Name: William B. Bunce

Title: President

WAIVER AND CONSENT
SHORTENING TIME PERIODS AND WAIVING VARIOUS REQUIREMENTS FOR PROCEEDINGS AND FOR CONDUCTING SPECIAL MAILED-BALLOT ELECTION
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24
(ALDER CREEK WEST)

The undersigned is the authorized representative of the owner (the "Owner") of all of the property within Improvement Area No. 2B of the above-captioned Community Facilities District (the "District").

The Owner is the present owner of approximately 85.05 acres of land located within the proposed boundaries of Improvement Area No. 2B. To the actual knowledge of the undersigned, there are no registered voters residing within Improvement Area No. 2B, and there have been none during the 90 day period preceding May 26, 2026.

The undersigned is (or are) the person (or persons) legally entitled and authorized to cast the ballot for the Owner in the election to be conducted within Improvement Area No. 2B of the District to determine, among other things, whether certain land, including land owned by the Owner, shall be subject to an annual special tax.

The undersigned, on behalf of the Owner, certifies that the Owner has received notice of the May 26, 2026 public hearing to be held by the City Council of the City of Folsom (the "City") regarding the levy of special taxes in Improvement Area No. 2B and the incurring of bonded indebtedness by the District for Improvement Area No. 2B. The undersigned, on behalf of the Owner, agrees that the Owner received adequate notice of the May 26, 2026 hearing.

The Owner has received from the City, and the City has made available to the owner, necessary and relevant information regarding the proposed formation of the District and designation of Improvement Area No. 2B and the imposition of the special tax and the issuance of bonded indebtedness, as set forth in Resolution No. 11581 and Resolution No. 11582 adopted by the City Council of the City on April 14, 2026 (the "Resolutions") to finance the facilities, services and other amounts as set forth in the Resolutions.

In order to induce the City to conduct an election on the same date that the District is formed, the undersigned, on behalf of the Owner, hereby waives:

1. any and all minimum time periods relative to the election pursuant to Government Code Section 53326(a);

2. preparation and distribution of an impartial analysis of the ballot measure, as well as arguments in favor and against, under the authority of Government Code Section 53327(b);

3. publication of notice of the election under Government Code Section 53352;

4. requirements regarding the time to mail ballots to the qualified electors under Elections Code Section 4101;

5. requirements regarding identification envelopes for the return of mailed ballots contained in Government Code Section 53327.5;

6. requirements pertaining to impartial analysis, arguments or rebuttals concerning the election provided in Elections Code Sections 9160 to 9167, inclusive and Elections Code Section 9190; and

7. any other time limits or procedural requirements pertaining to the conduct of the election.

The undersigned, on behalf of the Owner, hereby waives any right to notice and hearing and consents to authorized facilities, expenses and rate and method of apportionment of special tax as described in the Resolution of Formation to be adopted by the City Council of the City of Folsom on May 26, 2026.

The undersigned, on behalf of the Owner, hereby waives any and all defects in notice or procedure in the formation of the District, time periods to record the boundary map, conduct of the election, whether known or unknown (other than the right to have ballots accurately counted), and states that the election is being expedited, pursuant to this waiver and consent, at the particular instance and request of the Owner.

Further, the undersigned, on behalf of the Owner, hereby waives any entitlement to initiate or prosecute any form of legal proceedings, including judicial proceedings, to challenge any aspect of the proceedings for levy of the special tax and for issuance of special tax bonds in the District.

I declare, under penalty of perjury, under the laws of the State of California, that the foregoing is true and correct and that this declaration is executed on May 8, 2026.

ALDER CREEK WEST IMPROVEMENT COMPANY LLC

By: _____

Name: William B. Bunce

Title: President

WAIVER AND CONSENT
SHORTENING TIME PERIODS AND WAIVING VARIOUS REQUIREMENTS FOR PROCEEDINGS AND FOR CONDUCTING SPECIAL MAILED-BALLOT ELECTION
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 24
(ALDER CREEK WEST)

The undersigned is the authorized representative of the owner (the "Owner") of all of the property within Improvement Area No. 3 of the above-captioned Community Facilities District (the "District").

The Owner is the present owner of approximately 234.37 acres of land located within the proposed boundaries of Improvement Area No. 3. To the actual knowledge of the undersigned, there are no registered voters residing within Improvement Area No. 3, and there have been none during the 90 day period preceding May 26, 2026.

The undersigned is (or are) the person (or persons) legally entitled and authorized to cast the ballot for the Owner in the election to be conducted within Improvement Area No. 3 of the District to determine, among other things, whether certain land, including land owned by the Owner, shall be subject to an annual special tax.

The undersigned, on behalf of the Owner, certifies that the Owner has received notice of the May 26, 2026 public hearing to be held by the City Council of the City of Folsom (the "City") regarding the levy of special taxes in Improvement Area No. 3 and the incurring of bonded indebtedness by the District for Improvement Area No. 3. The undersigned, on behalf of the Owner, agrees that the Owner received adequate notice of the May 26, 2026 hearing.

The Owner has received from the City, and the City has made available to the owner, necessary and relevant information regarding the proposed formation of the District and designation of Improvement Area No. 3 and the imposition of the special tax and the issuance of bonded indebtedness, as set forth in Resolution No. 11581 and Resolution No. 11582 adopted by the City Council of the City on April 14, 2026 (the "Resolutions") to finance the facilities, services and other amounts as set forth in the Resolutions.

In order to induce the City to conduct an election on the same date that the District is formed, the undersigned, on behalf of the Owner, hereby waives:

1. any and all minimum time periods relative to the election pursuant to Government Code Section 53326(a);

2. preparation and distribution of an impartial analysis of the ballot measure, as well as arguments in favor and against, under the authority of Government Code Section 53327(b);

3. publication of notice of the election under Government Code Section 53352;

4. requirements regarding the time to mail ballots to the qualified electors under Elections Code Section 4101;

5. requirements regarding identification envelopes for the return of mailed ballots contained in Government Code Section 53327.5;

6. requirements pertaining to impartial analysis, arguments or rebuttals concerning the election provided in Elections Code Sections 9160 to 9167, inclusive and Elections Code Section 9190; and

7. any other time limits or procedural requirements pertaining to the conduct of the election.

The undersigned, on behalf of the Owner, hereby waives any right to notice and hearing and consents to authorized facilities, expenses and rate and method of apportionment of special tax as described in the Resolution of Formation to be adopted by the City Council of the City of Folsom on May 26, 2026.

The undersigned, on behalf of the Owner, hereby waives any and all defects in notice or procedure in the formation of the District, time periods to record the boundary map, conduct of the election, whether known or unknown (other than the right to have ballots accurately counted), and states that the election is being expedited, pursuant to this waiver and consent, at the particular instance and request of the Owner.

Further, the undersigned, on behalf of the Owner, hereby waives any entitlement to initiate or prosecute any form of legal proceedings, including judicial proceedings, to challenge any aspect of the proceedings for levy of the special tax and for issuance of special tax bonds in the District.

I declare, under penalty of perjury, under the laws of the State of California, that the foregoing is true and correct and that this declaration is executed on May 8, 2026.

ALDER CREEK WEST IMPROVEMENT COMPANY LLC

By: _____

Name: William B. Bunce

Title: President

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CITY OF
FOLSOM
DISTINCTIVE BY NATURE

Folsom City Council
Staff Report

MEETING DATE:	5/28/2026
AGENDA SECTION:	Old Business
SUBJECT:	Resolution No. 11622 - A Resolution Authorizing the City Manager to Execute Amendment No. 1 to the Agreement Between the City of Folsom and the Folsom Tourism Bureau Relative to the Folsom Tourism Business Improvement District and Appointing Two Councilmembers to Serve on the FTBID Capital Improvement Committee
FROM:	City Manager's Office

RECOMMENDATION / CITY COUNCIL ACTION

Staff Recommends the City Council adopt Resolution No. 11622 - A Resolution Authorizing the City Manager to Execute Amendment No. 1 to the Agreement between the City of Folsom and the Folsom Tourism Bureau Relative to the Folsom Tourism Business Improvement District and Appointing Two Councilmembers to Serve on the FTBID Governance Committee.

BACKGROUND / ISSUE

TOURISM BUSINESS IMPROVEMENT DISTRICTS

Tourism Business Improvement Districts (TBIDs) utilize the efficiencies of private sector operation in the market-based promotion of tourism. These special assessment districts allow assessed business owners to organize their efforts to increase tourism. Business owners within the TBID fund the TBID, and those funds are used to provide services and facilities that are desired by and benefit the assessed businesses within the TBID.

Benefit assessment districts have been used successfully in Folsom as well as other destination areas throughout the state to improve tourism and drive additional room nights to assessed businesses.

TBID benefits:

- Funds cannot be diverted for other government programs;

- They are customized to fit the needs of each destination;
- They allow for a wide range of services and improvements, including, but not limited to, destination marketing, tourism promotion, and sales lead generation;
- They are designed, created, and governed by those who will pay the assessment with oversight by the city; and
- They provide a stable funding source for tourism promotion.

FOLSOM TOURISM BUSINESS IMPROVEMENT DISTRICT (FTBID)

The City of Folsom established the FTBID in 2012 via the adoption of Resolution No. 9071, pursuant to the Parking and Business Improvement Area Law of 1989 (California Streets and Highway Code § 36500 et seq.) (89 Law) and Ordinance No. 1171 (which codified Folsom Municipal Code Chapter 3.100). The FTBID is a benefit assessment district that provides specific benefit directly to the Folsom lodging businesses that are assessed that is not provided to those not paying the assessment. The boundaries of the FTBID are the boundaries of the City of Folsom. The FTBID includes all lodging businesses with twenty or more rooms, existing and in the future, within the boundaries of the City of Folsom.

Resolution No. 9071 established the FTBID with an assessment rate of 4% to be levied for a term of 20 years, commencing on January 1, 2013 and ending on December 13, 2032. Assessments are levied on lodging businesses with twenty or more rooms, on the basis of benefit.

2026 MODIFICATION

The FTBID Owners' Association recommended to the lodging business owners to pursue modification of the FTBID in order to expand a revenue source devoted to marketing Folsom as a tourist, meeting, and event destination and support facility-related investments such as infrastructure improvements.

The proposed modified assessment rate was eight percent (8%) of gross room rental revenue, increasing the previous rate of four percent (4%) of gross room rental revenue. The additional four percent (4%) assessment was designed to be dedicated to improvements, including but not limited to development of facilities that attract overnight visitation to businesses paying the TBID assessment, infrastructure improvements, and marketing and development efforts directly related to the facilities and associated visitor growth.

Based on feedback received from the lodging businesses subject to the increased assessment, the Owners Association must establish the FTBID Capital Improvement Committee (Committee) and adopt a Governance Policy (Attachment 3). The Committee shall be comprised of representatives from assessed hotels, TEDCorp, and the City of Folsom that shall direct use of the additional revenue from the supplemental four percent (4%) assessment.

An amendment to the agreement between the City and the Owners' Association is necessary to incorporate these requirements and ensure they are in place before the modified assessment is levied. This understanding was memorialized in Resolution No. 11539 adopting the modified assessment.

POLICY / RULE

City of Folsom Ordinance No. 1171, codified as Folsom Municipal Code Chapter 3.100, establishes procedures for forming, modifying, and governing parking and business improvement districts supplemental to the 89 Law.

Folsom Municipal Code section 2.36.080 contains the requirements for execution of contracts.

The existing agreement between the City and the Owners' Association requires that amendments be made in writing, executed by both parties.

ANALYSIS

The FTBID modification was approved by City Council in Resolution No. 11539 on April 28, 2026, subject to the requirements that:

1. The FTBID Owners' Association shall establish the FTBID Capital Improvement Committee, a committee of representatives from assessed hotels, TEDCorp, and the City that directs use of the additional revenue from the supplemental four percent (4%) assessment in conformity with the terms of the Governance Policy.

2. The existing agreement between the City and the Owners' Association shall be amended to incorporate requirements that the Owners' Association establish the Committee and conform operations of the FTBID to the Governance Policy with respect to the increased assessment.

3. The increased assessment shall not be levied until the Committee has been established and the contract amendment described above has become effective.

The attached resolution authorizes the City Manager to execute an amendment to the existing agreement with the Owners Association to implement requirements 1-3 above.

With the attached resolution, the Council also appoints two Councilmembers to the Committee as City representatives. Councilmembers Leary and Aquino specifically expressed interest in serving on the Committee, so staff is proposing their appointment, subject to the will of the Council. Pursuant to the terms of the TBID Governance Policy, the City Manager is also a member of the Committee.

The attached resolution also clarifies that future appointments to the Committee do not need to be made by resolution and may instead follow the Council's standard practice for appointments to boards and commissions.

FINANCIAL IMPACT

The contract amendment and Committee appointments described in this report will have no direct financial impact upon the City. The anticipated financial impact of the TBID modification

is described in the staff report associated with Resolution No. 11539, adopted at the April 28, 2026 Council Meeting.

ENVIRONMENTAL REVIEW

This action is not subject to the California Environmental Quality Act (CEQA) because it is not considered a project pursuant to CEQA Guidelines sections 15378(b)(4) and (5). See also CEQA Guidelines section 15002(d).

ATTACHMENTS

1. Resolution No. 11622 - A Resolution Authorizing the City Manager to Execute Amendment No. 1 to the Agreement Between the City of Folsom and the Folsom Tourism Bureau Relative to the Folsom Tourism Business Improvement District and Appointing Two Councilmembers to Serve on the FTBID Capital Improvement Committee

2. Agreement Between the City of Folsom and the Folsom Tourism Bureau Relative to the Folsom Tourism Business Improvement District

3. FTBID Capital Improvement Committee Governance Policy

Submitted,
Bryan Whitemyer
City Manager

Attachment 1

RESOLUTION NO. 11622

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AMENDMENT NO. 1 TO THE AGREEMENT BETWEEN THE CITY OF FOLSOM AND THE FOLSOM TOURISM BUREAU RELATIVE TO THE FOLSOM TOURISM BUSINESS IMPROVEMENT DISTRICT AND APPOINTING TWO COUNCILMEMBERS TO SERVE ON THE FTBID CAPITAL IMPROVEMENT COMMITTEE

WHEREAS, the Parking and Business Improvement Area Law of 1989, Streets and Highways Code §36500 et seq., (1989 Law) authorizes cities and counties to establish parking and business improvement districts for the purpose of promoting tourism; and

WHEREAS, the City of Folsom ("the City") adopted Ordinance No. 1171, codified as Folsom Municipal Code Chapter 3.100, which establishes procedures for forming parking and business improvement districts supplemental to the 1989 Law; and

WHEREAS, the City Council established the Folsom Tourism Business Improvement District ("FTBID") on October 23, 2012, by Resolution No. 9071; and

WHEREAS, Folsom Municipal Code § 3.100.090 authorizes the FTBID Owners' Association at any time to recommend the City modify the FTBID; and

WHEREAS, the FTBID Owners' Association facilitated a request to modify the FTBID; and

WHEREAS, the City complied with the notice and majority protest proceeding requirements contained in state law as modified by the Folsom Municipal Code with respect to the proposed TBID modification; and

WHEREAS, a majority protest is defined as written protests received from owners of businesses in the modified FTBID which would pay fifty percent (50%) or more of the assessments proposed to be levied. Protests are weighted based on the assessment proposed to be levied on each assessed business; and

WHEREAS, the City Clerk determined that a conditional majority protest existed, to the effect that owners of businesses in the modified FTBID which would pay fifty percent (50%) or more of the assessments proposed to be levied submitted written protests stating that they support the proposed modification contingent upon the governance of the FTBID conforming to a governance policy prepared by the assessed business owners and agreed to by the Owners' Association ("Governance Policy") which includes a requirement for the Owners' Association to establish the FTBID Capital Improvement Committee, a committee of representatives from assessed hotels, TEDCorp, and the City to direct use of the additional revenue from the supplemental four percent (4%) assessment consistent with the terms of the Governance Policy ("the Committee"); and

WHEREAS, to effectuate the will of business owners in the modified FTBID which would pay fifty percent (50%) or more of the assessments proposed to be levied as stated in the conditional majority protest, the agreement between the City and the Owners' Association must be amended to incorporate requirements that the Owners' Association establish the Committee and conform operations of the FTBID to the Governance Policy with respect to the increased assessment; and

WHEREAS, on April 28, 2026, the Council declared the results of the majority protest proceedings and adopted Resolution No. 11539, modifying the assessment rate of the Folsom Tourism Business Improvement District from a rate of four percent (4%) to eight percent (8%), contingent upon governance of the FTBID conforming to the Governance Policy with respect to the increased assessment; and

WHEREAS, Resolution No. 11539 included a requirement that the FTBID Owners' Association establish the Committee; and

WHEREAS, Resolution No. 11539 included a requirement that the existing agreement between the City and the Owners' Association be amended to incorporate requirements that the Owners' Association establish the Committee and conform operations of the FTBID to the Governance Policy with respect to the increased assessment; and

WHEREAS, Resolution No. 11539 included a requirement that the increased assessment not be levied until the Committee has been established and the associated contract amendment has become effective; and

WHEREAS, pursuant to Folsom Municipal Code §3.100.110, business owners subject to the assessment may request disestablishment; and

WHEREAS, the agreement will be in a form acceptable to the City Attorney:

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom authorizes the City Manager to Execute Amendment No. 1 to the Agreement between the City of Folsom and the Folsom Tourism Bureau relative to the Folsom Tourism Business Improvement District; and

BE IT FURTHER RESOLVED that the City Council appoints the following Councilmembers as City Council representatives to the FTBID Capital Improvement Committee for the initial term:

1. Councilmember Aquino
2. Councilmember Leary

BE IT FURTHER RESOLVED that the City Council may appoint City Council representatives to the FTBID Capital Improvement Committee for subsequent terms through the

Council's typical process for updating appointment of City Council representatives to regional boards and commissions without a formal resolution approving the appointment(s).

PASSED AND ADOPTED this 26th day of May 2026, by the following roll-call vote:

AYES: Councilmember(s):
NOES: Councilmember(s):
ABSENT: Councilmember(s):
ABSTAIN: Councilmember(s):

_____
Justin Raithel, MAYOR

ATTEST:

_____
Christa Freemantle, CITY CLERK

Attachment 2

ATTACHMENT 2

AGREEMENT BETWEEN THE CITY OF FOLSOM AND THE FOLSOM TOURISM BUREAU RELATIVE TO THE FOLSOM TOURISM BUSINESS IMPROVEMENT DISTRICT

This Agreement, dated for reference purposes only as of NOVEMBER 27, 2012, is entered into by and between the CITY OF FOLSOM, a municipal corporation (hereinafter "City") and the FOLSOM TOURISM BUREAU, a nonprofit corporation (hereinafter "FTB"), relative to the Folsom Tourism Business Improvement District (hereinafter "District" or "FTBID").

RECITALS

WHEREAS, the City and the FTB recognize that it is in their best interests to jointly pursue and promote tourism broadly in the City for the benefit of the participants in the District; and

WHEREAS, as a charter city, the City of Folsom has the authority to establish special districts for the purpose of improving economic activity of participants within a district; and

WHEREAS, on July 26, 2012, the City Council adopted Ordinance 1171 reenacting Chapter 3.100 of the Folsom Municipal Code to provide a process for renewing the District; and

WHEREAS, the City Council adopted Resolution No. 9055, a Resolution of Intention to form the FTBID and to designate the FTB as the Owners' Association which shall enter into a contract approved by the City Council; and

WHEREAS, the City Council adopted Resolution No. 9071 a Resolution Declaring Results of Majority Protest Proceedings and Establishing the District effective January 1, 2013, which named the FTB as the Owners' Association;

WHEREAS, the District is to be administered by the FTB; and

WHEREAS, the FTB as the Owners' Association represents a large number of hotel owners within the District and possesses the capacity to provide the District improvements and activities as described in the Resolutions, Ordinance, and this Agreement; and

WHEREAS, the City and FTB desire to enter into this Agreement to set forth the roles and responsibilities of the parties with respect to the FTB providing services to the City as the Owners' Association according to the terms set forth herein.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. DEFINITIONS. Certain terms are defined in the heading and recitals to this Agreement. In addition to those terms, the following definitions shall apply:

   A. District Services. The activities or services to be provided for and within the District by the FTB as described in Resolution 9055, Resolution No. 9071 and Ordinance 1171.
   B. FTB. Refers to the Folsom Tourism Bureau, a nonprofit 501(c)(6) corporation.
   C. Ordinance. Refers to reenacted Chapter 3.100 or as thereafter amended.
   D. Resolution of Intention. Refers to Resolution No. 9055 adopted by the City Council.
   E. Resolution of Formation. Refers to Resolution 9071 adopted by the City Council.
   F. Resolutions. Collectively refers to the Resolution of Intention and Resolution of Formation.

2. FTB OBLIGATIONS. The FTB's obligations under this Agreement shall be as follows:

   A. Provide District Services. The FTB shall provide, manage, and administer all District Services, in the manner and of the quality described in the Resolutions, Ordinance, this Agreement and annual District Report for the term of this Agreement. The FTB shall be fully responsible for developing, implementing, directing and operating the District programs as described in this Agreement and the above referenced Resolutions and Ordinance.

   B. Annual Reports. The FTB shall prepare and submit to the City Manager, for submission to the City Council, a report for each fiscal year for which assessments are to be levied and collected. The report shall be prepared in accordance with all provisions of the Resolutions, Ordinance, and this Agreement. The first report will cover the period of July 1, 2012 through July 1, 2013, which includes the last six months on the previous contract and the first six months of this new agreement and annually thereafter. The report shall be submitted to the City Manager on or before September 1 of each year for presentation to the City Council thereafter.

      1. In addition to the information required in Folsom Municipal Code section 3.100.100, the following information and detail shall be provided:
         (a) A detailed description of the activities to be pursued by the FTB with FTBID funds for the coming fiscal year.
         (b) A detailed breakdown of expenses for the prior fiscal year by program type and administrative expenses and costs.
         (c) A copy of the bi-annual audited financial report (described below) for the FTBID.

2. The report shall be accompanied by the following documents, which shall not be a part of the report.
    (a) A copy of the Form 990 for the most recent tax year.
    (b) Insurance certificates as detailed in Section 2J herein.
    (c) The business listing as detailed in Section 2H herein.

C. Audited Financial Report. Bi-annually, commencing July 1, 2014, the FTB shall cause to be performed an audited financial report for District funds by a licensed CPA in accordance with generally accepted accounting standards for non-profit corporations. The audit shall examine revenue received and expenses incurred. The audit shall include a balance sheet, a statement of revenue and expenses, and changes in fund balances for the prior two (2) years. The cost of the audit shall be an administrative expense of the FTBID. The City may request additional District program and financial information during or outside of the audit process.

D. Open Meetings. The FTB Board of Directors shall regularly hold meetings related to FTBID business, which meetings shall be open to the public, except those portions which deal with personnel or litigation matters. The FTB shall permit two people designated by the Folsom City Manager to sit on the FTB Board of Directors.

E. Good Standing. The FTB will at all times remain in good standing and in compliance with California and Federal law relating to its status as a 501(c)(6) organization. The FTB must make all required filings with governmental agencies, including annual completion of Form 990, a copy of which must be provided with the annual report to the City. The FTB shall comply with all applicable State and City laws and regulations.

F. Subcontracts. The FTB shall administer all subcontracts necessary for providing the District Services. The FTB assumes responsibility for the contracting of, and payment for, all support services as may be required.

G. Programs.
    1. The FTB will continue to look for ways to improve hotel room occupancy within the District and enhance business opportunities for all District hotels.
    2. The FTB will work with the Arts, Sports (youth and adult), and Cycling communities in the City to examine programs beneficial to the FTBID participants in these areas.
    3. The FTB will work with the City to assist in the promotion/sponsorship of the Amgen Tour of California if the City is selected as a start or finish City in a manner beneficial to the FTBID participants.

H. Assessment Records. The FTB shall maintain a complete database, current to the most recent tax year available, of all hotels within the District. The database shall contain the following information for each hotel: the address of the hotel; the name and address of the owner of the hotel; the amount of assessment; and, the

assessment calculations for each hotel, including all variables used in the calculation of the assessment. The database shall be updated at least once each year during District operations to reflect changed conditions and to accurately reflect the status of the hotels. The parties recognize that certain information regarding revenues of each hotel is proprietary and this information is not to be made public, unless otherwise required by law. The City shall provide assistance in compiling information relative to hotels in the District. The FTB shall provide a copy of the database to the City annually at the time of the Annual Report, but the information shall not be included in the report.

I. Indemnification and Hold Harmless. To the fullest extent permitted by law, the FTB shall defend, indemnify, and hold harmless the City, its officers, employees, and agents from and against all losses and expenses (including reasonable attorneys' fees) incurred by reason of liability imposed by law upon the City for economic damages, property damage, personal injury, or bodily injury, including death, at any time resulting therefrom, sustained by any person or persons on account of damage to person or property, including loss of use thereof, arising out of or in the consequence of the performance of this Agreement, provided such injuries to persons or damage to property are due to the negligent acts or omissions of the FTB, its officers, employees, agents, volunteers, or any other persons under the FTB's direct supervision and control, or of its subcontractors, or any one directly or indirectly employed by either of them.

To the fullest extent permitted by law, the City shall defend, indemnify, and hold harmless the FTB, its officers, employees, and agents from and against all losses and expenses (including reasonable attorneys' fees) incurred by reason of liability imposed by law upon the FTB for economic damages, property damage, personal injury, or bodily injury, including death, at any time resulting therefrom, sustained by any person or persons on account of damage to person or property, including loss of use thereof, arising out of or in consequence of the performance of this Agreement, provided such injuries to persons or damage to property are due to the negligent acts or omissions of the City, its officers, employees, agents, volunteers, or any other persons under the City's direct supervision and control, or of its subcontractors, or any one directly or indirectly employed by either of them.

J. Insurance Requirements. During the term of this Agreement, the FTB shall maintain the following minimum insurance requirements:

[INTENTIONALLY LEFT BLANK]

Coverage	Minimum Limit of Insurance
Broad Form Comprehensive or Commercial General Liability	$1,000,000.00
Business Automobile Liability and Employer's Non-Owned Automobile Liability (Symbol 1 Coverage of the Corporation own vehicles)	$1,000,000.00
Worker's Compensation and Employer's Liability	Statutory

The FTB shall be required to provide Workers' Compensation Insurance for all employees. In addition, the FTB is required to provide a property loss policy of $250,000 and a general liability policy of $1,000,000.

1. Other Insurance Provisions. The insurance policies required to be maintained by the FTB shall be endorsed to contain the following provisions. General Liability and Automobile Liability Coverages:

   (a) The City, its officials, employees, and volunteers are to be covered as additional insured with respect to liability arising out of activities or services performed by or on behalf of the FTB pursuant to this Agreement, including liability for products and completed operations of the FTB, premises owned, leased, or used by the FTB, or automobiles owned, leased, hired, or borrowed by the FTB. Such coverage shall contain no special limitations on the scope of protection afforded to the City, its officials, employees, or volunteers.

   (b) With respect to the services and activities performed pursuant to this Agreement, the FTB's insurance coverage shall be primary with respect to the City, its officials, employees, and volunteers to the extent the City, its officials, employees, and volunteers, are covered as additional insureds. Any insurance or self-insurance maintained by the City, its officials, employees, or volunteers shall be in excess of the FTB's insurance and shall not be contributory.

   (c) The insurance coverage maintained by the FTB shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the limit of liability maintained by the FTB through its insurance policies.

(d) Each insurance policy required by this Agreement shall be endorsed to state that such coverage shall not be suspended, voided, canceled, or otherwise reduced in coverage or limits, except after providing thirty (30) days prior written notice sent by certified mail, return receipt requested to the City. A copy of the policy shall be provided annually at the time of the annual report.

(e) All insurance maintained pursuant to this Agreement shall be placed with insurers who maintain a Best rating of A:VII or better.

(f) The FTB shall furnish the City with certificates of insurance and with original endorsements effecting coverage required by this section. Certificates of insurance and endorsements shall be furnished prior to or contemporaneously with the execution of this Agreement by the FTB. The Certificates and Endorsements are to be on forms acceptable to the City Attorney.

K. Corporation Status. The FTB shall perform its obligations under this Agreement and shall be responsible for any federal, state, and local taxes and fees applicable to payments made to the FTB hereunder. The FTB shall take all actions necessary to maintain itself as a corporation in good standing with the State of California.

L. Assignment. This Agreement is not assignable, except as provided herein. The FTB covenants and agrees that it will not assign or transfer its rights or obligations under this Agreement, either in whole or part, without first obtaining the written consent of the City; such consent must be granted or denied at the sole discretion of the City. Any attempt by the FTB to assign or transfer its rights or obligations without such written consent shall be null and void.

M. Assets of the District. Pursuant to State law and the Ordinance, in the event that the District is disestablished or otherwise discontinued, then the existing assets shall only be used: (1) to pay the City any outstanding sums due to it from the District; and, (2) be dispersed only to the owners of assessed hotels in the District, in amounts proportionate to the amounts of assessments paid.

N. Independent Contractor. It is understood and agreed that the FTB and its staff and employees are independent contractors of the City and that no relationship of employer-employee exists between the parties hereto; and specifically between the City and the FTB staff. Acting in the capacity of an independent contractor, the FTB's employees and subcontractors are not City employees and are not entitled to or eligible for any benefits provided by the City.

The City is not required to make any deductions or withholdings from the compensation payable to the FTB under the provisions of this Agreement and is

not required to issue W-2 Forms for income and employment tax purposes for any of the FTBs' assigned personnel.

The FTB hereby indemnifies and holds the City harmless from any and all claims that may be made against the City based on any contention by a third party that an employer-employee relationship exists by reason of this agreement.

O. FTB Not Agent of the City. Neither the FTB nor any of the FTB's employees, agents, representatives, or subcontractors are or shall be considered to be agents of the City in connection with the performance of the FTB's obligations under this Agreement, or for any other purpose.

P. Conflicts of Interest. The FTB and its President/Chief Executive Officer certify that as of the date of execution of this Agreement, they do not have any actual, apparent, or potential conflicts of interest relative to the services to be provided pursuant to this Agreement. The FTB and its President/Chief Executive Officer agree to advise the City of any actual, apparent, or potential conflicts of interest that may develop subsequent to the date of execution of this Agreement.

Q. Nondiscrimination. In the performance of this Agreement, the FTB shall not discriminate in its employment practices against any employee or applicant for employment because of such person's race, religion, national origin, ancestry, sex, sexual orientation, age, physical handicap, marital status, medical condition, or other protected status under California law.

3. CITY OBLIGATIONS. The City's obligations under this agreement shall be as follows:

A. The City shall effect the timely collection of the annual assessment; provide general assistance, clarification, or information to the FTB, the assessed parties and the public at large; maintain an ongoing liaison with the FTB, including the coordination of services from various City departments; authorize supplemental assessments, adjusted assessments, exemptions, reductions or refunds to be issued by the City; and, direct the disbursement of assessment funds to be made to the FTB. The City may, but shall have no obligation to the FTB to pursue the collection of delinquent or late assessments. The City will assist the FTB in collection efforts and any costs associated with collection efforts shall be an expense of the FTBID.

B. Billings and Collections. The City will coordinate the annual levy, placement and collection of all assessments for the District and will maintain liaison activities with other public agencies.

C. Disbursements to FTB. The City shall disburse any assessments received from the District, less any allowable expenses to the FTB quarterly (April 15, July 15, October 15 and January 15), less the administrative costs incurred by City relative

to the performance of its functions under the Resolutions, Ordinance, and this Agreement. The City shall notify the FTB in advance of administrative costs and expenses to be deducted with a breakdown of the costs and expenses.

4. GENERAL PROVISIONS

A. General Fund Not Liable. Neither the General Fund of the City nor any other fund or monies of the City, except for the actual District assessment revenue received, shall be liable for payment of any obligations arising from the Agreement. Said obligations are not debts of the City, nor a legal or equitable pledge, charge, lien or encumbrance upon any of its property or upon its income, receipt or revenues. This Agreement embodies all of the FTB's reimbursement rights and no further note or other document shall be required to be executed by the City.

B. Notices. Any notice, tender, delivery, or other communication pursuant to this Agreement shall be in writing and shall be deemed to be properly given when delivered or mailed in the manner provided in this paragraph to the following persons:

City: Folsom City Clerk
50 Natoma Street
Folsom, CA 95630

Corporation: Joe Gagliardi
President/Chief Executive Officer
Folsom Tourism Bureau
200 Wool Street
Folsom, CA 95630

Any party may change that party's address for these purposes by giving written notice of the change to the other party in the manner provided in this section. If sent by mail, any notice or other communication shall be effective 48 hours after it has been deposited in the United States mail, with postage prepaid, and addressed as set forth above.

C. Term, Termination and Amendments. The term of this Agreement shall be from the date of execution first noted through December 31, 2017. The FTB may request extensions of the Agreement for additional five (5) year terms during the FTBID term, which extensions shall be made upon approval by the City Council. The request for an extension shall be made in the last fiscal year of the Agreement term and shall be approved by the City Council after receipt of the annual report in the final year of the agreement. Failure of the FTB to comply with the terms of this Agreement, the Resolutions, or the provisions of Chapter 3.100 shall be grounds for termination of this Agreement by the City Council. A failure to

object to a breach of this Agreement shall not constitute an amendment thereof, nor shall it waive any future breach of this Agreement.

This Agreement may only be amended in writing executed by both of the parties.

D. Attorneys Fees. If the services of any attorney are required by any party to secure the performance of this Agreement, or otherwise upon the breach or default of either party, or if any judicial remedy or arbitration is necessary to enforce or interpret any provision of this Agreement, the prevailing party shall be entitled to reasonable attorney fees, costs and other expenses, in addition to any other relief to which such party may be entitled. It is understood that for purposes of calculating reasonable attorney fees for the City, that the City Attorney's billing rates shall be calculated at the prevailing rate.

E. Governing Law and Venue. This Agreement and the legal relations between the parties shall be governed by and construed in accordance with the laws of the State of California and any action shall be venued in the Superior Court of Sacramento County.

F. Waiver. The waiver by any party to this Agreement of breach of any provision of this Agreement shall not be deemed a continuing waiver or a waiver of any subsequent breach of that or any other provision of this Agreement.

G. Entire Agreement. This document, including the Resolutions and Ordinance, contains the entire Agreement between the parties and supercedes whatever oral or written understanding they may have had prior to the execution of this Agreement. In the event of a conflict regarding the obligations of the parties between the Resolutions, Ordinance, and this Agreement, then this Agreement shall prevail.

H. Severability. If any portion of this Agreement or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this Agreement shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

I. Counterpart. This agreement may be executed in one or more counterparts, each of which shall be deemed an original, and will become effective and binding upon the parties at such time as all of the signatories hereto have signed a counterpart of this Agreement. All counterparts so executed shall constitute one Agreement binding on all of the parties hereto, notwithstanding that all of the parties are not signatory to the same counterpart.

END OF TEXT – SIGNATURE PAGE IMMEDIATELY FOLLOWS

IN WITNESS WHEREOF, this Agreement is executed by the CITY OF FOLSOM and the FOLSOM TOURISM BUREAU. The City Manager of the City of Folsom and the President/Chief Executive Officer of the FTB declare that they are authorized to execute this Agreement on behalf of the parties to the Agreement.

Date: 11/27/2012

CITY OF FOLSOM
A Municipal Corporation ("City")

By: _____
Evert Palmer
City Manager

Date: 11/08/12

FOLSOM TOURISM BUREAU
a California non-profit corporation
("Corporation")

By: _____
Joseph Gagliardi
President/Chief Executive Officer

Approved As To Form:

_____ 11/21/12
Bruce C. Cline, City Attorney Date

Attest:

_____
Christa Saunders, City Clerk 11/29/12

Funding Available:

_____
James Francis, Finance Director

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

State of California
County of Sacramento }

On November 8, 2012, before me, C.L. Glass, Notary Public, personally appeared Joseph Gagliardi

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

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

C. L. GLASS
Commission # 1917111
Notary Public - California
Sacramento County
My Comm. Expires Jan 11, 2015

WITNESS my hand and official seal.

SIGNATURE C J Glass

PLACE NOTARY SEAL ABOVE

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of attached document

Title or type of document: Agreement Between the City of Folsom and the Folsom Tourism Bureau Relative to the Folsom Tourism Business Improvement District

Document Date:_____ Number of Pages:_____

Signer(s) Other than Named Above:_____

Attachment 3

Attachment 3

Folsom TBID Capital Improvement Committee Governance Policy

1. Purpose

The Folsom TBID Capital Improvement Committee (the "Committee") is established as a formal committee of TEDCorp/Folsom Tourism Bureau. The Committee shall operate within TEDCorp's governance structure and function in accordance with all applicable laws, including those governing Tourism Business Improvement Districts (TBIDs).

The Committee is established to direct and oversee the use of funds generated by the additional 4% TBID assessment dedicated for capital improvements. The Committee ensures these funds support projects that:

- Increase overnight hotel stays in Folsom
- Enhance tourism-related infrastructure and amenities
- Improve visitor experiences
- Strengthen Folsom's competitiveness as a regional destination

2. Committee Name

FTBID Capital Improvement Committee

3. Authority & Relationship to Existing Organizations

The Committee shall have the authority to review, prioritize, and approve the use of funds generated by the additional 4% TBID assessment. No funds generated by the additional 4% TBID assessment shall be expended without prior approval of the Committee.

The TEDCorp Board retains ultimate fiduciary responsibility, contracting authority, legal and financial oversight and shall ensure compliance with all governing laws and agreements. The committee shall be subject to the same audit, accounting, reporting, and legal requirements as TEDCorp. The expenses associated with these requirements shall come from the additional 4% TBID assessment. The committee shall not have authority to approve, authorize or commit TEDCorp to any indebtedness, borrowing, guarantee, or financial obligation without approval of the Board of Directors.

4. Control of Funds

All funds generated by the additional 4% TBID assessment shall be treated as restricted funds. These funds shall not be commingled or used outside the Committee's authority.

The Committee shall have sole authority to approve allocation of these funds, subject only to the authority of the TEDCorp Board to accept or reject the allocation.

5. Responsibility of the Committee

Each year the Committee will:

1. Review tourism trends and hotel performance
2. Establish annual spending priorities
3. Identify high-impact tourism investments
4. Consider projects for funding approval

6. Project Eligibility & Evaluation Criteria

Funds shall be used exclusively for projects and initiatives reasonably expected to generate overnight hotel stays and increase visitation.

Eligible uses include:
• Tourism-related infrastructure, including sports tourism
• Event attraction
• Destination-driving events, programming and marketing
• Capital improvements supporting overnight visitation
• Strategic demand-generating investments

Projects must demonstrate a clear nexus to overnight stays, visitor demand, or economic impact.

In evaluating projects, the Committee shall prioritize projects and programs that:
• increase measurable room night generation
• increase midweek and shoulder season demand
• have long-term economic impact
• leverage funding or include public private partnerships
• strategically align with TEDCorp's Tourism Strategy

7. Committee Composition & Voting Structure

To ensure balanced representation, the Committee will consist of eleven (11) members nominated as described below. Each member shall have one (1) vote. Proxy voting is not permitted.

Hotel Industry Representatives (6 seats)
• Six representatives from hotels paying into the FTBID
Appointments shall be by participating hoteliers.
TEDCorp Representatives (2 seats)
• Two members of the TEDCorp Board of Directors
Appointments shall be by TEDCorp Board of Directors and shall not be a City representative.
City Representatives (3 seats)
• Two members of the Folsom City Council
• City Manager

City Council appointments shall be by the City Council.

8. Member Terms

Terms shall be five (5) years and may be staggered initially for continuity with the exception of City Council Representatives, which will be appointed each year by the City Council.

Members may serve up to two consecutive terms.

Hotel representatives must remain active operators of a hotel subject to the FTBID assessment.

9. Leadership

The Committee shall elect a Chair and Vice Chair from the hotel industry representatives The Chair, in coordination with the TEDCorp CEO, shall set agendas, facilitate meetings, and serve as liaison to the TEDCorp Board.

The Vice Chair shall perform these duties in the absence of the Chair.

10. Meetings & Compliance

The Committee shall meet as needed and maintain records of all actions. Meetings shall comply with applicable laws and governance requirements including the Brown Act. TEDCorp shall form the Committee by Board resolution, pursuant to the California Corporations Code and the TEDCorp Bylaws. The resolution should establish the Committee's authority, composition, and purpose as required by Cal. Corp. Code § 7212(a)(6).

The Committee's initial meeting shall be scheduled and agendized in compliance with Brown Act notice requirements (Cal. Gov. Code § 54954.2). The agenda for the initial meeting should include:

- Dissemination of Brown Act requirements to all Committee members
- Election of Committee officers
- Adoption of policies for the conduct of Committee business
- Establishment of a regular Committee meeting schedule

11. Accountability & Reporting

Pursuant to TEDCorp Bylaw's, staff shall provide an annual report on fund use and project outcomes, including impacts on hotel occupancy and visitation each year.

Folsom City Council
Staff Report

MEETING DATE:	5/26/2026
AGENDA SECTION:	Old Business
ITEM TITLE:	Consideration of Potential Ballot Measure(s) Amending the City Charter and/or the Folsom Municipal Code for the 2026 General Municipal Election and Direction to Staff
FROM:	City Manager's Office

RECOMMENDATION / CITY COUNCIL ACTION

Staff requests that the City Council consider and provide direction to staff regarding preparation of potential ballot measures amending the City Charter and/or the Folsom Municipal Code for the 2026 General Municipal Election.

BACKGROUND / ISSUE

On December 9, 2025, the City Council adopted Resolution No. 11525, establishing the 2026 Ad Hoc Charter Review Committee. The Committee was tasked with reviewing the City Charter and recommending appropriate updates and changes to the City Council. Resolution No. 11525 directed the Committee to submit a report to the City Council containing its recommendations.

The Committee performed its work over five meetings, held from March 4, 2026 to May 4, 2026. During these meetings, the Committee conducted a review of the City Charter and ultimately approved recommended language changes to seven sections of the Charter and one section of the Folsom Municipal Code that was an initiative measure passed by a vote of the people in 1994.

Resolution No. 11525 created the 2026 Ad Hoc Charter Review Committee as a Brown Act Committee, so the Committee's meetings were open to the public. Members of the public attended the final three meetings and addressed the Committee on many of the items considered.

On May 12, 2026, the 2026 Ad Hoc Charter Review Committee's Report was submitted to the City Council and a public hearing was held on the eight amendments recommended by the Committee. During the public hearing, 14 members of the public spoke, many of whom

addressed the proposal to amend Section 2.07(D) – Restriction on City Utility or Enterprise (franchise authority), which would have eliminated the existing voter approval requirement before a City owned utility or enterprise may be sold, leased for more than 2 years, contracted to, or put to franchise to any non-governmental party.

Following the public hearing, the City Council deliberated and passed Resolution No. 11613, receiving the 2026 Ad Hoc Charter Review Committee Report to City Council with recommended amendments and dissolving the Committee.

The Council engaged in further deliberation and ultimately voted 4-0, with one absent, not to submit the following proposed Charter amendments to the voters at the November 3, 2026 election:

1. **Section 2.01** - City Council: to address the transition away from at-large elections.

2. **Section 2.01(E)** - Term limits: reducing the maximum number of consecutive terms City Councilmembers may serve, from four 4-year terms to three 4-year terms.

3. **Section 2.06** - City Council Compensation and Expenses: to add automatic annual salary adjustments for City Council, tied to the Consumer Price Index, with a maximum increase of three percent per year.

4. **Section 2.07(D)** – Restriction on City Utility or Enterprise (franchise authority): eliminate voter approval requirement before a City owned utility or enterprise may be sold, leased for more than 2 years, contracted to, or put to franchise to any non-governmental party. This will allow the Council to franchise or contract for City services without voter approval.

5. **Section 9.02** – Transition of Elected Officials from 1990: delete entirely as obsolete. The Committee voted 7-0 in favor of this recommendation.

The Council directed staff to return on May 26, 2026, for further consideration of whether to submit to the voters at the November 3, 2026 election any of the following amendments recommended by the Committee:

1. **Section 4.03** - City Attorney: to change how the City Attorney is appointed, from the current system in which the City Manager appoints the City Attorney, to a system in which the City Council appoints the City Attorney, and related procedural and structural changes.

2. **Section 4.07** – Boards and Commissions: strike language that all City Boards and Commissions are only advisory to the Council, allowing the Council to set the powers and duties of Commissions and Committees by ordinance. Clarifying that Committee members must be residents and registered voters of the City.

3. **Folsom Municipal Code § 2.48.030** – Campaign contribution limitation. To increase the campaign contribution limit in support or opposition to any candidate from $150 to a higher limit to be determined.

POLICY / RULE

The recommendations brought forward by the Ad Hoc Charter Review Committee relate to distinct and separate areas of law. To facilitate the City Council's review and ensure the legally sufficient placement of these items on the ballot, the following sections outline the governing legal framework applicable to each of the proposed measures under consideration.

Charter Amendment
City Charter section 8.01 governs Charter amendments, which may be framed and proposed in several ways, including by an ordinance of the City Council containing the full text of the proposed amendment. Charter Amendments must be approved by a majority of the voters of the City at a regular election.

Pursuant to City Charter section 2.12(A), no City ordinance shall contain more than one subject, which shall be clearly expressed in its title. This "single subject rule" applies to all of the remaining amendments recommended in the Committee's report.

Amendment of Ordinance Passed as an Initiative Measure
As applicable here, Elections Code section 9217 requires that an ordinance proposed by initiative petition and adopted by the voters shall only be amended by a vote of the people. Elections Code section 9222 allows the City Council to submit to the voters, without a petition, a proposition for the amendment of any ordinance, to be voted upon at any succeeding regular or special election. If the proposition submitted receives a majority of the votes cast on it at the election, the ordinance shall be amended.

Campaign Contribution Limits
Campaign contribution limits have been held to infringe on the contributor's ability to engage in free communication and association, thereby impinging on First Amendment freedoms. (*Citizens United v. Federal Election Commission* (2010) 558 US 310.) Limits on campaign contributions made directly to candidates or their committees may be upheld if the regulations are "closely drawn" to achieve important governmental interests, including preventing corruption, the appearance of corruption, and the circumvention of otherwise valid campaign finance regulations. (*Buckley v. Valeo* (1976) 424 US 1, 26.) However, the goals of equalizing political opportunities between candidates and reducing the influence of money in politics were rejected by the Supreme Court in *Citizens United* as sufficiently important governmental interests to support impinging on First Amendment freedoms. As a result, those concepts cannot be used as the basis for campaign contribution limits. (*Citizens United,* 558 US at p. 350.)

ANALYSIS

Summary of Recommended Amendments
Each proposed amendment is reflected in an attachment to this staff report containing the recommended language amendments approved by the Committee and modified by staff following Council deliberation on May 12, 12026, as well as a succinct explanation of the reasons for the proposed changes. Briefly, the remaining amendments recommended by the Committee and not eliminated by the Council include:

1. **Section 4.03** - City Attorney: to change how the City Attorney is appointed, from the current system in which the City Manager appoints the City Attorney, to a system in which the City Council appoints the City Attorney, and related procedural and structural changes.

2. **Section 4.07** – Boards and Commissions: strike language that all City Boards and Commissions are only advisory to the Council, allowing the Council to set the powers and duties of Commissions and Committees by ordinance. Clarify that Committee members must be residents and registered voters of the City.

3. **Folsom Municipal Code § 2.48.030** – Campaign contribution limitation. To increase the campaign contribution limit in support or opposition to any candidate from $150 to a higher limit to be determined through City Council deliberation.

Next Steps
Following the May 26, 2026 City Council meeting on this item, staff requests that the Council provide direction on which proposal(s) it would like to submit to the voters at the November 3, 2026 election.

If the Council elects to proceed with proposed amendment(s), a second public hearing will be held on June 23, 2026, where the City Council will consider ordinance(s) containing the specific language of the City Charter and/or Folsom Municipal Code amendment(s) it would like to be submitted to the voters.

On July 14, 2026, the Council will consider a resolution formally approving submission to the voters of any proposed amendments to the City Charter and/or the Folsom Municipal Code.

At the Council's direction, the proposed amendments could be submitted to the voters at the statewide general election on November 3, 2026. Each proposed amendment shall be approved if it receives a majority of the votes cast on it at the election.

FINANCIAL IMPACT

The Sacramento County Department of Voter Registration and Elections recently updated its election fee formula, resulting in a substantial increase over prior estimates. The 2024 election that included Measure G and two city council positions cost the City $61,145. However, based

on new information from the County Registrar of Voters Office, the revised cost structure is as follows:

- First Ballot Measure: Approximately $83,000
- Subsequent Measures: Approximately $10,750 per additional item

If the City Council decides to add three measures to the ballot the anticipated City election costs for 2026 are estimated to be approximately $115,250. Staff has included sufficient funds to cover this cost in the proposed FY 2026/2027 preliminary budget.

ENVIRONMENTAL REVIEW

The proposed Charter and Folsom Municipal Code amendments are not a project for purposes of CEQA because CEQA only applies to activities that may cause either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. Because the proposed amendments do not have the potential to cause a physical change in the environment directly or indirectly, they are not a project subject to CEQA. (Public Resources Code §§ 21065; 21080(a); CEQA Guidelines §§ 15060(c), (2), (3); 15378(b)(2).) If for any reason the proposed amendments are considered a project, they are exempt from CEQA review pursuant to CEQA Guidelines § 15061(b)(3) because it can be seen with certainty that there is no possibility the activity in question may have a significant effect on the environment.

ATTACHMENTS

1. Proposed Amendment to City Charter § 4.03 City Attorney
2. Proposed Amendment to City Charter § 4.07 Boards and Commissions
3. Proposed Amendment to Folsom Municipal Code § 2.48.030 Campaign contribution limitation

Submitted,

Bryan Whitemyer
City Manager

Attachment 1

Attachment 1

Section / Title:

Section 4.03 (City Attorney)

What Change is Recommended and Why:

Designate the City Council as responsible for the direct hiring and oversight of the City Attorney position and make related procedural and structural changes to align with existing Charter language for the City Manager position, which is also hired by and reports directly to the Council.

The Committee reviewed the current appointment process for the City Attorney, with a focus on shifting this responsibility toward a Council-led hiring model. It was noted that the prevailing standard in other municipalities is for the City Attorney to report directly to and be hired by the City Council. Based on this, the Committee proposed a formal shift in authority to ensure the Council is responsible for the direct hiring and oversight of the City Attorney position.

Committee Vote:

The Committee voted 7-0 in favor of this recommendation.

Current Language:

4.03 City Attorney:

The office of City Attorney is hereby created. The City Attorney shall be the chief legal officer of the City, and:

A. Duties. Shall advise the City Council, individual Councilmembers, the City Manager and his/her assistants, and department heads regarding the law relating to City affairs.

B. Additional Duties. Shall represent the City in all legal proceedings, prepare all ordinances and other needed legal documents, select and retain specialist counsel where there is a need for such specialized legal services, and perform such other duties as may be prescribed by ordinance.

C. Department Head. May be a full time department head of the City, or may be contracted as a department head.

D. Approval of Contracts. Shall review and approve all City contracts as to legal form.

E. Special Counsel. The City Council may retain special counsel in any matter where representation by the City Attorney would create an impermissible conflict, including the discipline or dismissal of the City Manager.

Proposed Language:

4.03 City Attorney:

The office of City Attorney is hereby created. The City Attorney shall be the chief legal officer of the City, and, notwithstanding any other provision of this Charter:

A. Duties. Shall advise the City Council, individual Councilmembers, the City Manager and his/her assistants, and department heads regarding the law relating to City affairs.

B. Additional Duties. Shall represent the City in all legal proceedings, prepare all ordinances and other needed legal documents, select and retain specialist counsel where there is a need for such specialized legal services, and perform such other duties as may be prescribed by ordinance.

C. Department Head. May be a full time department head of the City appointed by the City Council, or may be contracted by the City Council as a department head.

D. Approval of Contracts. Shall review and approve all City contracts as to legal form.

E. Special Counsel. The City Council may retain special counsel in any matter where representation by the City Attorney would create an impermissible conflict, including the discipline or dismissal of the City Manager.

F. City Attorney Appointment. The City Council shall appoint a City Attorney for an indefinite term through the mechanism of an employment agreement the same as those afforded department heads under this Charter. The City Attorney:

1. Serve At Pleasure. Shall serve at the pleasure of the Council;
2. How Chosen. Shall be chosen solely on the basis of administrative qualifications and, at time of appointment need not be a resident of the State or City but shall be a member of the California State Bar;
3. Salary. Shall be paid a salary fixed by the Council commensurate with the responsibilities of the position;

G. Dismissal Hearing. Shall have the right to a public hearing on any motion to remove or to suspend his/her employment, which public hearing shall be held only after provision of 10 days' published notice prior to the Council voting on the motion to remove or to suspend the City Attorney.

H. Restriction on Dismissal. During a period of 90 days immediately following the date of installation of any person newly elected to the Council at a regular or special City election, or of any person newly appointed to the Council, the Council shall take no action, whether immediate or prospective, to remove, suspend, request the resignation of, or to reduce the duties, salary or benefits of the City Attorney.

I. Appointment of Employees. The City Attorney shall appoint all other members of the City Attorney's Office to positions authorized by the Council. These employees shall serve at the pleasure of the City Attorney but shall have permanent status subject to all rights and limitations in the City merit system.

Redline Showing Changes:

4.03 City Attorney:

The office of City Attorney is hereby created. The City Attorney shall be the chief legal officer of the City, and, notwithstanding any other provision of this Charter:

A. Duties. Shall advise the City Council, individual Councilmembers, the City Manager and his/her assistants, and department heads regarding the law relating to City affairs.

B. Additional Duties. Shall represent the City in all legal proceedings, prepare all ordinances and other needed legal documents, select and retain specialist counsel where there is a need for such specialized legal services, and perform such other duties as may be prescribed by ordinance.

C. Department Head. May be a full time department head of the City appointed by the City Council, or may be contracted by the City Council as a department head.

D. Approval of Contracts. Shall review and approve all City contracts as to legal form.

E. Special Counsel. The City Council may retain special counsel in any matter where representation by the City Attorney would create an impermissible conflict, including the discipline or dismissal of the City Manager.

F. City Attorney Appointment. The City Council shall appoint a City Attorney for an indefinite term through the mechanism of an employment agreement the same as those afforded department heads under this Charter. The City Attorney:

1. Serve At Pleasure. Shall serve at the pleasure of the Council;
2. How Chosen. Shall be chosen solely on the basis of administrative qualifications and, at time of appointment need not be a resident of the State or City but shall be a member of the California State Bar;
3. Salary. Shall be paid a salary fixed by the Council commensurate with the responsibilities of the position;

G. Dismissal Hearing. Shall have the right to a public hearing on any motion to remove or to suspend his/her employment, which public hearing shall be held only after provision of 10 days' published notice prior to the Council voting on the motion to remove or to suspend the City Attorney.

H. Restriction on Dismissal. During a period of 90 days immediately following the date of installation of any person newly elected to the Council at a regular or special City election, or of any person newly appointed to the Council, the Council shall take no action, whether immediate or prospective, to remove, suspend, request the resignation of, or to reduce the duties, salary or benefits of the City Attorney.

I. Appointment of Employees. The City Attorney shall appoint all other members of the City Attorney's Office to positions authorized by the Council. These employees shall serve at the pleasure of the City Attorney but shall have permanent status subject to all rights and limitations in the City merit system.

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Attachment 2

Attachment 2

Section / Title:

Section 4.07 (Boards and Commissions)

What Change is Recommended and Why:

1. Remove "All boards and commissions only shall be advisory to the Council"

Removing this restrictive phrasing allows for greater flexibility in how commissions and committees operate. The change is not intended to diminish the Council's ultimate oversight; rather, it is designed to preserve and clarify the City Council's authority to formally delegate specific responsibilities or decision-making powers to boards and commissions through an ordinance when deemed appropriate. This adjustment would ensure the Charter does not inadvertently block the Council from empowering commissions and committees to take direct action on specialized matters.

2. Add "committees" to boards and commissions.

Adding this reference clarifies that members of committees must be residents and registered voters of the City, as are Council Members and members of boards and commissions.

Committee Vote:

The Committee voted 7-0 in favor of recommendation 1. Recommendation 2 is proposed by staff to close a loophole in the existing Charter language. This recommendation was not identified by staff until preparation for the City Council meeting on 5/12/26.

Current Language:

4.07 Boards and Commissions:

The City Council may by ordinance create other Boards and Commissions and prescribe their powers and duties, determine the number and qualification of the members, their method of selection, term of office and removal, and fix their compensation, if any. All boards and commissions only shall be advisory to the Council. Each member of any Board or Commission shall be a resident and registered voter of the City.

Proposed Language:

4.07 Boards, Commissions, and Committees:

The City Council may by ordinance create other Boards, Commissions, and Committees and prescribe their powers and duties, determine the number and qualification of the members, their method of selection, term of office and removal, and fix their compensation, if any. Each member of any Board, Commission, or Committee shall be a resident and registered voter of the City.

Redline Showing Changes:

4.07 Boards, ~~and~~ Commissions, and Committees:

The City Council may by ordinance create other Boards, ~~and~~ Commissions, and Committees and prescribe their powers and duties, determine the number and qualification of the members, their method of selection, term of office and removal, and fix their compensation, if any. ~~All boards and commissions only shall be advisory to the Council.~~ Each member of any Board, ~~or~~ Commission, or Committee shall be a resident and registered voter of the City.

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Attachment 3

Attachment 3

Section / Title:

Folsom Municipal Code § 2.48.030 (Campaign Contribution Limitation)

What Change is Recommended and Why:

Increase campaign contribution limits from $150 to a higher amount to be determined.

The Committee recommended that campaign contribution limits increase from $150 to $750 to balance the influence of political action committees and special interests on local elections.

The Council deliberated on May 12, 2026 and did not yet reach a consensus regarding a new campaign contribution limit to be submitted to the voters at the November 3, 2026 election.

Committee Vote:

The Committee voted 7-0 in favor of the recommendation of raising the campaign contribution limit to $750.

Current Language:

2.48.030 Campaign contribution limitation.

A. No person other than a candidate shall make, and no campaign treasurer shall solicit or accept, any contribution which will cause the total amount contributed by such person with respect to a single election in support or opposition to such candidate, including contributions to all committees supporting or opposing such candidate, to exceed $150.

B. Extension of credit for a period of more than 90 days is prohibited. Extension of credit for more than $1,000 is prohibited; provided, however, a candidate may personally borrow any amount and such funds shall be considered as a contribution by the candidate personally; provided, further, that such transaction is fully disclosed and documented in accordance with applicable law.

C. The terms of this section are applicable to any contributions made to a candidate or committee hereunder, whether used by such candidate or committee to finance a current campaign, to pay deficits incurred in a prior campaign, or otherwise.

D. If any person is found guilty of violating the terms of this section, the amount of funds received constituting such violation shall be paid by the candidate or committee treasurer who received such funds to the city finance director for deposit in the general fund of the city.

E. As used in this section, “extension of credit” means any loan, gift, forbearance or forgiveness of debt without adequate compensation.

Proposed Language:

2.48.030 Campaign contribution limitation.

A. No person other than a candidate shall make, and no campaign treasurer shall solicit or accept, any contribution which will cause the total amount contributed by such person with respect to a single election in support or opposition to such candidate, including contributions to all committees supporting or opposing such candidate, to exceed $_____.

B. Extension of credit for a period of more than 90 days is prohibited. Extension of credit for more than $1,000 is prohibited; provided, however, a candidate may personally borrow any amount and such funds shall be considered as a contribution by the candidate personally; provided, further, that such transaction is fully disclosed and documented in accordance with applicable law.

C. The terms of this section are applicable to any contributions made to a candidate or committee hereunder, whether used by such candidate or committee to finance a current campaign, to pay deficits incurred in a prior campaign, or otherwise.

D. If any person is found guilty of violating the terms of this section, the amount of funds received constituting such violation shall be paid by the candidate or committee treasurer who received such funds to the city finance director for deposit in the general fund of the city.

E. As used in this section, "extension of credit" means any loan, gift, forbearance or forgiveness of debt without adequate compensation.

Redline Showing Changes:

2.48.030 Campaign contribution limitation.

A. No person other than a candidate shall make, and no campaign treasurer shall solicit or accept, any contribution which will cause the total amount contributed by such person with respect to a single election in support or opposition to such candidate, including contributions to all committees supporting or opposing such candidate, to exceed ~~$150~~ $_____.

B. Extension of credit for a period of more than 90 days is prohibited. Extension of credit for more than $1,000 is prohibited; provided, however, a candidate may personally borrow any amount and such funds shall be considered as a contribution by the candidate personally; provided, further, that such transaction is fully disclosed and documented in accordance with applicable law.

C. The terms of this section are applicable to any contributions made to a candidate or committee hereunder, whether used by such candidate or committee to finance a current campaign, to pay deficits incurred in a prior campaign, or otherwise.

D. If any person is found guilty of violating the terms of this section, the amount of funds received constituting such violation shall be paid by the candidate or committee treasurer who received such funds to the city finance director for deposit in the general fund of the city.

E. As used in this section, “extension of credit” means any loan, gift, forbearance or forgiveness of debt without adequate compensation.

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Folsom City Council Meeting

Additional Information Transmittal

MEETING DATE:	5/26/2026
AGENDA SECTION:	Old Business
STAFF REPORT TITLE	Consideration of Potential Ballot Measure(s) Amending the City Charter and/or the Folsom Municipal Code for the 2026 General Municipal Election and Direction to Staff
FROM:	City Manager's Office

Staff is providing the attached additional information for the above-referenced agenda item.

Instructions to staff: *Deliver original and 30 stapled/double-sided copies to the City Clerk's Department; City Clerk's Department will distribute via email and hardcopy to City Council, City Manager, City Attorney, and City Clerk.*

Updated: Jan 2026

From: Bob Delp <bdelp@live.com>
Sent: Monday, May 25, 2026 10:53 AM
To: Christa Freemantle; City Clerk Dept
Cc: Sari Dierking; Bryan Whitemyer; Barbara Leary; Justin Raithel; Sarah Aquino; Mike Kozlowski; Anna Rohrbough
Subject: Comments to Council re: Agenda Item 15 - City Charter

Follow Up Flag: Follow up
Flag Status: Flagged

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Comments to the Folsom City Council for consideration of item No. 15 on the 5/26/2026 Regular Meeting Agenda

Dear City Council:

Regarding Agenda Item 15 of the Council's May 26, 2026, agenda, please reject the three items under consideration for placement on the November 2026 ballot.

Whereas your May 12 staff report for this matter provided an estimated cost of *$9,000* to place a measure on the ballot, your May 26 staff report now presents a vastly increased cost estimate of *$115,250*. How staff mis-estimated the cost of a ballot initiative is unclear, and it is also unclear that the Charter Review Committee would have recommended that the Council pursue any amendments to the Charter had the Committee been aware of the substantial cost to the City.

The staff report suggests that the cost for the ballot measure is included in the City's 2026/2027 budget, but does not explain the public benefits that will be forgone by allocating $115,000 of public funds to what will likely be a failed ballot measure seeking unnecessary and detrimental amendments to the City Charter and seeking to increase City Council campaign contribution limits. There are many beneficial uses to which the City could put $115,000 and seeking to amend the Charter and/or increase campaign contribution limits does not warrant such an expenditure.

In addition to my May 12, 2026, comments (in email below), please consider the following in rejecting the three items up for further consideration:

1. Section 4.03 amendments would place the already challenging role of City Attorney directly under the thumb of the City Council. Amending the Charter to more directly cause the City Attorney to "serve at the pleasure of the City Council" would increase potential conflicts between the need for the City Attorney to provide sound legal advice and the need for the City Attorney to satisfy the Council or be at risk of termination. As with other department heads, the City Attorney should be retained by the City Manager and not serve at the whim of a particular City Council. Moreover, the additional provisions are unnecessary and will create the potential for complicated processes. For instance, proposed additional item H, "Restriction on Dismissal" would, upon installation of a new City Council member, establish a 90-day freeze on removal or

suspension of the City Attorney, but this provision fails to address the circumstance in which a dismissal action might already be in progress. If the Council thinks it is important to have the City Attorney serve at the pleasure of the Council, then a provision delaying dismissal due to an unrelated change in City Council composition makes no sense. Please abandon further consideration of this amendment.

2. Section 4.07 of the existing City Charter allows the Council to create boards and commissions but wisely restricts those boards and commissions to an advisory role. Such a structure is appropriate and need not be tampered with. The Charter's existing language is not an inadvertent block of authority and instead serves as an important and intentional check on the Council's ability to delegate decision-making. Please abandon further consideration of this amendment.

3. In 1994, through an initiative measure, the citizens of Folsom voted to establish campaign contribution limits codified in FMC 2.48. In doing so, the following purpose and intent was established by the voters as described in FMC 2.48.010: "*Inherent to the high cost of election campaigning is the problem of improper influence, real or potential, exercised by campaign contributions over elected officials. It is the purpose and intent of the people of the city in enacting the ordinance codified in this chapter to preserve an orderly political forum in which individuals may express themselves effectively; to place realistic and enforceable limits on the amounts of money that may be contributed to political campaigns in municipal elections; to limit contributions by organizations in order to develop a broader base of political efficacy within the community; to limit the use of loans and credit in the financing of municipal election campaigns; and to provide full and fair enforcement of all the provisions of this chapter.* (Initiative measure passed by vote of the people 6/7/94)" Further consideration of amending the campaign contribution limit should be abandoned by the Council for reasons that include the following:

a. By placing on the ballot a measure that would amend FMC 2.48.030 Campaign Contribution Limits, the Council would be attempting to undermine the 1994 vote of the citizens of Folsom. Should the citizens of Folsom choose to increase campaign contribution limits, the citizens may do say through the initiative process. The City Council should not expend City staff time or City funds toward amending the current campaign contribution limits.

b. The campaign contribution limits recommended by the Charter Review Committee are excessive and unbalanced. In recommending changes to the City Council compensation structure, the Charter Review Committee gave weight to the consumer price index. However, in recommending an increase in campaign contribution limits from $150 to $750, the Charter Review Committee recommends an increase above any CPI index for the period 1994 to 2026. Using the CA Dept of Industrial Relations CPI California Index for the period 1994 (when the $150 limit was established) to present 2026 dollars results in a CPI-commensurate increase of the $150 to approximately $350. An increase to $750 would result in a 5-fold increase above the existing limit and is more than twice a CPI-indexed amount. Such an increase is excessive and would undermine the important and clearly specified intent of the contribution limits established by the voters in 1994.

c. FMC 2.48.060, "Violation-Penalties" established through the same 1994 voter initiative specifies a fine amount of not less than $500 for violations of the provisions of FMC 2.48. Yet, although the Charter Review Committee recommended a 5-fold increase in campaign contribution limits, neither the Charter Review Committee's recommendation nor the amendment currently before the Council specifies any change in minimum fine amount. Any increase in the campaign contribution limit should be accompanied by a commensurate increase in the minimum fine amount. It would be irresponsible for the Council to seek increased campaign contribution limits while leaving the minimum fine at the amount established in 1994.

Thank you for considering my comments.
-Bob Delp

bdelp@live.com

From: Bob Delp <bdelp@live.com>
Sent: Tuesday, May 12, 2026 2:47 PM
To: Christa Freemantle <cfreemantle@folsom.ca.us>; City Clerk Dept <cityclerkdept@folsom.ca.us>
Cc: Sari Dierking <sdierking@folsom.ca.us>; Bryan Whitemyer <bwhitemyer@folsom.ca.us>; Barbara Leary <bleary@folsom.ca.us>; <Justin Raithel <jraithel@folsom.ca.us>; Sarah Aquino <saquino@folsom.ca.us>; Mike Kozlowski <mkozlowski@folsom.ca.us>; Anna Rohrbough <annar@folsom.ca.us>
Subject: Comments to Council re: Agenda Item 10 - City Charter

Comments to the Folsom City Council for consideration of item No. 10 on the 5/12/2026 Regular Meeting Agenda

Dear City Council:

Regarding Agenda Item 10 of tonight's agenda, please reject the ad hoc committee's recommended amendments to the City Charter and dissolve the committee.

The City Council established a seven-member committee, five of which committee members were each appointed by a Councilmember and the other two of which committee members are City Councilmembers. This composition suggests an ad hoc committee directly representative of the current Council and fails to reflect a meaningful effort for independent and objective review of the City Charter. This lack of independency will be exacerbated if the two Councilmembers who served on the ad hoc committee also participate in the Council's decision of whether to place the Charter amendments on the ballot.

The recommended Charter revisions have no benefit to the City's residents and would diminish responsible decision-making and transparency... and, while doing so, would also give the Council a guaranteed annual salary adjustment. The recommended amendments should be rejected by the Council.

Section 2.01(E), City Council Term Limit, amendment is unnecessary. Worse, it is self-serving to existing Councilmembers as it could be interpreted to allow Councilmembers who have already been on the Council for multiple terms to continue for three additional terms after 2026 enabling certain Councilmembers to serve more than the existing 4-term limit.

Section 2.06 amendments would establish an automatic adjustment of Councilmember annual salaries every year. While a maximum increase limited by the CPI and a 3% cap might make sense, an automatic adjustment of up to 3% per year should be rejected by the Council. The current Charter allows the City Council to consider and increase Council salaries through a transparent public hearing process that allows consideration of all relevant factors. The notion that the Charter should be amended to build in an automatic adjustment should be rejected.

Section 2.07(D) amendments would eliminate the voter approval requirement for changes to City owner utility/enterprises. This change should be rejected and is mischaracterized in the ad hoc committee's recommendation which states that, "to ensure transparency and public trust, any change to the authority for

contracted or franchise services must be presented as a standalone ballot question." In fact, the proposed amendment appears to eliminate any ballot questions by eliminating any voter approval requirement.

Section 4.03 amendments would place the already challenging role of City Attorney directly under the thumb of the City Council. Under current processes, the City Attorney may be under substantial pressure to give the Council advice that the City Attorney thinks the Council wants to hear creating potential conflicts with sound legal advice. As with other department heads, the City Attorney should be retained by the City Manager and not serve at the whim of a particular City Council.

Section 4.07 amendments appear to be an unnecessary knee-jerk reaction to the City's recent defeat in Sac Superior Civil Case 23WM000125 resulting from the City Council and City Attorney's refusal to respect the plain language of this section of the Charter. In adopting the Charter, the citizens of Folsom allowed that the Council may create boards and commissions, but wisely restricted those boards and commissions to an advisory role. Such a structure is appropriate and need not be tampered with. The ad hoc committee's report discusses that "the adjustment would ensure the Charter does not inadvertently block the Council from empowering commissions and committees to take direct action on specialized matters." However, the Charter's existing language is not an inadvertent block of such power, it serves as an important intentional check on the Council's ability to delegate away decision-making that should fall squarely on the City Council. Additionally, textually the ad hoc committee recommendation adds "or Committee" in the last sentence, but as written (original and proposed) the section is limited to the creation and roles boards and commissions. Adding a single reference to Committee will create confusion and potential inconsistent interpretations.

FMC 2.48.030 - The Council established an ad hoc committee to explore the City Charter, yet, the committee's recommendations include an increase in the campaign contribution limit which is not part of the Charter. The committee says this is necessary to balance the influence of political action committees and special interests on local elections. I disagree. The current limits are appropriate and should not be increased. Moreover, a recommended change to contribution limits exceeds the role assigned to the Charter review committee and should be rejected.

For these and other reasons, please reject the ad hoc committee's recommended amendments to the City Charter and dissolve the committee.

Thank you,
- Bob Delp

bdelp@live.com

Additional Information from Tom Aceituno, Vice Chair of the Ad Hoc Charter Review Committee

Folsom Campaign Contributions

What the data shows:

2022

Candidate Committees:

Dist. 1 - **$9,737** vs $5,247 (Winner vs 2nd place)
Dist. 3 - **$21,638** vs. 3,211
Dist. 5 - **$7,677** v. $598

PAC's

Dist. 1 - **$23,169** vs. $1,787
Dist. 3 - **$17,154** vs. $0
Dist. 5 - **$1,451** vs. $35,286

2024

Candidate Committees

Dist. 2 - **$30, 63**3 vs. $18,950 vs. $34, 095
Dist. 4 - **$22,0**80 vs. $14,679 vs. $24,392

PAC's

Dist. 2 - **$84,820 (plus $18,595 in opposition)** vs. $15,000
Dist. 4 - **$0** vs $101,517 (including opposition).

Grand Total 2022 $48,118 candidate vs. **$78,947 PAC**

Grand Total 2024 $156,046 candidate vs. **$210,337 PAC**

Slide 1

Folsom Campaign Contributions

Major PAC donors (Over $5,000)

2022	Donor A	$40,000
	Donor B	$40,000
	Donor C	$9,100
2024	Donor D	$30,000
	Donor E	$10,000
	Six donors	$40,000

Note - Two reports didn't disclose candidate
- $9,275 and $5,000

Slide 2

Folsom Campaign Contributions

Candidate v PAC Summary

2022 - Dist. 1 - **$9,737** plus $23,169
Dist. 3 - **$21,638** plus $17,154
Dist 5. - **$7,677** plus $1,451 ($35,386 for opponent)

2024 - Dist . 2 - **$30,633** plus $84,820
Dist. 4 - **$22,080** plus $0. ($101,517 against)

Slide 3

Folsom Campaign Contributions

Additional facts:

1. Contributors limited to $150

In 2022, there were 26 individuals who contributed $150 to a candidate (12 for one **candidate**)

In 2024, there were 26 individuals who contributed $150 to a candidate (13 for one candidate)

2. Cost of Living Equivalent

The $150 limit in 1994 would be equivalent to $337 today.

Slide 4

Folsom Campaign Contributions

Conclusions:

1. PAC money generally dominates.
   2022 - IE's = $78,947 vs Candidate = $48,118
   2024 - IE's = $201,337 vs Candidate - $156,046

2. PAC money usually supports the winner
   (District 1, District 2, District 3)

3. PAC money sometimes supports the loser.
   (District 4, District 5)

4. PAC money raised in large donations:
   2022 - four donors contributed over $5,000 ($40,000 from one donor)
   2022 - eight donors contributed over $5,000 ($30,000 from one donor)

Slide 5

Folsom Campaign Contributions

So, now what:

Individual campaign limits are obsolete. Should be eliminated.
May even be unconstitutional.

Voters unlikely to support elimination.

So, raise limit, but keep it reasonable.

Slide 6

Folsom City Council Meeting

Additional Information Transmittal

MEETING DATE:	5/26/2026
AGENDA SECTION:	Old Business
STAFF REPORT TITLE	Consideration of Potential Ballot Measure(s) Amending the City Charter and/or the Folsom Municipal Code for the 2026 General Municipal Election and Direction to Staff
FROM:	City Manager's Office

Staff is providing the attached additional information for the above-referenced agenda item.

Instructions to staff: *Deliver original and 30 stapled/double-sided copies to the City Clerk's Department; City Clerk's Department will distribute via email and hardcopy to City Council, City Manager, City Attorney, and City Clerk.*

Updated: Jan 2026

From: Shelley Hudson <pooh7411@sbcglobal.net>
Sent: Tuesday, May 26, 2026 5:17 PM
To: City Clerk Dept
Cc: Anna Rohrbough; Michael Kozlowski
Subject: Item 15
Attachments: IMG_1765.HEIC; IMG_1764.HEIC

[Some people who received this message don't often get email from pooh7411@sbcglobal.net. Learn why this is important at https://aka.ms/LearnAboutSenderIdentification]

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Because I am unsure if this will be brought up again, with the full board I wanted to submit my public comment from the last city council meeting.

Please honor your previous vote.

2

Once services like solid waste are privatized, the city also loses institutional knowledge and operational capacity, making it far more difficult and costly to bring services back in-house if problems arise.

Residents are then left with less oversight, fewer options, and reduced accountability if service quality declines or costs increase. Meanwhile, profits go to private corporations and executives, while residents take on the long-term financial risk and consequences.

This is precisely why voter approval exists today—to ensure the public has the final say before essential public services and assets are transferred or contracted away.

If these decisions are truly in the public interest, they should be able to earn public approval through a vote.

I urge you to reject this proposal and preserve the requirement for voter approval.

Thank you.

Shelley Hudson
Have a safe day.

Public Hearing-10

Good evening, Mayor and Council Members,

My name is Shelley Hudson and I am a 28-year Folsom resident.

I oppose the proposal recommended in Section 2.07D to remove the requirement for voter approval before the sale, lease, or long-term contracting of city-owned utilities and enterprises.

These are not routine administrative decisions. This proposal shifts control of long-term public assets and essential community services from the voters to the City Council alone.

Once services are privatized or locked into multi-year contracts, they become difficult and expensive to reverse. That represents a major reduction in public oversight of public property and essential infrastructure.

For a city of about 95,000 residents, privatization also carries added risk due to limited bargaining power. A smaller customer base can mean fewer bidders, weaker negotiating leverage over time, and reduced competition among contractors.

Solid waste services are a clear example. In many cities, privatization has resulted in the loss of stable public jobs, replacement with lower-wage private positions, rate increases through contract escalations, and reduced transparency in pricing and service changes.

Business from the Floor

Regarding Raises: Section 2.06

Good evening, Mayor and Council Members,

My name is Shelley Hudson and I am a 28-year Folsom resident.

I oppose the automatic annual raises for City Council members, which you will cover this evening during the Public Hearing, specifically section 2.06

As a former city and state employee represented by unions, (Local 39 and BU 07) I can assure you employees did not get automatic raises. We negotiated, justified increases, and sometimes went years without them depending on budgets and economic conditions.

So, it is hard to justify why elected officials should receive guaranteed annual increases while the employees doing the day-to-day work of the city do not.

A 3% cap does not make this better. Automatic is automatic. If residents, city employees, and taxpayers are expected to live with economic uncertainty, Council members should too.

Setting up a system where your pay rises automatically year after year—especially after a recent major increase—sends the wrong message to city employees and the taxpayers paying for it. That is exactly the kind of policy that erodes public trust.

If you believe you deserve a raise, then vote on it publicly, explain why, and let the public see it. That is accountability.

I urge you to reject automatic salary adjustments.

Thank you.

Folsom City Council
Staff Report

MEETING DATE:	5/26/2026
AGENDA SECTION:	New Business
ITEM TITLE:	Resolution No. 11620 – A Resolution Approving the Master Development Plan for Jackrabbit Hill Park
FROM:	Parks and Recreation Department

RECOMMENDATION / CITY COUNCIL ACTION

Staff recommends that the City Council approve Resolution No. 11620 – A Resolution Approving the Master Development Plan for Jackrabbit Hill Park.

BACKGROUND / ISSUE

Jackrabbit Hill Park, formerly known as Neighborhood Park #1 (NP1), is in the Folsom Plan Area (FPA), south of Highway 50 at the intersection of Empire Ranch Road and Mangini Parkway. It is located adjacent to a future elementary school site. Jackrabbit Hill Park will be the second park designed and built in the FPA. The Parks and Recreation Master Plan – 2015 Update (PRMP) proposed the following programmed elements for the 10.75-acre site.

- Soccer Field (lighted)
- Youth Baseball Field (lighted)
- Children's Playground
- Basketball Court (lighted)
- Group Picnic Area
- Restroom Building
- Parking Lot

As stated in the PRMP, these programmed elements and facilities are opportunities and suggestions for future parks and not intended to be absolute directives. The Folsom Plan Area Specific Plan (FPASP) also allows for changes to the original programmed facilities to accommodate changes in the City's needs. Part of the planning process for parks includes an assessment of historical, current, and future trends, as well as an evaluation of past field use throughout the City. Trends in the recreation industry as a whole are also considered. Staff research and analysis, combined with input received during the community engagement process, and available funding contribute to the determination of the facilities to be provided in each park.

At the October 28, 2025, City Council meeting, a design contract was approved with Wilson Design Studio (WDS) for the park planning services of Jackrabbit Hill Park. The planning process includes an updated Rough Order of Magnitude (ROM) Cost Estimate, community outreach, master development plan, preparation of construction documents and specifications, and construction administration assistance.

Staff are in the process of establishing Park Development Design Principles to ensure that each park is programmed, planned, and designed to best serve the recreational needs of Folsom residents. The Park Development Design Principles ("Principles") aim to ensure that each park type meets the needs of residents within its service area while ensuring that the overall park and recreation system is properly balanced with the right amount of active and passive amenities to serve the entire Folsom demographic. The design principles were presented to the Parks and Recreation Commission in January and also reviewed during the community outreach meeting.

Jackrabbit Hill Park is a neighborhood park, serving a ½ mile radius with an anticipated length of visitor stay between one and two hours. According to the Principles, the amenities typically included in a neighborhood park are:

- Playground with separate areas for 2-5 and 5-12 age groups with swings and shade elements
- Picnic area with shade shelter
- Site furnishings, including a drinking fountain and benches
- Loop trails
- No more than two types of sports courts
- Non-programmable natural turf fields and
- Garden areas
- Design may need to provide support amenities such as parking, restrooms, and lighting, depending on the final amenities provided

POLICY / RULE

The development of the recreation facilities is identified in the adopted Parks and Recreation Master Plan – 2015 Update, which is a companion document to the Parks and Recreation Element of the City's General Plan. The project-specific Jackrabbit Hill Park Master Development Plan requires approval by the City Council in order to be in compliance with the adopted Folsom 2035 General Plan, including Goal PR 1.1, which states, "Develop and maintain quality parks that support the diverse needs of the community." And Goal PR 3.1, which states "Encourage community members and organizations to participate in the planning, development, and maintenance of the recreation facilities and programs."

ANALYSIS

Staff hosted the first community workshop for Jackrabbit Hill Park at Alder Creek Elementary School on January 26, 2026. The workshop included an informational presentation from Park Planning staff about the park project background, neighborhood park amenities, and the park site's existing conditions. After the presentation, there was an interactive design charrette activity for attendees to participate in. During the charrette, the community members developed five concept

plans for the park and presented the concepts to one another and to staff. Approximately 45 community members attended the first community workshop.

Following the first workshop, additional feedback was collected from the community through an online survey, which was open from January 26 to February 1, 2026, and received 171 responses. The survey was utilized to gather input from the broader community within the park service radius. The survey contained questions about the community's preferred park amenities.

In collaboration with WDS, staff prepared two draft master development plans, which were presented to the community at a second community workshop held at Alder Creek Elementary School on February 23, 2026. Approximately 20 community members attended the second community workshop. Both draft master development plans incorporated the amenities identified at the first community workshop and prioritized in the online survey. The main differences between the two draft Master Development Plans, referred to as Option 1 and Option 2, relate to the orientation and placement of park amenities on the site, as well as the amenities' proximity to one another. Key differences between the two options include:

Option 1

- Included a passive reflection/wellness space with a view overlook.
- The playgrounds, group picnic pavilion, and community plaza were closer to the restroom and parking lot.

Option 2

- The basketball and pickleball courts were closer to the restroom and parking lot.
- The playgrounds, group picnic pavilion, and community plaza were closer to the view overlook.

Following the second community workshop, public online voting was open from February 23 to March 1, 2026, to allow the community to vote on their preferred draft master development plan option and provide feedback to the City. There were 108 responses to the online voting survey, and the results were:

Option 1 – 74 votes (69%)
Option 2 – 31 votes (29%)
Unsure – 3 votes (2%)

The top-voted plan, Option 1, was further refined to create the proposed Master Development Plan (See Attachment 2). This plan includes the following amenities:

- Parking lot off of Rock Springs Ranch Drive (+/- 78 parking stalls)
- Restroom (double all-gender with drinking fountain)
- Drinking fountains
- Basketball court
- Four pickleball courts
- Flexible multi-use lawn with multipurpose rectangular field (soccer, lacrosse, etc.)
- Playground for 2–5-year-olds, with shade

- Playground for 5–12-year-olds, with shade
- Three outdoor fitness stations
- Shaded group picnic pavilion
- Community plaza with shade trees, picnic tables, and a raised platform
- Passive seating area with views
- Accessible pathway connection to the future school site
- Nature area with a walking path
- Walking loop path

Staff met with the Planning and Development Subcommittee of the Parks & Recreation Commission on April 17, 2026, to review development of the park master plan design. During this meeting, the Subcommittee reviewed a summary of community engagement and the draft master plan design. The Subcommittee supported the Master Development Plan.

On May 5, 2026, the Parks & Recreation Commission unanimously approved a recommendation to forward the Master Development Plan to the City Council for approval.

Theming will play an integral part in the design of Jackrabbit Hill Park. Design themes help shape the park's overall character, identity, and style, influencing elements such as play areas, site furnishings, buildings, structures, paving, and planting. The jackrabbit hill theme may be interpreted through animal-shaped play equipment, animal habitat-inspired park landforms and features, and regional native planting. The Parks & Recreation Commission strongly supports incorporating the jackrabbit hill theme into the park design.

Funding for the design and engineering of Jackrabbit Hill Park was approved in the budget for the Fiscal Year 2025-26 Capital Improvement Plan (CIP) budget in the amount of $706,614. Funding was provided from the Folsom Plan Area Specific Plan Capital Fund (Fund 472). Funding for the construction phase will be considered during the Fiscal Year 2026-27 CIP budget. The preliminary construction cost is estimated at $7.1M, and the total project budget is $8.7M. As the design and engineering progress, modifications may need to be made to the Master Development Plan to ensure that the project remains within the current estimated budget.

Below is a summary of the current estimated project costs:

Estimated Budget:

Item	**Cost**
Park Construction (includes 10% construction contingency)	$7,100,000
Estimated Soft Costs (Design & Engineering, Permits, Admin Costs)	$900,000
Project Contingency	$700,000
Total	**$8,700,000**

FINANCIAL IMPACT

There is no direct financial impact in approving the Master Development Plan for Jackrabbitt Hill Park (Project PK2601).

ENVIRONMENTAL REVIEW

Jackrabbit Hill Park was included in the FPA Environmental Impact Report in compliance with the California Environmental Quality Act (CEQA).

ATTACHMENTS

1. Resolution No. 11620 – A Resolution Approving the Master Development Plan for Jackrabbit Hill Park
2. Jackrabbit Hill Park – Master Development Plan

Submitted,

Kelly Gonzalez,
Parks & Recreation Department Director

Attachment 1

RESOLUTION NO. 11620

A RESOLUTION APPROVING THE MASTER DEVELOPMENT PLAN FOR JACKRABBIT HILL PARK

WHEREAS, the Jackrabbit Hill Park project (the "Project") is identified in the Folsom Plan Area Specific Plan and the Parks and Recreation Master Plan as a future neighborhood park; and

WHEREAS, the City conducted community outreach, including public workshops and surveys, to develop a preferred Master Development Plan; and

WHEREAS, an Environmental Impact Report for the Folsom Plan Area, inclusive of the Project, has been prepared to fulfill the requirements of the California Environmental Quality Act; and

WHEREAS, the Parks and Recreation Commission reviewed the proposed Master Development Plan and unanimously recommended City Council approval on May 5, 2026; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom approves the Jackrabbit Hill Park Master Development Plan.

PASSED AND ADOPTED this 26th day of May, 2026, by the following roll-call vote:

AYES: Councilmember(s):
NOES: Councilmember(s):
ABSENT: Councilmember(s):
ABSTAIN: Councilmember(s):

_____
Justin Raithel, MAYOR

ATTEST:

_____
Christa Freemantle, CITY CLERK

Attachment 2

LEGEND

1. PARKING LOT WITH ONE ENTRY FROM ROCK SPRINGS RANCH DRIVE (78 CARS)
2. PARK MAINTENANCE TRASH ENCLOSURE
3. OPEN ELECTRICAL UTILITY SPACE
4. MAINTENANCE STORAGE ROOM
5. RESTROOM (2-HOLE, MULTI-GENDER) WITH DRINKING FOUNTAIN & JUG FILLER
6. COMMUNITY PLAZA WITH SHADE TREES, PICNIC TABLES, & RAISED PLATFORM
7. GROUP PICNIC PAVILION (20-30 PEOPLE)
8. PLAYGROUND WITH SHADE (2-5 YEARS OLD)
9. PLAYGROUND WITH SHADE (5-12 YEARS OLD) INCLUDING A QUIET REFLECTION SPACE BETWEEN PLAY AND ADJACENT COURTS
10. (4) PICKLEBALL COURTS WITH WINDSCREEN
11. BASKETBALL COURT
12. ACCESSIBLE PATHWAY CONNECTION TO FUTURE SCHOOL SITE
13. (2) DRINKING FOUNTAINS WITH DOG BOWLS
14. NATURE AREA WITH POST-AND-CABLE FENCING AT TOP OF SLOPE
15. PASSIVE REFLECTION/WELLNESS SPACE WITH OVERLOOK
16. FITNESS STATIONS, (3) TOTAL
17. NATURE AREA WITH POST-AND-CABLE FENCING AT TOP OF SLOPE INLCUDING ACCESSIBLE CONCRETE PATHWAY CONNECTING TO MANGINI PKWY
18. PASSIVE SEATING AREA WITH VIEWS (4-8 PEOPLE)
19. FLEXIBLE MULTI-USE LAWN AREA WITH (1) U12 FIELD SHOWN (165' X 240'). (2) SMALLER U10 FIELDS ALSO SHOWN FOR REFERENCE (120' X 180')

0' 20' 40'
(1" = 40'-0")

CITY OF FOLSOM PARKS & RECREATION

JACKRABBIT HILL PARK

FOLSOM, CA

MASTER DEVELOPMENT PLAN

MAY 5, 2026

wilson design studio
2020 I Street., Suite 220
Sacramento, CA 95811
916.524.5614 | www.wdsla.com

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CITY OF
FOLSOM
DISTINCTIVE BY NATURE

Folsom City Council
Staff Report

MEETING DATE:	5/26/2026
AGENDA SECTION:	New Business
SUBJECT:	Resolution No. 11629 – A Resolution Authorizing the City Manager to Execute a Consultant and Professional Services Agreement with Griffin Structures, Inc. for the Corporation Yard Site Planning and Environmental Assessment in the Amount of $335,000 from the Corporation Yard Capital Fund (Fund 459) for the New Corporation Yard Project and Appropriation of Funds
FROM:	Public Works Department

RECOMMENDATION / CITY COUNCIL ACTION

The Public Works Department recommends that the City Council pass and adopt Resolution No. 11629 – A Resolution Authorizing the City Manager to Execute a Consultant and Professional Services Agreement with Griffin Structures, Inc. for the Corporation Yard Site Planning and Environmental Assessment in the Amount of $335,000 from the Corporation Yard Capital Fund (Fund 459) for the New Corporation Yard Project and Appropriation of Funds.

BACKGROUND / ISSUE

The City of Folsom is undertaking a major effort to relocate and modernize its existing Corporation Yard, currently located at 1300 Leidesdorff Street, a 14-acre site that houses the City's maintenance and operations divisions, including solid waste, fleet services, and portions of utilities. The Corporation Yard also serves as the primary location for equipment and operations during emergency response. The existing yard, built in the 1960's, contains several temporary, outdated, and undersized structures and no longer meets operational or spatial needs for the City as it has grown over the past 60 years.

In 2013, the City annexed approximately 3,500 acres of unincorporated Sacramento County land south of U.S. Highway 50, known as the Folsom Plan Area Specific Plan (FPASP). As part of that annexation, the City committed to developing a new 36-acre Corporation Yard south of Highway 50 to serve the growing community and future City operations.

The proposed new Corporation Yard site is located just south of the Capital Southeast Connector and bordered to the south and west by the newly aligned Scott Road. The project is a strategic investment rather than a simple relocation, and efforts will include evaluation of alternatives for a modern, energy-efficient, resilient, inclusive, and safety-compliant facility to accommodate approximately 275 staff members (maintenance, operations, and administrative). The updated planning effort will also validate prior staffing assumptions, evaluate modern operational practices, and incorporate long-term considerations such as fleet electrification, digital storage, hybrid work environments, and future operational resiliency.

POLICY / RULE

Section 2.36.120 of the Folsom Municipal Code requires City Council approval for contracts with an estimated value of $77,426 or more.

ANALYSIS

The City issued a Request for Proposals (RFP) on August 4, 2025, seeking qualified firms to provide consulting services for site planning and environmental assessment. Proposals were due on September 5, 2025. Although numerous consulting firms accessed the RFP and proactive engagement occurred during the proposal process, only one proposal was received, likely due to the specific nature of the project and industry workload. With the receipt of one proposal, staff conducted a team meeting with Griffin and performed a thorough reference check to evaluate the proposer's qualifications and performance history. The firm, Griffin Structures, Inc., received highly favorable references from other municipalities that have contracted with the firm for similar types of work. The proposal submitted by Griffin Structures, Inc. was responsive to all requirements outlined in the RFP and demonstrated a comprehensive understanding of municipal facilities, the project scope and deliverables.

Griffin Structures, Inc.'s proposal outlines a detailed scope of work that includes:

- Validation and analysis of the 2008 Corporation Yard Needs Assessment Study, including recalibration of staffing and service assumptions based on current needs and anticipated operation changes to address components such as advanced clean fleet.
- Preparation of staff and space projections validation & alignment (2050 buildout scenario)
- Utility identification and coordination
- Site survey
- Development and evaluation of conceptual alternatives with comparative costing and operational analysis
- Development of a preliminary site plan incorporating sustainability, EV infrastructure, resiliency, and Crime Prevention Through Environmental Design (CPTED) principles
- Environmental documentation
- Strategic grant funding support aligned with clean energy, resiliency, and fleet electrification initiatives
- Preparation of a final report and presentation for City Council consideration

The proposed scope of work and associated fee for these services are provided as attachments to this staff report. The scope outlines the specific tasks and deliverables for completion, while the fee proposal details the corresponding costs for each task. These documents have been reviewed by City staff and are consistent with the anticipated level of effort required to complete the project. Due to the historic knowledge of this project through various planning documents and to allow this initial effort to commence timely, this item is being brought to City Council in advance of the FY 2026-2027 Capital Improvement Program budget adoption which is anticipated at the end of June.

Griffin Structures, Inc. has provided an anticipated schedule of approximately seven months to complete the scope of services.

FINANCIAL IMPACT

If approved, the agreement with Griffin Structures Inc. would be authorized for $335,000. Staff is requesting an appropriation in the Corporation Yard Capital Fund (Fund 459) in the amount of $335,000 to the New Corporation Yard Project for the agreement. Sufficient funds are available in the Corporation Yard Capital Fund (Fund 459) for the appropriation. Future phases, including environmental, design, and construction will be brought back to City Council during future budget discussions for capital improvement planning.

ENVIRONMENTAL REVIEW

The award of this Consultant and Professional Services agreement is exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) of the CEQA Guidelines, which provides that CEQA applies only to projects that have the potential for causing a significant effect on the environment.

Any future construction or implementation project resulting from this contract will be subject to separate environmental review under CEQA prior to approval.

ATTACHMENTS

1. Resolution No. 11629 - A Resolution Authorizing the City Manager to Execute a Consultant and Professional Services Agreement with Griffin Structures, Inc. for the Corporation Yard Site Planning and Environmental Assessment in the Amount of $335,000 from the Corporation Yard Capital Fund (Fund 459) for the New Corporation Yard Project and Appropriation of Funds

2. Existing Corporation Yard Location Map

3. New Corporation Yard Location Map

4. Griffin Structures, Inc. – Scope of Work

5. Griffin Structures, Inc. – Fee Proposal

Respectfully Submitted,

Rebecca Neves, PUBLIC WORKS DIRECTOR/CITY ENGINEER

ATTACHMENT 1

Resolution No. 11629 - A Resolution Authorizing the City Manager to Execute a Consultant and Professional Services Agreement with Griffin Structures, Inc. for the Corporation Yard Site Planning and Environmental Assessment in the Amount of $335,000 from the Corporation Yard Capital Fund (Fund 459) for the New Corporation Yard Project and Appropriation of Funds

RESOLUTION NO. 11629

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONSULTANT AND PROFESSIONAL SERVICES AGREEMENT WITH GRIFFIN STRUCTURES, INC. FOR THE CORPORATION YARD SITE PLANNING AND ENVIRONMENTAL ASSESSMENT IN THE AMOUNT OF $335,000 FROM THE CORPORATION YARD CAPITAL FUND (FUND 459) FOR THE NEW CORPORATION YARD PROJECT AND APPROPRIATION OF FUNDS

WHEREAS, the City of Folsom is undertaking efforts to relocate and modernize its existing Corporation Yard to better accommodate operational and spatial needs for City maintenance, operations, and utility divisions; and

WHEREAS, a Request for Proposals (RFP) was advertised on August 4, 2025, seeking qualified firms to provide consulting services for corporation yard planning, operational needs validation, conceptual site planning, utility coordination, environmental assessment, and long-range facility planning related to the proposed new Corporation Yard south of U.S. Highway 50; and

WHEREAS, Griffin Structures, Inc. submitted a responsive proposal that demonstrated a comprehensive understanding of the City's project requirements and was determined by staff to be qualified based on reference checks and proposal evaluation; and

WHEREAS, the consulting services will include validation and refinement of the City's 2008 Corporation Yard Needs Assessment to support long-term operational planning through the 2050 planning horizon; and

WHEREAS, the proposed planning effort includes evaluation of sustainability, resiliency, fleet electrification, and future operational infrastructure needs associated with development of a modern Corporation Yard facility; and

WHEREAS, an appropriation in the amount of $335,000 in the Corporation Yard Capital Fund (Fund 459) to the New Corporation Yard Project will require ; and

WHEREAS, sufficient funds are available in the Corporation Yard Capital Fund (Fund 459) for the appropriation; and

WHEREAS, the contract will be in a form acceptable to the City Attorney:

NOW, THEREFORE, BE IT RESOLVED that City Council authorizes the City Manager to execute a Consultant and Professional Services Agreement with Griffin Structures, Inc. for the Corporation Yard Site Planning and Environmental Assessment in the amount of $335,000 from the Corporation Yard Capital Fund (Fund 459) for the New Corporation Yard Project.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the Finance Director is

authorized to appropriate $335,000 in the Corporation Yard Capital Fund (Fund 459) for the New Corporation Yard Project.

PASSED AND ADOPTED on this 26th day of May 2026, by the following roll-call vote:

AYES: Councilmember(s):
NOES: Councilmember(s):
ABSENT: Councilmember(s):
ABSTAIN: Councilmember(s):

_____
Justin Raithel, MAYOR

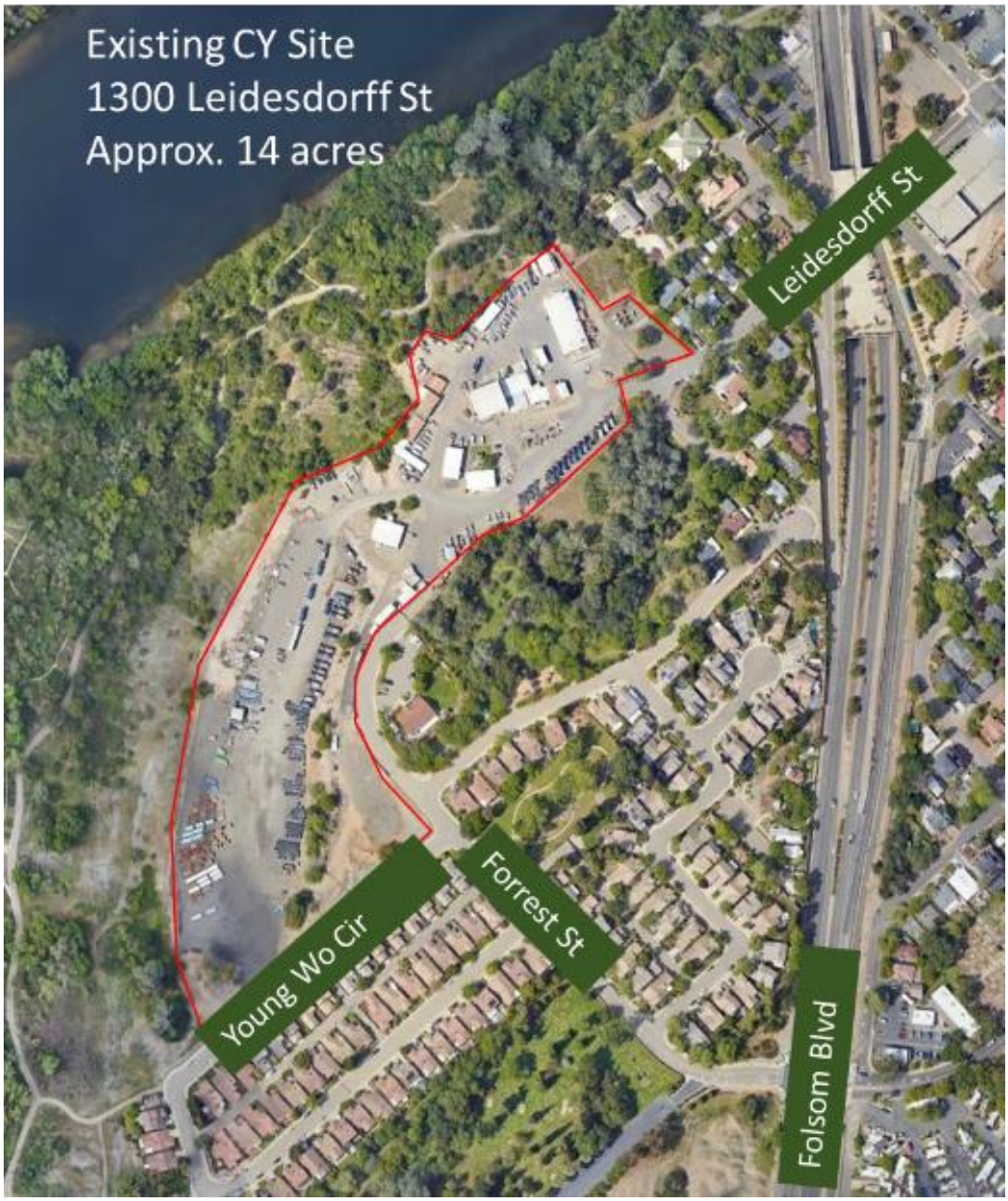
ATTEST:

_____
Christa Freemantle, CITY CLERK

ATTACHMENT 2

Existing Corporation Yard Location Map

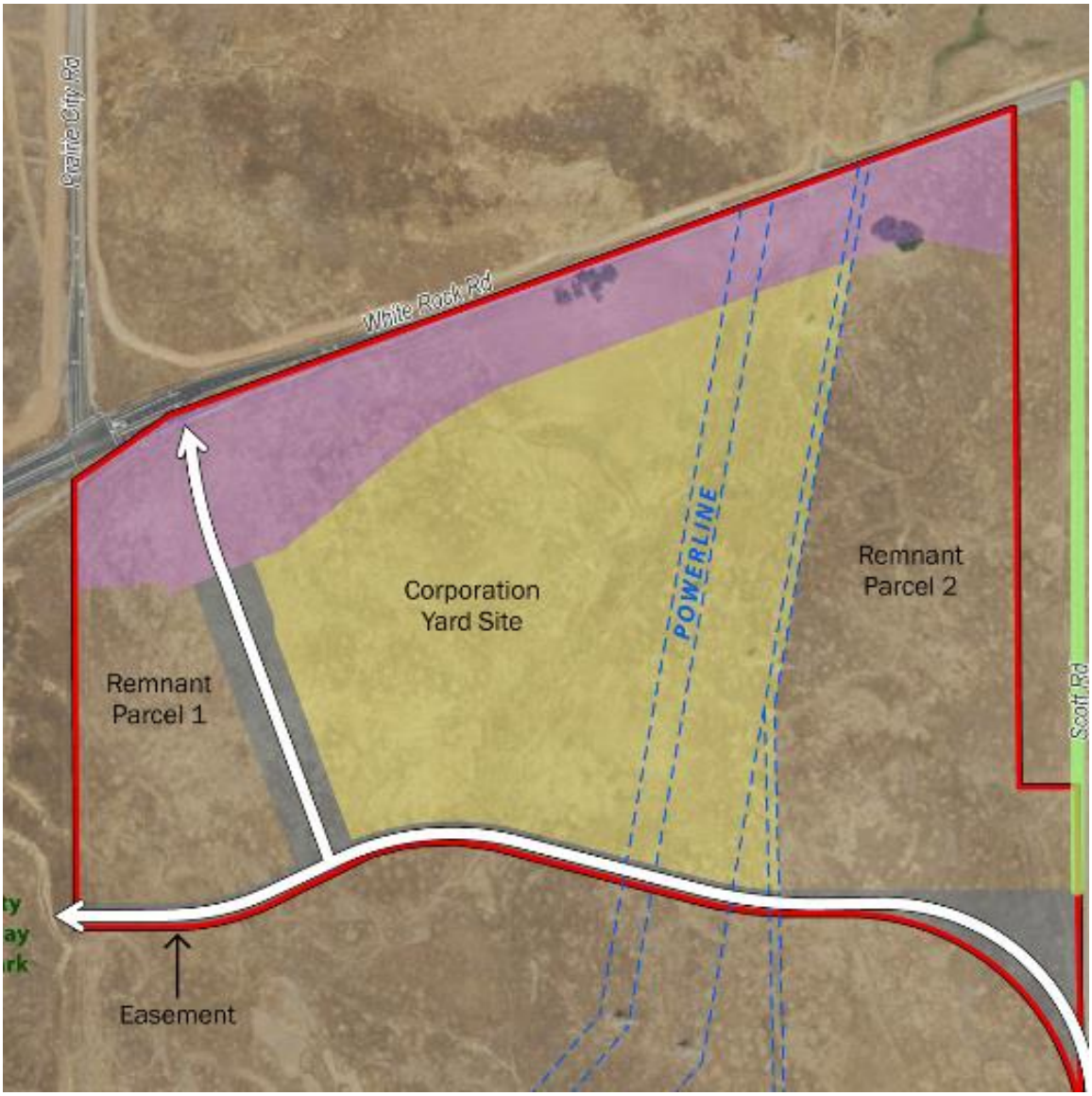
ATTACHMENT 2
EXISTING CORPORATION YARD LOCATION MAP



ATTACHMENT 3

New Corporation Yard Location Map

ATTACHMENT 3
NEW CORPORATION YARD LOCATION MAP



ATTACHMENT 4

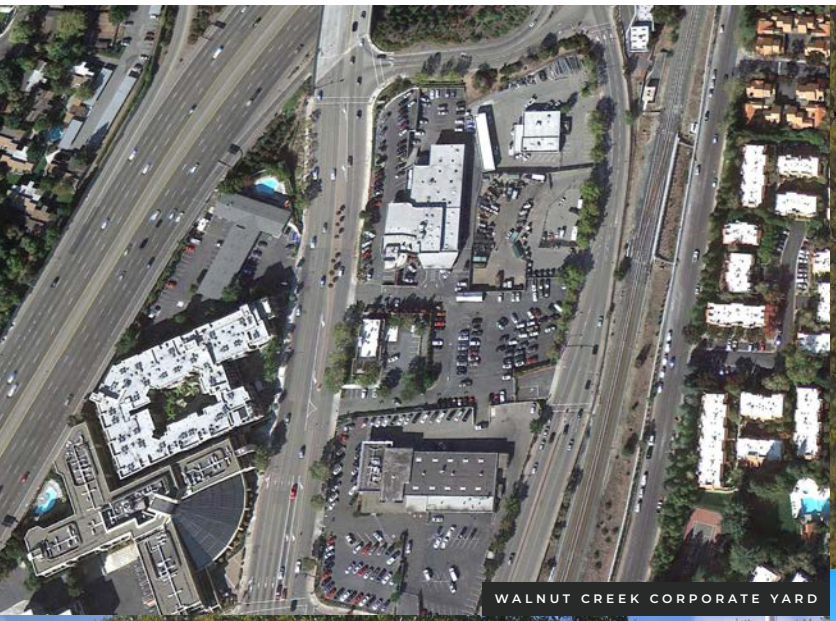
Griffin Structures, Inc. – Scope of Work

GRIFFIN STRUCTURES

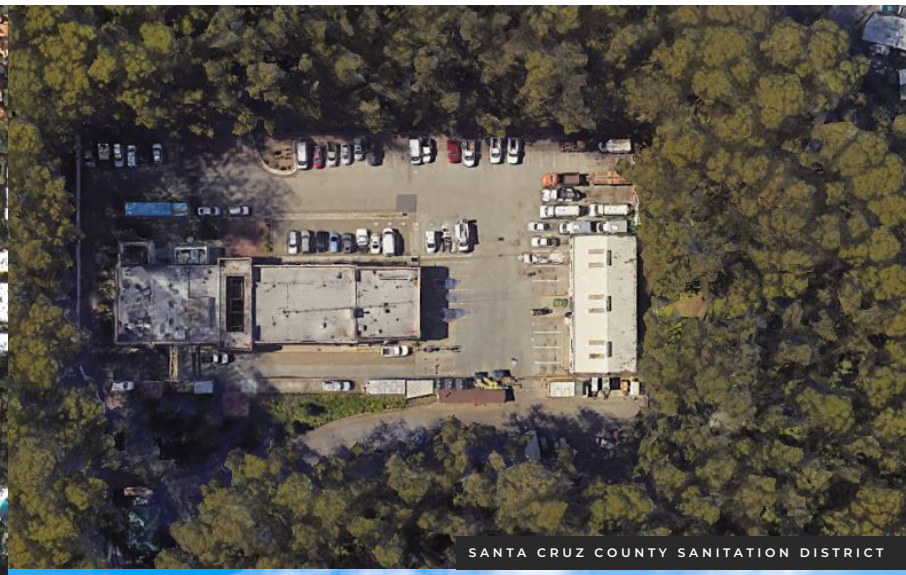
CITY OF FOLSOM

Consulting Services for the City of Folsom Corporation Yard Site Planning and Environmental Assessment Revised Proposal

MAY 4, 2026



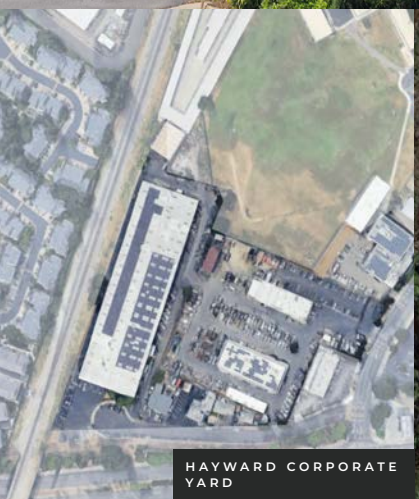
WALNUT CREEK CORPORATE YARD



SANTA CRUZ COUNTY SANITATION DISTRICT

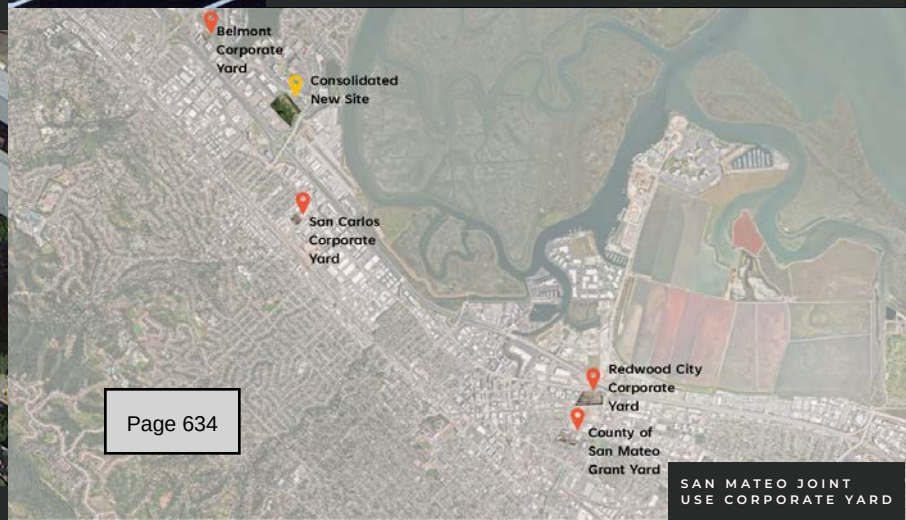
MORGAN HILL CORPORATE YARD

TUSTIN CORPORATE YARD, WATER ADMINISTRATION BUILDING, & EMERGENCY OPERATIONS CENTER



HAYWARD CORPORATE YARD

TIBURON CORPORATE YARD



SAN MATEO JOINT USE CORPORATE YARD

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Why Our Team?

Significant experience with:

- Public Works & Corporate Yards
- Maintenance Services Facilities
- LEED Silver, Gold, Platinum & Net Zero Energy Facilities
- Northern California Experience with Projects of Similar Size, Scale, & Needs

- Unparalleled corporate yard portfolio and experience and project delivery from Concept to Keys.
- Local experience with Public Sector Corporate Yards.
- Demonstrated development experience managing projects from assessment through implementation.

Highlighted Projects:

- San Mateo Joint Use Corporate Yard
- Santa Cruz County Sanitation District
- Tustin Corporate Yard, Water Administration Building & EOC
- Walnut Creek Corporate Yard
- Hayward Corporate Yard
- Morgan Hill Maintenance & Operations Yard
- Tiburon Corporate Yard

CONFIDENTIAL

California Civil Code § 3426.1 (d); California Evidence Code section 1040 and 1060; California Government Code section 6254(k); Freedom of Information Act, 5 U.S.C. § 552(b)(4)

DO NOT RELEASE WITHOUT GRIFFIN STRUCTURES' CONSENT & REDACTIONS

TRANSMITTAL LETTER

TUSTIN WATER ADMINISTRATION BUILDING,
CORPORATE YARD & EMERGENCY TIONS CENTER

06/09/2026 Item No.17.

GRIFFIN STRUCTURES

T R A N S M I T T A L

Consulting Services for the City of Folsom Corporation Yard Site Planning and Environmental Assessment

MAY 4, 2026

Ryan Chance, Engineering Manager
City of Folsom - Public Works
50 Natoma Street
Folsom, California 95630

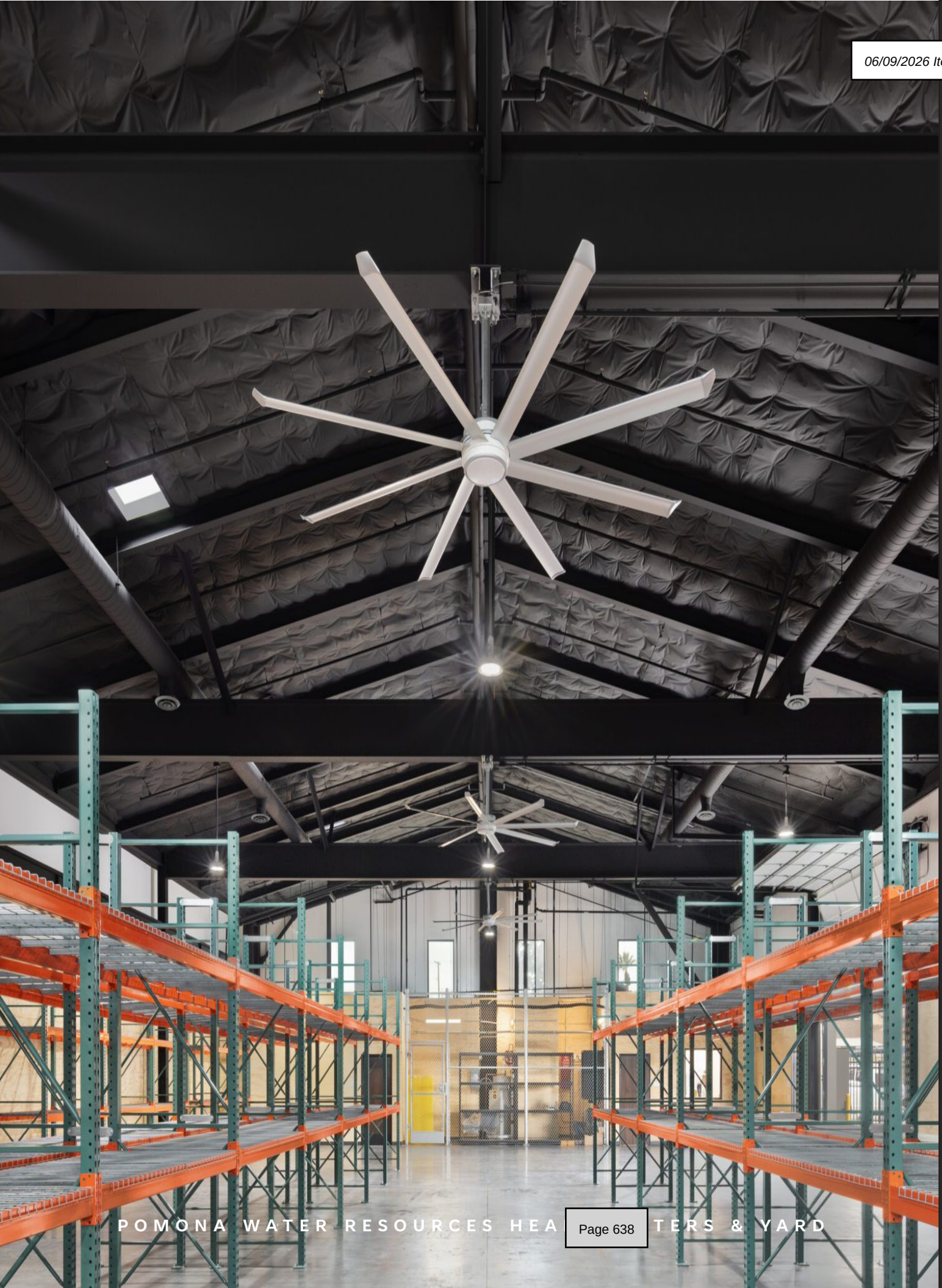
Dear City Evaluation Team,

We thank you for the opportunity to propose and look forward to speaking with you. Please don't hesitate to contact me if you should have any questions.

Respectfully,

Dustin Alamo, CCM, LEED AP, DRE Broker #01930629
Vice President & Predevelopment Manager, Project Manager
P: (408) 955-0431 | E: dalamo@griffinstructures.com

» *With exception to the comments contained within our appendix, we have read, understood, and agreed to all statements in the request for proposal and acknowledge receipt of all addenda and amendments as well as to the terms, conditions, and attachments referenced.*



06/09/2026 Item No.17.

GRIFFIN STRUCTURES

May 4, 2026

Ryan Chance, Engineering Manager
City of Folsom
50 Natoma Street, Folsom, CA 95630

RE: Consulting Services for the City of Folsom Corporation Yard Site Planning and Environmental Assessment

Dear Mr. Chance & Evaluation Team,

Griffin Structures is pleased to submit our proposal to the City of Folsom for the Corporation Yard Site Planning and Environmental Assessment Project. This represents a once-in-a-generation opportunity to replace an outdated facility with a modern, efficient, and sustainable operations hub that will support the City's services and growth through 2050 and beyond.

As a leader in program and construction management, Griffin has delivered more than 300 municipal facility planning efforts, including over 50 corporation yards and operations centers across California, many of which we have guided through implementation. We understand that success is not defined by planning alone, but by delivering solutions that are practical, cost-aligned, and executable, with clear phasing strategies and defensible CEQA pathways that maintain uninterrupted City operations.

A key strength we bring to Folsom is our ability to build upon prior planning efforts and translate them into actionable outcomes. We will leverage the City's 2008 Corporation Yard Needs Assessment as a baseline, validate and recalibrate its assumptions with current operational input, and advance a forward-looking, implementable plan that reflects today's service delivery models, emerging technologies, and long-term growth.

To deliver on this approach, we have assembled a highly integrated team of trusted partners with deep experience across every element of the RFP scope:

- **LPA Design Studios** – Project Architect and nationally recognized design, firm with whom we've partnered for over 25 years on more than $5 billion in public-sector projects.
- **BKF Engineers & MNS Engineers** – Civil engineering and surveying, providing accurate site data and early utility coordination.
- **Twining, Inc.** – Geotechnical engineering, delivering practical recommendations for grading, pavement, and foundations.
- **Dudek** – Environmental consulting and CEQA compliance, with extensive experience preparing defensible addenda and technical studies.
- **Townsend Public Affairs (TPA)** – Grant strategy and funding support aligned with clean energy, fleet electrification, and resiliency initiatives.

This team has collaborated on numerous complex municipal projects, including consolidated corporation yards and multi-agency operations centers similar in scale and complexity to Folsom's effort. Together, we will validate and update the City's needs assessment, coordinate utilities for the 36-acre site, ground planning decisions in survey and geotechnical data, evaluate multiple site concepts with cost comparisons, and advance a Council-ready plan that is efficient, resilient, and financially grounded.

I will personally serve as Project Manager, bringing direct experience delivering corporation yard and utility facility projects throughout California. Griffin Structures has served as a trusted advisor to public agencies for more than four decades, and we are ready to bring that expertise to Folsom immediately.

Thank you for your consideration. We look forward to the opportunity to partner with the City on this important effort.

Dustin Alamo, CCM, DBIA, LEED AP, DRE Broker 0193029
Vice President, Project Manager
P: 408.955.0431 | E: dalamo@griffinstructures.com

06/09/2026 Item No.17.

GRIFFIN STRUCTURES

Introduction

ABOUT US

Founded in 1981, Griffin Structures is a diversified Owner's Representative / Program, Project and Construction Management firm serving public, private, non-profit, and institutional sectors. A unique aspect of our firm rests not only in our unparalleled administration and corporation / maintenance yard portfolio, but also in our ability to strategically manage assessments thru project implementation.. *We hereby confirm we are ready to provide all applicable services as outlined within the RFP.*

CONCEPT TO KEYS

Unlike our competitors, Griffin Structures possesses the experience and capacity to manage projects from Concept to Keys. By researching and evaluating current and future needs and engaging users before facility planning begins, Griffin Structures can assist clients in creating a framework for solid, information-based decision-making, providing clear options and tradeoffs for initial capital outlay, facility delivery methods, and the budgetary considerations of future costs and considerations.

CORPORATE YARD EXPERIENCE

Griffin Structures brings extensive experience in the planning, design, and delivery of municipal facilities, including corporate yard projects. Our expertise encompasses the development of efficient, functional spaces that align with operational needs and long-term community goals. Additionally, our strong presence in Northern California positions us as a trusted partner for projects requiring a deep understanding of local needs and regional dynamics.

REGIONAL EXPERIENCE

The corporation / maintenance yard portfolio of Griffin Structures is extensive, including projects for the Cities of Tiburon, Walnut Creek, Hayward, and San Mateo County as well as a number of similar facilities across the state. Similar to your project, these corporate yards have included fleet / maintenance docks, vehicle & equipment storage, sustainability considerations, and more. Additionally, the yards we have programmed and delivered have included environmental services, water districts, sanitation systems, fleet services, parks and building infrastructure, and other key components. We are incredibly familiar with green design given our experience on a series of LEED Silver, Gold, Platinum, and Net Zero Energy projects.

SCOPE OF WORK

06/09/2026 Item No.17.

Project Overview and Understanding of Project Challenges

The City of Folsom is advancing the development of a new, modern Corporation Yard to replace its outdated 14-acre facility on Leidesdorff Street. The existing yard, comprised largely of temporary and aging structures, no longer meets the City's operational, spatial, or infrastructure needs and is not positioned to support long-term growth, sustainability goals, or evolving service delivery demands.

Following the 2013 annexation of the Folsom Plan Area Specific Plan (FPASP) south of Highway 50, the City acquired a 36-acre site in 2018 at the southeast corner of Prairie City Road, White Rock Road, and Scott Road. This site presents a unique opportunity to develop a consolidated, state-of-the-art Corporation Yard that can efficiently support approximately 275 maintenance, operations, and administrative staff while improving service delivery across the City.

A critical component of this effort is building upon the City's 2008 Corporation Yard Needs Assessment as a foundational baseline for population and staffing projections. While this prior work provides a valuable starting point, it requires thoughtful validation and refinement in collaboration with City staff to reflect current operations, service delivery models, and organizational changes, including the removal of Transit services from the City's portfolio.

This updated analysis will recalibrate population growth assumptions, staffing projections, and service demands to align with current conditions and future planning horizons, ultimately informing a realistic and defensible 2050 buildout scenario.

Based on these validated projections, the project will advance a comprehensive reassessment of facility and site requirements using current industry standards and forward-looking planning considerations. This includes evaluating modern space standards, evolving workstation strategies, increased reliance on electronic records and reduced physical storage, gender-neutral and inclusive facility design, and operational shifts such as fleet electrification and associated infrastructure needs.

In parallel, the project will address the complexities of developing an undeveloped site, including identification and coordination of all required utility infrastructure, preparation of a detailed topographic and boundary survey, and evaluation of site constraints and opportunities. Multiple conceptual site alternatives will be developed and tested, each supported by order-of-magnitude cost estimates to enable informed decision-making and alignment with City priorities.

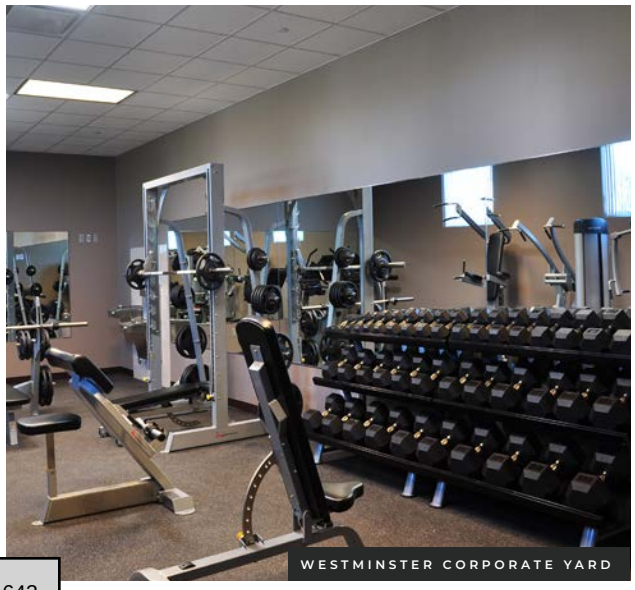
The City envisions a high-performing facility centered on operational efficiency, safety, and sustainability. Key programmatic and infrastructure considerations include:

- Electric vehicle charging infrastructure for fleet and staff vehicles
- Opportunities for on-site renewable energy generation, including solar
- An OSHA-compliant fleet maintenance facility designed to support both conventional and electric vehicles
- A dedicated battery quarantine area for damaged EV batteries
- A Household Hazardous Waste facility with public receiving and reuse components
- Adequate fueling and wash facilities for light- and heavy-duty vehicles
- Long-term planning for a potential future solid waste transfer station

Additionally, the project includes preparation of updated environmental documentation to support CEQA compliance, along with strategic grant support to position the City for funding opportunities related to emissions reduction, clean energy, and sustainable infrastructure.

Key objectives of this project are to:

- Validate and update population, staffing, and service assumptions based on the 2008 study and current City operations.
- Reassess facility and site needs for a 2050 buildout scenario using modern planning standards.
- Identify and coordinate all required utility infrastructure to serve the undeveloped site.
- Prepare a detailed site survey to inform planning and design decisions.
- Develop and evaluate multiple conceptual site alternatives with associated cost estimates.
- Advance a preferred site plan for stakeholder alignment and environmental clearance.
- Document environmental requirements and support CEQA compliance.
- Provide grant strategy and funding support aligned with sustainability and infrastructure goals.



WESTMINSTER CORPORATE YARD

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Project Approach

The City of Folsom has embarked on a critical effort to plan and design a new Corporation Yard to replace its undersized and outdated facility at Leidesdorff Street. The new 36-acre site, acquired in 2018 as part of the Folsom Plan Area Specific Plan annexation, represents an opportunity to create a modern, efficient, and sustainable operations hub that can accommodate approximately 275 employees and the City's growing service needs through 2050 and beyond.

Our team recognizes that this project is more than a facility replacement; it is a strategic reset of how the City plans, delivers, and supports municipal services. Our approach builds upon the City's 2008 Corporation Yard Needs Assessment as a foundational baseline, validates and re calibrates those assumptions with current operational realities, and advances a forward-looking planning framework that reflects modern service delivery, emerging technologies, and long-term growth through 2050 and beyond

POMONA WATER RESOURCES HEADQUARTERS AND YARD

TASK 1: BACKGROUND INVESTIGATION

We will begin by assembling and analyzing all relevant background documentation, with a focused evaluation of the 2008 Corporation Yard Needs Assessment to understand its underlying assumptions related to population growth, staffing projections, service delivery models, and facility requirements.

Rather than treating the 2008 study as outdated, we will use it as a structured baseline and work with City staff to validate, adjust, or replace key assumptions based on current conditions. This includes confirming organizational structure changes (such as the removal of Transit services), evaluating how service delivery has evolved, and identifying where prior projections remain valid or require recalibration. This approach ensures continuity with prior planning efforts while grounding the project in present-day realities.

TASK 2 - STAFF AND SPACE PROJECTIONS VALIDATION & ALIGNMENT

Building on Task 1, we will develop a validated and forward-looking staffing and facility needs assessment for the 2050 buildout horizon. This effort will not start from scratch, but instead will recalibrate the City's prior projections using the 2008 study as a benchmark, updated through direct engagement with staff, current operational data, and future service planning assumptions.

This includes:

- **Division-Level Workshops –** We will engage each division slated to occupy the new Corporation Yard through focused workshops designed to capture operational realities and explore future efficiencies. Each session will:

- Map Operational Workflows - Document how each division currently operates, including daily routines, inter-department coordination, and areas of operational friction.
- Assess Staffing Levels - Review current headcounts, supervisory structures, and projected growth scenarios to ensure the facility program accommodates both near-term and 2050 buildout needs.
- Evaluate Equipment Requirements - Inventory vehicle fleets, specialized tools, and maintenance equipment, identifying storage, circulation, and access needs for each function.
- Define Space Needs - Translate operational activities into space allocations, adjacencies, and flexibility requirements, ensuring each division's functional needs are captured.

In addition to capturing input, we will bring best practices in municipal operations to help each division think beyond current limitations, including:

- **Workplace Evolution -** Right-sizing administrative areas based on hybrid work, flexible workstations, and shared environments.
- **Digital Transformation -** Reduced reliance on physical storage and increased accommodation for electronic records and data infrastructure.
- **Inclusive Design -** Integration of gender-neutral and inclusive facilities aligned with current standards and expectations.
- **Fleet Electrification -** Planning for EV fleet transition, including charging infrastructure, maintenance impacts, and battery management.
- **Operational Resiliency -** Designing for redundancy, emergency response, and continuity of operations.
- **Advanced Storage Systems -** Applying modern vertical and modular storage technologies to maximize usable space and minimize footprint.
- **Just in Time Material Delivery -** Exploring procurement and inventory strategies that reduce the need for excessive on-site storage while maintaining reliability of service delivery.
- **Centralized Warehousing Concepts -** Identifying opportunities for shared storage, cross-division inventory control, and consolidated logistics to improve efficiency and reduce redundancy.
- **Operational Benchmarking -** Sharing lessons learned from comparable municipal corporation yards to highlight innovative approaches that can be adapted to Folsom's context.

Outcome: By combining direct staff input with proven best practices, the needs assessment will not only reflect "what is" but will also identify opportunities for "what could be," helping the City achieve operational efficiency, sustainability, and long-term adaptability.

Scenario Planning – We will develop forward-looking projections for staffing and facility requirements in 5-, 10-, and 20-year increments to provide the City with a roadmap that anticipates growth and change. This includes analyzing population and service demand trends, regulatory mandates, and emerging technologies such as electric vehicle fleet adoption, alternative fueling infrastructure, and renewable energy integration. Our approach ensures the new Corporation Yard is not only right-sized for current needs but also adaptable to future demands, minimizing the risk of costly retrofits and ensuring long-term resiliency.

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- **Functional Space Standards –** We will apply industry-recognized benchmarks for municipal service facilities as a baseline, then refine them through the lens of Folsom's specific operational requirements. This includes calibrating square footage allocations, adjacencies, and support spaces to reflect the City's workflows, staffing levels, and equipment needs. By utilizing best practices with local context, the resulting space program will strike the right balance between efficiency, flexibility, and operational fit, ensuring each division can perform effectively while maximizing long-term value.

Outcome: The resulting Needs Assessment will represent a validated, future-ready planning framework that bridges past assumptions with current realities and emerging trends. It will provide the City with a defensible basis for decision-making, ensuring the Corporation Yard is right-sized, operationally efficient, and adaptable to future change.

TASK 3 - UTILITY IDENTIFICATION AND COORDINATION

The 36-acre site currently lacks utility infrastructure, requiring careful planning and coordination. Working with our team member, BKF Engineering, we will map, document, and analyze all nearby utility corridors and engage directly with providers (water, sewer, electric, gas, telecommunications) to confirm service capacities, extension requirements, and any relocation challenges.

A Utility Coordination Report will be prepared, including:

- A utility base map with topographic and record data.
- Agency correspondence and service confirmation.
- Identification of conflicts, easements, and relocation needs.
- Recommendations for phasing utility service to align with site development.

By addressing utilities early, the City can avoid costly redesigns and ensure infrastructure investments support sustainability goals, including solar readiness and EV charging infrastructure.

TASK 4 - SITE SURVEY

To support the programming, master planning, and conceptual design effort, our team will undertake a comprehensive evaluation of the site through surveying efforts. This investigation will provide the baseline technical information necessary to inform site layout, building placement, and cost modeling.

The survey, prepared by MNS Engineers, will establish accurate boundary conditions and generate a detailed topographic base map of the project site, ensuring all future planning decisions are grounded in precise existing conditions. The scope will include:

- **Record Boundary Survey**
  - » Researching deeds, plats, and right-of-way maps to establish legal boundaries.
  - » Recovering a minimum of three sufficient monumentation points to confirm the Record Boundary.
  - » Preparing a Record Boundary Map for project use.
  - » Deliverable: Certified Record Boundary Survey and Map in both PDF and CAD formats.
- **Topographic Survey**
  - » Field data collection using GPS and robotic total station equipment.
  - » Mapping visible utilities and confirming size/material when available.
  - » Producing aerial topography at 1" = 20' planimetric scale with 1-foot contour mapping.
  - » Deliverable: Topographic Base Map in AutoCAD Civil 3D and PDF formats.

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Assumptions:

- If a discrepancy is discovered with existing monumentation or there is insufficient monumentation to determine the right-of-way, work will be paused, and the client will be notified.
- The setting of new monuments and filing of Record of Survey/Corner Records are not included in this scope.

TASK 5 - CONCEPTUAL ALTERNATIVES AND COSTING

Working with our project architect, LPA Design Studios, we will develop up to four distinct conceptual alternatives that illustrate different approaches to site planning, building configuration, and long-term adaptability. Each alternative will serve as a "test case" to evaluate how the Corporation Yard can most effectively meet current and future operational requirements while balancing sustainability, cost, and community impacts.

Key Elements of Exploration:

- **Site Layouts:** Alternatives will test compact versus dispersed operational models, exploring how building clustering, circulation patterns, and yard organization can influence efficiency, security, and user convenience.
- **Infrastructure Strategies:** Concepts will compare centralized service cores (fueling, wash, and utility nodes located in one hub) against modular, distributed strategies that allow flexibility for growth and reduce single-point dependencies.
- **Sustainability Enhancements:** Each scenario will be structured to integrate sustainable features such as rooftop or carport-mounted solar arrays, robust EV charging infrastructure for both fleet and staff vehicles, stormwater harvesting and reuse for irrigation and wash-down, and consideration of LEED-equivalent design strategies.
- **Phasing and Expansion Potential:** Alternatives will demonstrate how the site can be implemented in logical, buildable phases that maintain operational continuity while also preserving opportunities for expansion as staffing, fleet size, and service responsibilities evolve.

TUSTIN CORPORATE YARD

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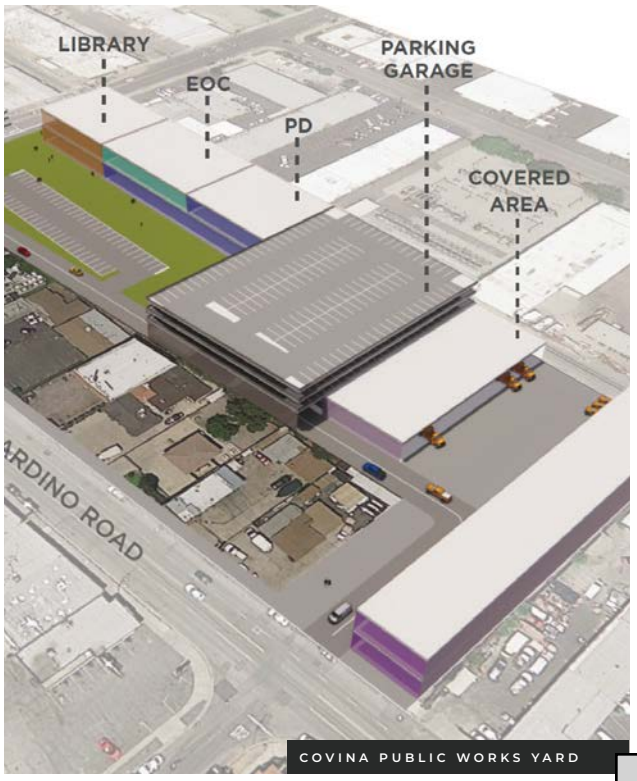
Comparative Evaluation:

For each alternative, we will prepare concept-level cost estimates that address building construction, site improvements, utility infrastructure, and sustainable components. These estimates will be paired with a comparative evaluation matrix that highlights:

- Operational efficiencies and workflow implications.
- Capital cost considerations.
- Scalability and ability to adapt to future technologies, including electrification and smart-yard applications.
- Potential permitting or environmental challenges tied to each concept.

Outcome: This task ensures the City and stakeholders have a clear, side-by-side understanding of the trade-offs between alternatives. The process empowers decision-makers to weigh operational priorities against financial and sustainability goals and select a preferred direction with confidence and transparency.



COVINA PUBLIC WORKS YARD

TASK 6 - PRELIMINARY SITE PLAN

Building on stakeholder feedback, best practices in yard planning, and direction from City Council, our project architect, LPA Design Studios, will refine the preferred alternative into a comprehensive Preliminary Site Plan. This plan will not only illustrate the physical arrangement of facilities, but also articulate how the site will perform as a modern, resilient, and sustainable public works campus.

Key Features of the Plan:

- **Integrated EV Infrastructure:** Dedicated charging stations for both staff and fleet vehicles will be incorporated into parking and circulation areas, designed to scale with future fleet electrification goals. Service panels and conduits will be strategically placed to minimize disruption during future capacity upgrades.
- **Solar-Ready Design & Energy Efficiency:** The site will be designed with roof and canopy areas optimized for photovoltaic arrays, paired with energy-efficient building systems (HVAC, lighting, envelope) to reduce long-term operating costs.
- **OSHA-Compliant Fleet Maintenance:** A purpose-built maintenance building will include service bays sized and outfitted for both conventional and electric vehicles, ensuring safe and efficient servicing of an evolving fleet. Specialized equipment, ventilation, and safety measures will be integrated to meet OSHA standards and emerging EV maintenance protocols.
- **Battery Quarantine Zone:** Recognizing the unique hazards associated with lithium-ion batteries, a dedicated and secure isolation area will be included to safely store damaged or compromised EV batteries until removal or recycling.
- **Household Hazardous Waste (HHW) Center:** A dual-function facility will provide safe storage of HHW while also supporting a public reuse program, helping the City promote sustainability and reduce waste streams.

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- **Fueling & Emergency Resilience:** Fueling infrastructure will include both daily-use capacity and emergency reserves to maintain continuity of operations during outages or regional supply disruptions.
- **Heavy- and Light-Duty Wash Stations:** Wash facilities will be designed with appropriate sizing, water reclamation systems, and environmental safeguards to support the full range of City fleet vehicles.
- **Future Waste Transfer Station Allocation:** The plan will reserve strategically located space for a potential transfer station, preserving flexibility for future operational expansion without disrupting core yard functions.
- **Crime Prevention Through Environmental Design (CPTED):** The design will integrate CPTED principles to promote natural surveillance, reinforce territorial control, and reduce vulnerability through thoughtful site layout, lighting, access control, and visibility.

Deliverables & Communication Tools:

The Preliminary Site Plan will be clearly presented using visual graphics, block diagrams, and narrative descriptions to communicate technical detail in an accessible manner. These materials will help both decision-makers and the community understand the rationale behind the layout, the operational benefits, and the long-term adaptability of the site.

TASK 7 - ENVIRONMENTAL DOCUMENTATION

While the annexation EIR provides baseline environmental coverage for the site, additional CEQA documentation will be required to support grading, site development, and eventual construction of the new Corporation Yard. Our first step will be to evaluate the adequacy of the existing CEQA record and confirm with City staff the most efficient path forward.

At this stage, we are anticipating the City will need to prepare an **Addendum to the existing EIR** documenting that the design and future operation of the Corporation Yard would not result in any new environmental impacts beyond those previously evaluated. The annexation EIR already includes numerous mitigation measures that will apply to the proposed project, such as:

- Preparation of an updated Wetland Delineation;
- Completion of a Phase II ESA;
- Development of a hazardous materials contingency plan; and
- Preparation of a drainage master plan.

If Griffin Structures is selected to perform this work, we will refine the scope of services with the City to confirm which of these technical studies are required to support the Addendum. With the exception of the drainage master plan (anticipated to be prepared by others), our environmental partner Dudek is capable of completing the necessary studies and integrating them into the Addendum.

TUSTIN CORPORATE YARD

Our CEQA documentation services will include:

- Preparation of the Addendum to the EIR, including technical support and consistency analysis;
- Coordination with City staff and legal counsel to ensure compliance and defensibility;
- Preparation of public notices and staff reports as needed; and
- Support at public hearings with Planning Commission and City Council.

Exclusions and Assumptions:

- This scope assumes preparation of an **Addendum only**; preparation of a full Supplemental or Program EIR is not included.
- Additional technical studies beyond those listed above may be required if determined by the City or regulatory agencies; these would be scoped separately.
- Permitting outside the CEQA process (e.g., USACE, CDFW, RWQCB approvals) is not included but can be provided under a separate scope.

TASK 8 - GRANT FUNDING SUPPORT

Recognizing the significant cost of a modern Corporation Yard, our team will provide proactive support to identify, pursue, and secure external funding opportunities that align with the City's sustainability and operational priorities.

Conduct Focused Orientation

We will begin with an orientation to fully understand the City's clean energy and resiliency goals as they relate to the Corporation Yard, including fleet electrification, renewable energy, recycling, and emergency response capabilities. These discussions will ensure alignment with Council direction and departmental priorities, building a foundation for targeted funding pursuits.

Craft a Strategic Funding Plan

Following orientation, we will prepare a strategic funding plan that identifies priority Corporation Yard projects and maps them to appropriate federal, state, and regional grant programs. This roadmap will clarify which opportunities to pursue first, establish timelines, and help the City maximize competitiveness.

Identify, Research, and Monitor Funding Opportunities

We will continuously research and monitor relevant funding streams, keeping the City apprised of emerging opportunities and regulatory updates. Because the scope of this task may vary depending on available funding programs, we have included an allowance of hours. This allowance is intended as a baseline and may not fully capture all potential needs though we would be pleased to refine with the City as appropriate. Our support will focus on programs tied to:EV fleet charging infrastructure and servicing facilities.

- Solar and renewable energy systems, including battery storage.
- Hazardous waste, recycling, and household hazardous waste (HHW) reuse facilities.
- Resiliency measures and emergency preparedness infrastructure.

Through a regularly updated funding matrix and ongoing guidance, we will help the City pursue the highest-value programs, reducing project costs while advancing sustainability and resiliency objectives.

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CONCLUSION

The development of the new Folsom Corporation Yard represents a once in a generation opportunity to deliver a modern operations hub that is functional, secure, sustainable, and fiscally responsible. This project will not only consolidate critical City services but also advance broader community goals around resiliency, clean energy, and operational efficiency.

By methodically addressing the eight defined tasks including program validation, site survey, CEQA documentation, and environmental compliance while layering in stakeholder engagement, cost and schedule realism, and proactive funding support, our team will equip the City of Folsom with a comprehensive roadmap from vision to implementation. The outcome will be a state-of-the-art facility that supports City operations for decades to come, balances short term project delivery with long term lifecycle value, and positions the City as a leader in sustainable municipal infrastructure.

POMONA WATER RESOURCES HEADQUARTERS AND YARD

ADDITIVE ALTERNATES

To further support the project, we've identified several supplemental items that may be of interest to the City as the work progresses. These include the following:

1. Baseline Geotechnical Investigation

Our partner, Twining, will perform a geotechnical investigation to evaluate the general geologic and subsurface conditions of the site and provide preliminary design recommendations to inform conceptual planning and cost modeling.

Scope of Work:

- Advance approximately six (6) soil borings strategically located across the site to characterize subsurface conditions representative of the overall property.
- Borings will extend to approximate depths of 20 to 50 feet, depending on anticipated load conditions.
- Conduct laboratory testing on collected samples to assess soil strength, compressibility, expansion potential, and corrosion potential.
- Analyze field and laboratory data to develop recommendations related to:
  - Foundation and slab support parameters.
  - Pavement section design for light- and heavy-duty vehicle areas.
  - Earthwork and grading, including soil suitability and cut/fill considerations.
  - Seismic design criteria in accordance with CBC, including liquefaction and settlement potential.
  - Corrosion protection for buried utilities.

Assumptions:

- Investigation is intended to provide a planning-level understanding of site conditions to support master planning and conceptual design.
- A detailed design-phase investigation will be required once final building layouts and structural systems are established.
- Groundwater monitoring wells, specialized liquefaction testing, and long term instrumentation are excluded.

Deliverable:

A geotechnical engineering report summarizing boring logs, laboratory test results, analyses, and conceptual-level recommendations, provided in PDF format.

2. Enhanced Geotechnical Investigation - Add-on to Additive Alternate 1

This enhanced scope builds on the baseline investigation by tailoring the analysis to the anticipated new construction and covered facilities envisioned in the current building program. The expanded study will provide building-specific design recommendations and a more detailed assessment of subsurface variability across functional areas of the site.

Enhanced Scope Includes:

- Advancing seven to ten (7-10) borings, strategically distributed to represent each major facility type and yard function.
- Incorporating supplemental shallow borings or test pits in pavement and yard areas for improved pavement design data.
- Performing an expanded suite of laboratory tests to refine strength, compressibility, and corrosion parameters.
- Providing structure-specific analyses and recommendations, including:
  - » Foundation systems for one- to three-story structures.
  - » Slab on-grade and mat slab design parameters.
  - » Pavement section design for passenger and heavy fleet-traffic.
  - » Earthwork and grading guidance with cut/fill balance and on-site soil suitability.
  - » Seismic design criteria and liquefaction/ settlement potential per CBC.
  - » Corrosion protection strategies for underground utilities.

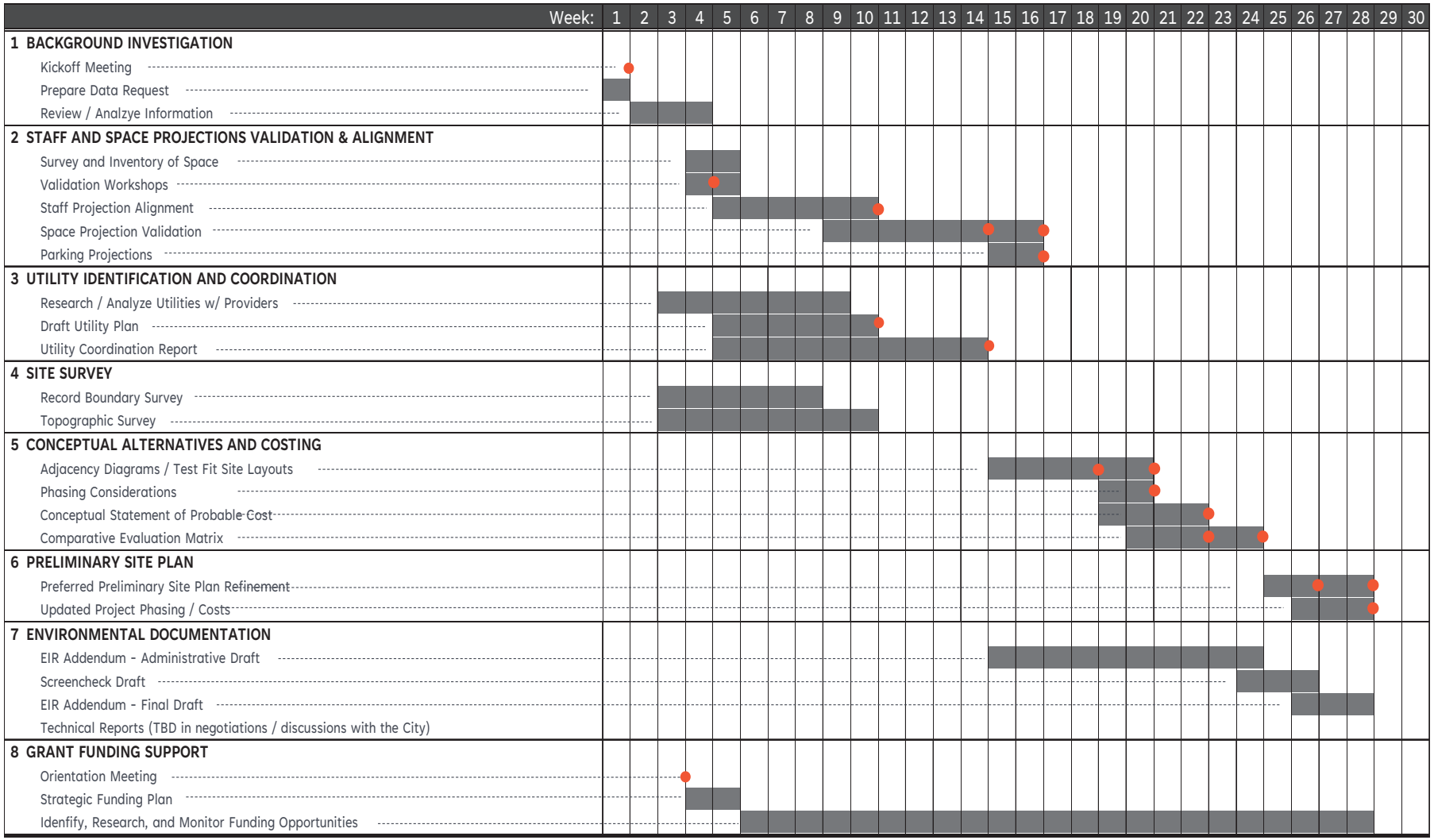
Deliverable:

A comprehensive geotechnical engineering report summarizing boring logs, laboratory results, engineering analyses, and tailored conceptual design recommendations aligned with the building program. This enhanced level of study provides a stronger technical foundation for the architectural and structural design teams during programming and early design development.

3. Corporate Yard Drainage Master Plan

Our partner, LPA, will prepare a drainage master plan specific to the corporate yard site, which would inform infrastructure design and provide supporting documentation for the EIR and subsequent design phases.

Project Schedule



● Denotes meeting w/ City

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Task and Subtask Summary Table

		GRIFFIN STRUCTURES					LPA DESIGN STUDIOS		BKF ENGINEERS		MNS ENGINEERS		DUDEK		TOWNSEND PUBLIC AFFAIRS	
		Project Manager / Needs Assessment / Cost Estimator					Architect		Utility Specialist		Civil Engineer		CEQA Specialist		Grant Funds Specialist	
Phase	DESCRIPTION	Project Manager Dustin Alamo	Program Analyst Krista Beatie	Program Analyst Hailey Muller	Program Analyst Ariana Ramzian	Cost Estimator Ryan Craven	Project Architect Jeremy Hart	LPA Design Team Blended Rate	Project Engineer Walter Stemberga	Engineer Team Blended Rate	Project Engineer Robert Newman	Engineer Team Blended Rate	Principal Planner Christine Kronenberg	Environ. Planner Angelica Chiu	Grants Director Alex Gibbs	Grants Team Blended Rate
1	BACKGROUND INVESTIGATION															
	Kickoff Meeting	4	–	2	–	–	2	–	–	–	–	–	2	–	2	–
	Prepare Data Request	2	–	4	–	–	–	–	–	–	–	–	–	–	–	–
	Review / Analzye Information	8	4	16	4	–	2	–	2	–	2	–	2	–	2	–
2	STAFF AND SPACE PROJECTIONS VALIDATION & ALIGNMENT															
	Survey and Inventory of Space	8	4	24	4	–	–	–	–	–	–	–	–	–	–	–
	Validation Workshops	8	–	8	–	–	–	–	–	–	–	–	–	–	–	–
	Staff Projection Alignment	8	40	16	8	–	–	–	–	–	–	–	–	–	–	–
	Space Projection Validation	8	20	80	40	–	–	–	–	–	–	–	–	–	–	–
	Parking Projections	2	–	8	20	–	–	–	–	–	–	–	–	–	–	–
	Presentation / Revisions	8	4	16	4	–	–	–	–	–	–	–	–	–	–	–
3	UTILITY IDENTIFICATION AND COORDINATION															
	Research / Analyze Utilities w/ Providers	2	–	–	–	–	–	–	4	20	–	–	–	–	–	–
	Draft Utility Plan	2	–	–	–	–	–	–	8	24	–	–	–	–	–	–
	Utility Coordination Report	4	–	–	–	–	–	–	12	40	–	–	–	–	–	–
4	SITE SURVEY															
	Record Boundary Survey	8	–	–	–	–	–	–	–	–	16	40	–	–	–	–
	Topographic Survey	8	–	–	–	–	–	–	–	–	40	80	–	–	–	–
5	CONCEPTUAL ALTERNATIVES AND COSTING															
	Adjacency Diagrams / Test Fit Site Layouts	8	4	16	4	–	16	80	4	8	–	–	–	–	–	–
	Phasing Considerations	8	2	16	4	–	8	16	–	–	–	–	–	–	–	–
	Conceptual Statement of Probable Cost	16	–	4	–	80	8	–	–	–	4	–	–	–	–	–
	Comparative Evaluation Matrix	8	4	16	4	–	8	16	–	–	–	–	–	–	–	–
6	PRELIMINARY SITE PLAN															
	Preferred Preliminary Site Plan Refinement	8	–	4	–	–	20	40	2	4	–	–	–	–	–	–
	Updated Project Phasing / Costs	16	–	8	–	20	–	–	–	–	–	–	–	–	–	–
7	ENVIRONMENTAL DOCUMENTATION															
	EIR Addendum - Administrative Draft	8	–	–	–	–	–	–	–	–	–	–	16	20	–	–
	Screencheck Draft	2	–	–	–	–	–	–	–	–	–	–	4	12	–	–
	EIR Addendum - Final Draft	2	–	–	–	–	–	–	–	–	–	–	4	12	–	–
	Technical Reports (TBD in negotiations / discussions with the City)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
						–										
8	GRANT FUNDING SUPPORT															
	Orientation Meeting	2	–	–	–	–	–	–	–	–	–	–	–	–	4	8
	Strategic Funding Plan	2	–	–	–	–	–	–	–	–	–	–	–	–	8	16
	Idenfify, Research, and Monitor Funding Opportunities	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
	Subtotal Hours	**160**	**82**	**238**	**92**	**100**	**64**	**152**	**32**	**96**	**62**	**120**	**28**	**44**	**16**	**24**

. CONSULTANT AND SUB-CONSULTANT STAFF

06/09/2026 Item No.17.

Project Team

Griffin Structures collaborates closely with our utility locators, engineers, architects, environmental planners, and grant specialists to ensure effective communication between the team, that design concepts are translated into practical, constructible plans aligned with client expectations, and information gathered is routinely shared and coordinated across each task in the project. We work in tandem with the City to coordinate the project monitoring site assessment activity, capturing progress, and working collectively to deliver projects on schedule and in budget. Our primary goal is to streamline all aforementioned collaborative efforts, ensuring a well-executed project which aligns with client expectations, operating as one team and as an overall extension of client staff.

	NAME	COMPANY	ROLE	RESPONSIBILITIES
	Dustin Alamo, CCM, DBIA, LEED AP	Griffin Structures	Project Manager Vice President	Dustin Alamo, using his extensive Corporate Yard experience, will serve as the Project Manager working directly our proposed team and City to ensure successful delivery.
	Hailey Muller	Griffin Structures	Program Analyst	Hailey Muller will support the project as lead for Task 2 using her experience with Corporate Yards to update the facility needs assessment.
	Ariana Ramzian	Griffin Structures	Program Analyst	Ariana Ramzian will use her background in Corporate and Maintenance Yard programming to support space projections on the project.
	Krista Beatie, CMIT	Griffin Structures	Program Analyst	Krista Beatie will support the staff projection portion of the project. Krista has successfully worked on numerous Corporate Yards and City Projects coordinating staffing needs.
	Ryan Craven, CPE, CMIT	Griffin Structures	Cost Estimator	Ryan Craven will use his expertise in estimating to lead the cost modeling and ensure Folsom's fiscal objectives are achieved in the project budget.
	Ben Santos, PLS	BKF Engineers	Utility Specialist	Ben Santos will lead Task 3 of the project. With 24 years of experience managing utility location, he will oversee the utility connection opportunities and Utility Coordination Report.
	Robert Newman, PE	MNS Engineers	Civil Engineer Lead	As Lead Civil Engineer, Robert will prepare Task 4, Site Survey using his 46 years of experience and team of engineers to produce a detailed site report.
	Jeremy Hart, AIA, LEED AP, BD+C, NCARB	LPA Design Studios	Project Architect	As Project Architect, Jeremy will use his Corporate Yard experience to coordinate the design team and the city leading the conceptual designs and a preliminary site plan for the project (Tasks 5 & 6).

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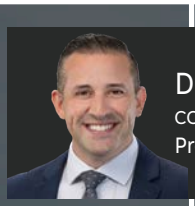
Project Team

	NAME	COMPANY	ROLE / TITLE	RESPONSIBILITIES
	Christine Kronenberg	Dudek	CEQA Planner	Christine has 29 years of experience focused on CEQA compliance. She will lead Task 7, Environmental Documentation, by coordinating with City staff to prepare an addendum to the existing EIR.
	Angelica Chiu	Dudek	Environ. Planner	Angelica specializes in CEQA documentation and will use her experience on public projects in California to support Task 7 by coordinating environmental compliance on the project.
	Alex Gibbs	Townsend Public Affairs	Grants Specialist	Alex's 15 years of experience in public policy and has successfully worked with cities to obtain millions in grant funding. Alex will lead Task 8 of the project, Grant Funding Support.
	Paul Soltis, PE, GE	Twining Consulting	Sr. Geotechnical Engineer	Paul Soltis supports the optional Additive Alternates using his 33 years of experience. Paul will use his Geotechnical background to investigate any subsurface conditions and provide preliminary design recommendations.
	Adrian Moreno, PE	Twining Consulting	Project Engineer	Adrian Moreno will support Paul in Additive Alternates monitoring field testing and laboratory data output in preparation of geotechnical recommendations.
	Jon Browning, PG, CEG	Twining Consulting	Cert. Engineering Geologist	Jon Browning has over 20 years experience in engineering geology and environmental consulting. He will support Twining by leveraging his knowledge of engineering techniques to mitigate geological hazards.
	Liangcai He, PhD, GE	Twining Consulting	Chief Geotechnical Engineer	Liangcai He brings 33 years of expertise in earthquake engineering, soil-structure, and earthwork supporting the geotechnical investigation of the project.
	Hossein Bahmyari, PhD Fellow, DGE, PE	Twining Consulting	Sr. Geotechnical Engineer	Hossein Bahmyari will use his extensive experience to support the Twining team with Alternates by providing compliance oversight of specifications and standards for the geotechnical investigation.

Project Team Organization Chart

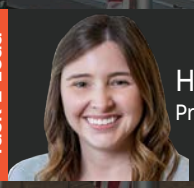
CITY OF FOLSOM
DISTINCTIVE BY NATURE

CORE PROJECT TEAM

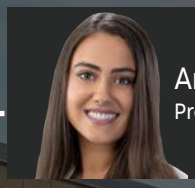


Dustin Alamo
CCM, LEED AP, DRE
Project Manager

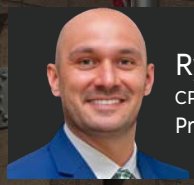
Task 2 Lead



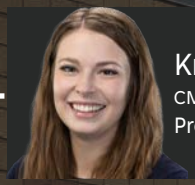
Hailey Muller
Program Analyst



Ariana Ramzian
Program Analyst



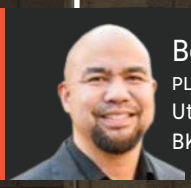
Ryan Craven
CPE, CMIT
Project Manager



Krista Beatie
CMIT
Program Analyst

PROJECT SUPPORT TEAM

Task 3 Lead



Ben Santos
PLS
Utility Specialist
BKF Engineering

Jeremy Hart
AIA, LEED AP BD+C, NCARB
Project Architect
LPA Design Studios

Task 5 & 6 Lead

Task 4 Lead

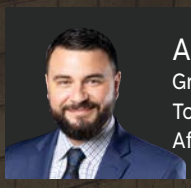
Robert Newman
PE, PLS
Civil Engineer
MNS Engineering

Christine Kronenberg
CEQA Specialist
Dudek

Task 7 Lead

Optional

Paul Soltis
CCM, LEED AP, DRE
Geo Engineering
Twining Consulting



Alex Gibbs
Grants Specialist
Townsend Public Affairs

Task 8 Lead

CONSULTANT QUALIFICATIONS AND REFERENCES

06/09/2026 Item No.17.

San Mateo Joint Corporate Yard Pre-Development

SAN MATEO, CA

DESCRIPTION

Griffin Structures assessed the feasibility of a shared Corporate Yard facility for the County of San Mateo, and the Cities of Belmont, San Carlos, and Redwood City, consolidating their existing yards that support essential public works functions. To assess the feasibility of a joint-use yard, the study evaluated the 17.33-acre County-owned site that offers sufficient area to accommodate a consolidated facility. The team explored various facility management models presenting governance frameworks for a shared facility. A proposed program for the joint facility supported consolidated services with suggestions for more efficient operations to streamline work processes. The study evaluated the logistical, operational, and financial viability of this joint facility, focusing on streamlining operations, enhancing resource sharing, and optimizing space while addressing each city's specific needs.

The final program consisted of 130,000 SF in building space with a total of 12.6 acres in development and a preliminary construction cost of $315 million. The study culminates in a comprehensive program, governance framework, timeline, and preliminary budget, giving the four jurisdictions a robust foundation to evaluate the future of a shared corporate yard.

VALUE + SIZE

$315,000,000 | 130,000 SF

CLIENT + CONTACT

County of San Mateo
Justin Mates
Deputy County Executive
(650) 363-4136
jmates@smcgov.org

COMPLETION DATE

July 2025

REPRESENTATIVE TEAM MEMBERS

- Dustin Alamo, CCM, DBIA, LEED AP
- Hailey Muller
- Krista Beatie, CMIT
- Ariana Ramzian
- Ryan Craven, CPE, CMIT

06/09/2026 Item No.17.

Tustin Water Administration Building, Corporate Yard & Emergency Operations Center

CITY OF TUSTIN, CA

DESCRIPTION

Griffin Structures provided Program and Construction Management for the new Tustin Corporate Yard and Emergency Operations Center. The project consisted of demolition of an existing fire station and facilities maintenance office trailers; and construction of a new 17,284 SF corporate yard office building including a state-of-the-art Emergency Operations Center, back up emergency dispatch center, and RACES (Radio Amateur Civil Emergency Service) room.

The facility includes a new wellness center for City staff use, locker rooms, new water lab, facilities maintenance offices, break room, and conference rooms. The project also encompasses new covered parking, photo voltaics, and a new landscape demonstration garden.

VALUE + SIZE

$16,000,000 | 18,000 SF

CLIENT + CONTACT

City of Tustin
Jason Churchill
Deputy Public Works Director
(714) 573-3355
jchurchill@tustinca.org

TESTIMONIAL

"Over the past several years, the City of Tustin has enjoyed working with Griffin Structures, as they have provided the City with excellent and responsive service."
-City of Tustin

COMPLETION DATE

June 2018

REPRESENTATIVE TEAM MEMBERS

- Dustin Alamo, CCM, DBIA, LEED AP
- Ryan Craven, CPE, CMIT
- Jeremy Hart, AIA, LEED AP BD+C, NCARB

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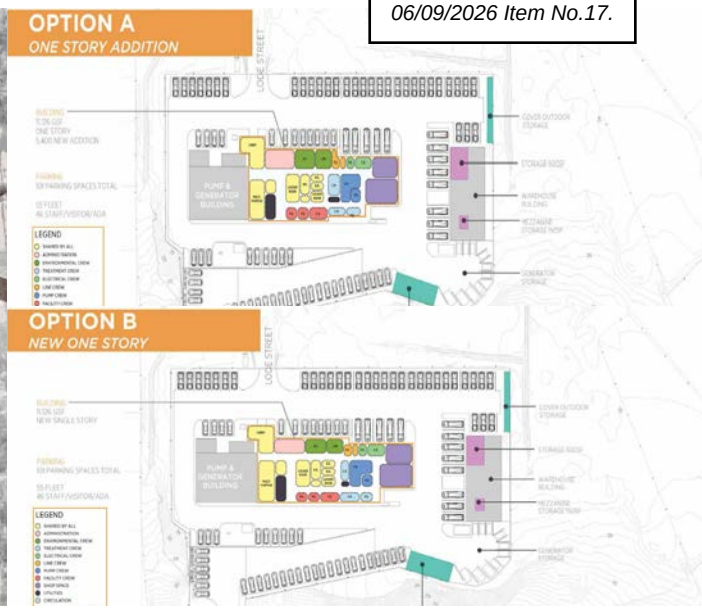

Santa Cruz County Sanitation District Facilities Plan

CITY OF SANTA CRUZ, CA

DESCRIPTION

Griffin Structures is assisting the county of Santa Cruz in the development of a Facilities Plan that will guide the District's investment in current and future facilities. The D.A. Porath Sanitation Facility is an existing property that serves as the primary pumping station between the eastern County sewer system and the City of Santa Cruz Treatment Plant. There are three buildings on the 7.4-acre property: Pump Building, Services Building, and Storage Warehouse. D.A. Porath is located at 2750 Lode Street within the community of Live Oak in the unincorporated County.

The District also plans to acquire a smaller satellite operations facility in the southern portion of the District's service range. Therefore, the Facilities Plan is needed to strategically allocate District resources between the two facilities and guide acquisition of the future satellite Operations Facility and development of Master Plans.

The scope of work generally includes the following project components/phases:

- Programming Needs Analysis
- Operations and Staffing Plan
- Environmental Analysis of satellite Operations Facility property
- Master Plan for satellite Operations Facility
- Master Plan for D.A. Porath Facility

VALUE + SIZE

$20,000,000 | 28,000 SF

CLIENT + CONTACT

County of Santa Cruz
Travis Cary
Director of Capital Projects
(831) 454-2339
travis.cary@santacruzcounty.us

COMPLETION DATE

September 2021

REPRESENTATIVE TEAM MEMBERS

- Dustin Alamo, CCM, DBIA, LEED AP
- Ariana Ramzian
- Ryan Craven, CPE, CMIT
- Jeremy Hart, AIA, LEED AP BD+C, NCARB

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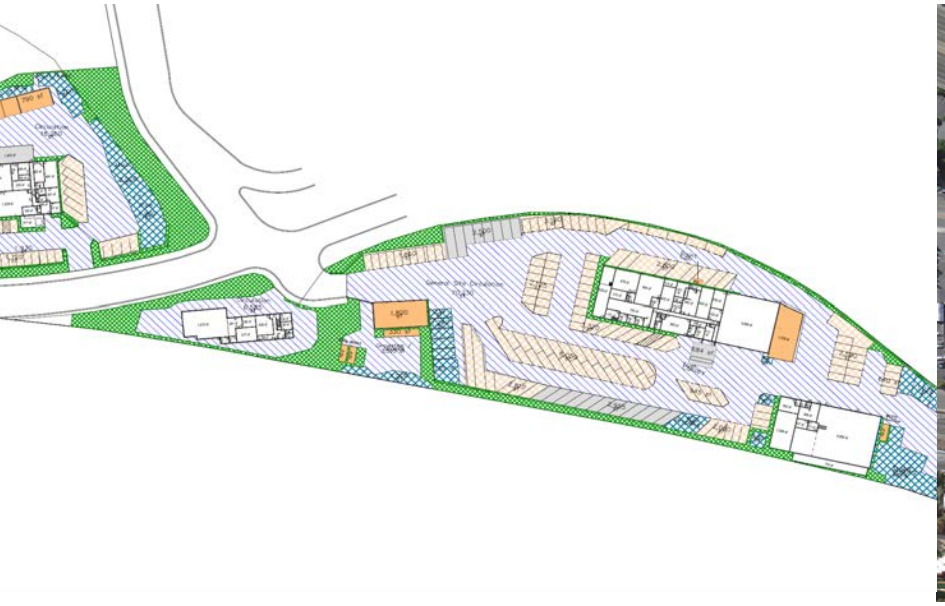

Walnut Creek Public Works Yard

CITY OF WALNUT CREEK, CA

DESCRIPTION

Griffin was initially selected by the to develop a Space Needs Analysis for the relocation of the City's Public Works Maintenance Yard. Subsequent to the Space Needs Analysis, Griffin Structures also provided Program and Construction Management services for the maintenance yard relocation. The project involves two phases: (1) Phase 1 of the project will include site improvements at three separate locations throughout the City.

The improvements will include new material bins; new waste disposal facilities; steel canopies for protection of materials for compliance with WQMP requirements; the construction of a new Bomb Squad storage facility complete with CCTV; evidence vehicle storage; security fencing; and mechanical, electrical and plumbing improvements. (2) Phase 2 will encompass the comprehensive renovation of the existing storage warehouse into office facilities for the relocation of facility maintenance staff, traffic control staff, theater scene assembly facility, structural retrofit, and the construction of a new mechanical mezzanine.

VALUE + SIZE

$18,000,000 | 40,000 SF

CLIENT + CONTACT

City of Walnut Creek
Rich Payne
Public Services Manager
(925) 943-5899 x2437
payne@walnut-creek.org

COMPLETION DATE

June 2016

REPRESENTATIVE TEAM MEMBERS

- Dustin Alamo, CCM, DBIA, LEED AP

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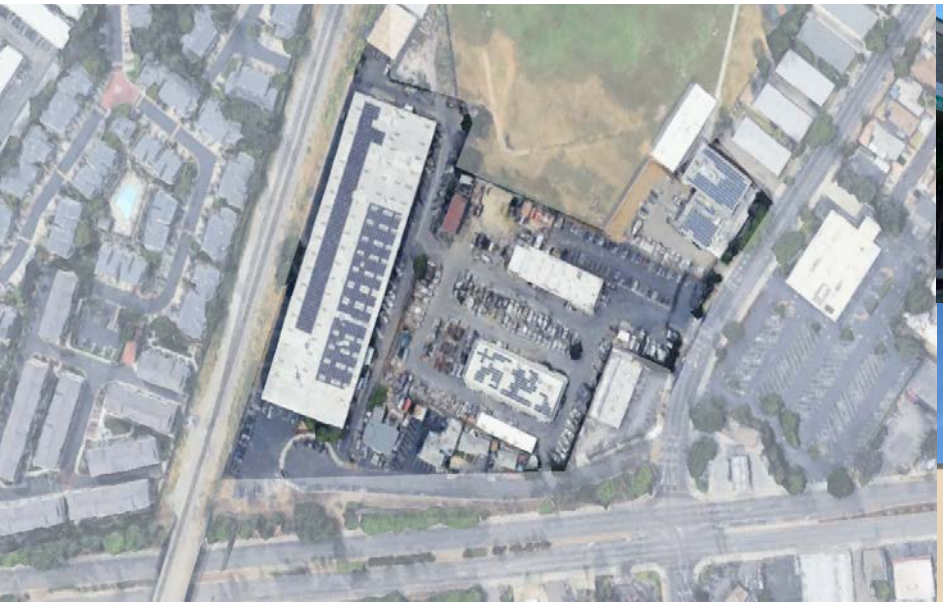


Hayward Corporate Yard

HAYWARD, CA

DESCRIPTION

Griffin Structures teamed with LPA Architects to modernize the City of Hayward's Corporation Yard addressing the evolving needs of the Public Works Utilities Division and Maintenance Services Department. The team is providing an in-depth needs assessment, site evaluation, master plan, building program, conceptual design, and a phased construction plan to ensure uninterrupted operations. Key focal points of the project include enhancing circulation and parking capacity on the site, developing long term storage solutions, and a design focused on sustainable elements. The final plan will provide the City of Hayward with a flexible plan to support operations for years to come.

VALUE + SIZE

In Progress

CLIENT + CONTACT

City of Hayward
Alex Ameri
Director of Public Works
(510) 583-4700
alex-ameri@hayward-ca.gov

COMPLETION DATE

Ongoing

REPRESENTATIVE TEAM MEMBERS

- Dustin Alamo, CCM, DBIA, LEED AP
- Hailey Muller
- Krista Beatie, CMIT
- Ariana Ramzian
- Ryan Craven, CPE, CMIT
- Jeremy Hart, AIA, LEED AP BD+C, NCARB

STANTON CORPORATE YARD

TEAM RESUMES

Dustin Alamo

CCM, DBIA, LEED AP, DRE BROKER #01930629

Vice President, Strategic Services

EDUCATION

Bachelor of Architecture, University of Colorado, Boulder

CERTIFICATION

Certified Construction Manager (CCM)

Design-Build Institute of America (DBIA) Associate

LEED Accredited Professional

State of California Licensed Real Estate Broker DRE #01930629

AFFILIATIONS

Construction Management Association of America, Member

Design-Build Institute of America (DBIA), Member

U.S. Green Building Council, Member

YEARS OF EXPERIENCE

21

QUALIFICATIONS

Dustin serves as the Vice President of Strategic Services for Griffin Structures, Inc. His primary responsibilities include the executive management of all needs assessment and master planning projects ranging by facility type, including corporate yards, administration facilities, library and cultural arts buildings, law enforcement facilities, fire safety facilities, community and senior centers, utility facilities, and others. In addition, Dustin is skilled at developing long-term facility plans (ranging from $10M to $400M) which incorporate future space requirements, phasing considerations, and capital funding mechanisms such as bonds, repositioning real estate assets, and public private partnerships (P3).

With a formal background in architecture, Dustin is knowledgeable in aspects of design. He understands the process and skill-set required for developing and building architectural programs, site plans, floor plans, elevations, and technical detailing. Dustin is a Certified Construction Manager (CCM), LEED accredited professional and a licensed Real Estate Broker in the state of California.

REPRESENTATIVE EXPERIENCE

San Mateo Joint Corporate Use Yard, CA

Tustin Water Administration Building, Corporate Yard & Emergency Operations Center, CA

Santa Cruz County Sanitation District Maintenance Yard & Pump Station, CA

Whittier Corporate Yard, CA

Walnut Creek Corporate Yard Pre-Development, CA

Hayward Corporate Yard Pre-Development, CA

Stanton Corporate Yard, CA

Westminster Corporate Yard, CA

Pomona Water Resources Headquarters & Yard, CA

Jurupa Community Services Dist. Facility Pre-Development, CA

Morgan Hill Maintenance & Ops. Yard Pre-Development, CA

Rancho Palos Verdes Corporate Yard Pre-Development Services, CA

Newport Beach Corporate Yard Pre-Development, CA

Orange Corporate Yard Pre-Development, CA

Salinas Maintenance Yard Pre-Development, CA

San Dimas Corporate Yard Pre-Development, CA

GRIFFIN STRUCTURES

Hailey Muller

Program Analyst

EDUCATION

Master of Data Analytics, Oregon State University

Bachelor of Business Planning & Market Analysis, Whitworth University

YEARS OF EXPERIENCE

9

QUALIFICATIONS

Hailey Muller is a Program Analyst specializing in dynamic and adaptable plans that support changing needs through the optimization of facility and land use. Her work for public sector and higher education planning projects utilize flexible programming principles in support of comprehensive master plans, space utilization studies, and design projects. Hailey's background in data-driven analytics is supported by her master's studies in data science, paired with ten years of experience in the facilities planning industry, which allows her to guide the planning process towards the highest and best use of space.

REPRESENTATIVE EXPERIENCE

San Mateo Joint Corporate Use Yard, CA

Hayward Corporate Yard Pre-Development, CA

Whittier Corporate Yard, CA

Laguna Beach Corporate Yard Master Plan, CA

Oregon State University Facilities Yard, OR

Manteca Police Headquarters, CA

Manteca Fire Station #6

Oregon State Police Central Point, OR

Chaffey Community College District Master Plan, Rancho Cucamonga, CA

Grossmont Cuyamaca Community College District

- *Amendment 5 Program Moves, El Cajon, CA*
- *Cuyamaca Space Utilization, Rancho San Diego, CA*
- *Space Utilization Studies, El Cajon, CA*

Riverside Community College District IETTC Master Plan, CA

San Bernardino Community College District Facilities Master Plan, CA

Bucknell University Lower Campus Planning Study, Lewisburg, PA

Cuyahoga Community College Master Plan, Highland Hills, OH

Des Moines Area Community College Master Plan, Ankeny, IA

Florida International University Campus Master Plan, Miami, FL

Lane College Campus Master Plan, Jacksonville, FL

Marist College Campus Plan Update, Poughkeepsie, NY

Oregon State University Off-Site Space Utilization Study, OR

University of Washington Space Utilization Study, WA

Ariana Ramzian

Program Analyst

EDUCATION

Master of Arts, Interior Architecture & Design, Academy of Art University

Bachelor of Science, Managerial Economics, University of California, Davis

YEARS OF EXPERIENCE

7

QUALIFICATIONS

As part of Griffin Structures' Strategic Services division, Ariana is an experienced space planner. Her background in providing needs assessments and auditing allows for Ariana to effectively interview stakeholders, analyze data, and formulate conclusions and recommendations on operational efficiencies. As a Project Analyst at Griffin, Ariana utilizes her process skills to then prepare staff and space projections while organizing an assortment of detailed documentation in an orderly, logical manner. Ariana develops building and needs assessments, feasibility studies, master plans, and technical reports. Ariana is an excellent communicator whose strengths include synthesizing complex data into tables, charts, and narratives which are easily comprehended by a variety of stakeholders.

REPRESENTATIVE EXPERIENCE

San Mateo Joint Corporate Use Yard, CA

Hayward Corporate Yard Pre-Development, CA

Santa Cruz County Sanitation District Maintenance Yard & Pump Station, CA

Morgan Hill Corporate Yard, CA

Laguna Beach Corporate Yard Master Plan, CA

Whittier Corporate Yard, CA

Jurupa Community Services District Maint. & Water Treatment Yard, CA

Newport Beach Corporate Yard, CA

County of Orange Facilities Strategic Plan, CA

San Bernardino County Downtown Master Plan, CA

San Jacinto Civic Center, CA

Eastvale Civic Center & City Hall, CA

Laguna Beach City Hall, CA

OCERS Headquarters, Santa Ana, CA

San Juan Capistrano Paseo Adelanto Mixed-Use Housing & City Hall, CA

Cupertino 1045 Torre Avenue Building Renovation (Interim City Hall), CA

Morgan Hill Butterfield Fire Station, CA

Tustin Police Department, CA

Monterey Public Safety Facility Feasibility Study, CA

San Ramon Fire Protection District Training Facility, CA

Escondido Public Library Infrastructure & Modernization Project, CA

GRIFFIN STRUCTURES

Krista Beatie

CMIT

Program Analyst

EDUCATION

Master of Interior Architecture, Chatham University

Bachelor of Science, Brigham Young University

CERTIFICATION

Construction Manager in Training (CMIT)

AFFILIATIONS

Construction Real Estate Women (CREW)

U.S. Green Building Council (USGBC)

YEARS OF EXPERIENCE

8

QUALIFICATIONS

As a Program Analyst for Griffin Structures, Krista Beatie serves in our Strategic Services division to assist the Griffin Structures team to provide early programming for all client types. With a Master's in Interior Architecture at Chatham University, Krista Beatie has served on a variety of project types, from public safety facilities, educational institutions to commercial architecture and design. Through her education and experience, Krista has developed a passion for sustainability and holistic design, assisting her clients to realize the full potential of their space.

REPRESENTATIVE EXPERIENCE

San Mateo Joint Corporate Use Yard, CA

Hayward Corporate Yard Pre-Development, CA

Whittier City Yard, CA

Morgan Hill Corporate Yard, CA

Laguna Beach Corporate Yard Master Plan, CA

OC Mosquito & Vector Control District, CA

Rancho Palos Verdes Maintenance Yard, CA

Anaheim Civic Center, CA

Los Alamitos Civic Center, CA

Menifee City Hall, CA

Laguna Beach City Hall, CA

San Bernardino County Downtown Master Plan, CA

San Bernardino County Facilities Strategic Plan, CA

Orange County Facilities Master Plan, CA

San Jacinto Civic Center, CA

Orange County Employees Retirement System (OCERS) Headquarters, CA

Mountain View Corporate Center, Ogden, UT

Rocky Mountain Advisory Offices TI, Salt Lake City, UT

Gordon Rees Scully Mansukhani Offices TI, Sat Lake City, UT

UMB Bank Offices TI, Ogden, UT

UPMA Regent Street Lobbies, Salt Lake City, UT

Method Communications TI, Salt Lake City, UT

North Tooele Fire Station 61, UT

Ryan Craven

CPE, CMIT

Cost Estimator

EDUCATION

Bachelor of Science, Construction Engineering, National University, Costa Mesa

CERTIFICATION

Certified Public Estimator (CPE)

Construction Manager in Training (CMIT)

AFFILIATIONS

American Society of Plumbing Engineers (ASPE)

CoreNet Global (Young Leaders Group)

YEARS OF EXPERIENCE

17

QUALIFICATIONS

Ryan is an expert in value engineering and construction cost estimating, including master planning, conceptual, schematic design development, and construction document phases. He is a skilled mediator, participating in change order preparation, validation, and negotiation. He has reconciliation experience with general contractors and subcontractors, and communicates well with all design team members, promoting open-door dialogue and effective project solutions.

REPRESENTATIVE EXPERIENCE

San Mateo Joint Corporate Use Yard, CA

Hayward Corporate Yard Pre-Development, CA

County of Orange Civic Center, Santa Ana, CA

Morgan Hill Maintenance & Ops. Yard Pre-Development, CA

Tiburon Corporate Yard Pre-Development, CA

Santa Cruz County Sanitation District Facilities Plan, CA

Tustin Water Administration Building, Corporate Yard & Emergency Operations Center, CA

Westminster Corporate Yard, CA

Ontario Municipal Service Center, CA

Stanton Corporate Yard, CA

Pomona Water Resources Headquarters & Yard, CA

Alameda City Aquatic Center Pre-Development, CA

East Bay Regional Park District, Public Safety & Administration Building Renovation, CA

Rancho Palos Verdes Civic Center (Community Center, Plaza, EOC/ Maintenance Yard, Sheriff Substation, Council Chambers), CA

Access Services, Antelope Valley Paratransit (Fleet) Operations & Maintenance Facility

UC Santa Barbara Cabrillo Park Fleet Management & Corporate Yard Pre-Development, CA

Salinas Maintenance Yard Pre-Development, CA

Westminster Public Safety Training Center, CA

Cathedral City Fire Station No. 411, CA

Jeremy Hart

AIA, LEED AP BD+C, NCARB

Principal-in-Charge

EDUCATION

Bachelor of Architecture
Cal Poly Pomona

CERTIFICATION

Licensed Architect, California
No. 29148

LEED Accredited Professional

AFFILIATIONS

American Institute of Architects
U.S. Green Building Council

YEARS OF EXPERIENCE

26

QUALIFICATIONS

As Director of Civic + Cultural at LPA, Jeremy Hart designs with discovery and impact in mind. With more than 25 years of experience, he believes that the direction of design should reflect the will of the community.

As an architect and a history buff, Jeremy is driven by the desire to create and influence our environment in a meaningful way. He asserts that architects' ability to create meaningful impressions on people can influence a community, interactions and the surrounding environment. Jeremy approaches each project like a puzzle that needs to be solved, uncovering each factor that may contribute to a project. Jeremy strives to learn how the project site and environment will inform the functional requirements of the building program and the values of the community.

REPRESENTATIVE EXPERIENCE

Santa Cruz County Sanitation District Master Plan, CA

Tustin Water Administration Building, Corporate Yard & Emergency Operations Center, CA

Laguna Beach Corporate Yard Master Plan, CA

Newport Beach Corporate Yard Pre-Development, CA

Irvine Fire Station No.20, CA

Cathedral City Fire Station No. 411, CA

Salinas Police Services Headquarters, CA

Campbell Police Department Headquarters, CA

Chino Hills Government Center & City Hall, CA

Hesperia Police Department Headquarters, CA

County of Orange Civic Center Facilities Strategic Plan, Santa Ana, CA

County of Orange Admin North *County of Orange Admin South*

San Bernardino County, CA

Government Center *Public Defenders' Building*

High Desert Government Center *Public Safety Operations Center*

Valley Communication Center *222 Hospitality Building*

Brentwood City Hall & Council Chambers, CA

Hesperia Civic Center (City Hall & Library), CA

West Hollywood Aquatics & Recreation Center, CA

Laguna Niguel Crown Valley Civic Center, CA

Chino Hills Library, CA

Ben Santos

PLS

City Utility Locating Manager

EDUCATION

Bachelor of Science, Geodetic Engineering, University of the Philippines Diliman

CERTIFICATION

Professional Land Surveyor, CA #9251

YEARS OF EXPERIENCE

24

QUALIFICATIONS

Ben has 24 years of professional experience in surveying, and will manage utility locating processes. He is a licensed Geodetic Engineer with experience in control surveys and ground deformation studies. His responsibilities include preparation of Topographic Surveys, Differential Leveling Surveys, ALTA/NSPS Surveys, Boundary Surveys, Subdivision Maps, Elevation Certificates, Corner Records, Record of Survey Maps, Plats & Legal Descriptions. Ben works directly with computer-aided drafting and design (CADD) using Autodesk Civil 3D, and has extensive experience working with aerial mapping, digital photogrammetry, Global Positioning Systems (GPS) and Geographic Information Systems (GIS). He has been involved with utility locating and mapping for numerous projects.

REPRESENTATIVE EXPERIENCE

Bridge Housing Corp. Mayfair Affordable Development Utility Locating, El Cerrito, CA

Chabot/Las Positas Community College District Utility Locating, Livermore, CA

Palo Alto Utility Survey, Palo Alto, CA

City of Santa Clara On-Call Surveying/GIS & Utility Locating, Santa Clara, CA

Santa Clara County Fairgrounds Site Utilities Assessment, Santa Clara, CA

Cormorant Energy LLC Cow Palace Utility Locating, Daly City, CA

County of Santa Cruz On-Call Utility, Santa Cruz, CA

Google LLC Midpoint MP Utility Locating Services, San Jose, CA

Stanford Health Care MRI Trailer Utilities, San Jose, CA

John Muir Health WCMC Utility Mapping, Walnut Creek, CA

PG&E Utility Locating & BIM Modeling, Davis, CA

Strada Investment Group Centre Pointe Business Park Utility Locating, Walnut Creek CA

USF Project Management University of San Francisco Utility Staking, San Francisco, CA

Lendlease 30 Van Ness Topo & Utility Locating Survey, San Francisco, CA

Robert Newman

PE, PLS

Civil Engineer

EDUCATION

Bachelor of Science, Civil Engineering, Cal Poly Pomona

Masters of Public Administration, CSU Northridge

CERTIFICATION

PE, Civil Engineering, CA #51733 | PLS, CA #6696

AWARDS & AFFILIATIONS

APWA Top Ten Leader - National Award

President, APWA SoCal Chapter & LA City County Engineers Assoc.

President, League of Cities Public Works Officers Department

President, CIty and County Engineers Association, LA County

Board Member, League of Cities Executive Board

YEARS OF EXPERIENCE

46

QUALIFICATIONS

Robert is a Licensed Civil Engineer and Land Surveyor with more than 46 years of experience leading public infrastructure, site development, and facility planning projects across California. As a former Public Works Director and seasoned consultant, he has successfully delivered over $1 billion in capital improvement programs, including complex roadway, stormwater, and civic facility projects. Robert brings deep expertise in coordinating with multiple agencies, managing right-of-way acquisition and entitlement processes, and guiding development impact assessments. His collaborative leadership and technical insight have supported long-range planning efforts, Community Facilities District (CFD) formation, and the successful execution of high-profile public and private projects.

REPRESENTATIVE EXPERIENCE

Canyon Country Community Center, Santa Clarita, CA

Cooper Street Parking Structure, Santa Clarita, CA

Fair Oaks Planning & Fiscal Impact Analysis, Santa Clarita, CA

Golden Valley Ranch Planning & Fiscal Analysis, Santa Clarita, CA

North Valencia II Planning & Fiscal Analysis, Santa Clarita, CA

Olsen Ranch Development, Paso Robles, CA

Beechwood Development, Paso Robles, CA

The Landing Engineering & Utility Coordination, Paso Robles, CA

10th Street West Widening Project, Palmdale, CA

Christine Kronenberg

Principal Planner

EDUCATION

Bachelor of Administration, Political Science, University of Colorado Boulder

Masters of City Planning, San Diego State University

AWARDS & AFFILIATIONS

American Planning Association

YEARS OF EXPERIENCE

29

QUALIFICATIONS

Christine Kronenberg is a principal with 29 years' experience preparing and managing a range of projects primarily focused on compliance with the California Environmental Quality Act (CEQA). Christine has been responsible for preparation of environmental documents throughout Northern California for both public- and private-sector clients. She has experience working in a range of geographies and on highly controversial and complex projects. Her environmental project experience includes General Plan and Specific Planning projects and urban and greenfield development, including large-scale annexation projects. She manages the preparation of all types of environmental documents and understands the importance of meeting project deadlines, schedules, and budgets. Christine expertly identifies issues that require immediate attention and effectively communicates with project participants, keeping them informed throughout the process to keep projects on schedule and within budget.

REPRESENTATIVE EXPERIENCE

Dowdell Industrial Park MND, Rohnert Park CA

Aviator and East Monte Vista Warehouse MND, Vacaville, CA

Alamo Mixed Use Modified IS/15183 Checklist, Vacaville, CA

Maverik Gas Station Mitigated Negative Declaration, CartWright Engineering, Sacramento, CA

Holiday Inn and Suites MND, Rohnert Park, CA

Maverick Store at Granite Regional MND, Sacramento CA

Conco Warehouse Development Initial Study/15183 Checklist, Vacaville, CA

Vaca Valley Hotel Project MND, Vacaville, CA

Fairgrounds Subdivision Project MND, Sacramento, CA

Farmstead Project Modified IS/15183 Checklist, Vacaville, CA

Roseville Hotel and Conference Center EIR, Roseville, CA

Addendum to the Kaiser South Sacramento Medical Expansion EIR, Sacramento, CA

DUDEK

Angelica Chiu

Environmental Planner

EDUCATION

Bachelor of Science, Environmental Policy and Planning, University of California Davis

AWARDS & AFFILIATIONS

Association of Environmental Planners

YEARS OF EXPERIENCE

6

QUALIFICATIONS

Angelica Chiu is an environmental planner with 6 years' experience specializing in California Environmental Quality Act (CEQA) document preparation and compliance, as well as project coordination for both public and private sector clients throughout California. Angelica provides analytical support and project management assistance to senior staff for a variety of projects, including new residential, hotel, commercial, mixed-use, and warehouse developments. She also has experience with education projects, public utilities projects, and statewide programs. Angelica facilitates timely and efficient completion of project deliverables with quality assurance.

REPRESENTATIVE EXPERIENCE

Industrial Wastewater Reclamation Facility EIR, Gonzales, CA

Blue Ridge at Suisun Valley IS/15183 Checklist, Fairfield, CA

Sun Grove and Mendes Park Site Master Plan Addendums, Elk Grove, CA

Orange Apartments and Retail Development IS/15183 Checklist, Vacaville, CA

Orange Apartments and Retail Development IS/15183 Checklist, Vacaville, CA

Kaiser Permanente Fresno Medical Office Building IS/15183 Checklist, Fresno, CA

San Francisco Fell Street Department of Motor Vehicles Field Office IS, San Francisco, CA

Inspire Charter School Addendum, Chico, CA

Conco Warehouse Development Project IS/15183 Checklist, Vacaville, CA

Neal Road Recycling and Waste Facility Composting IS/ND, Butte County, CA

Dowdell Industrial Park IS/MND, Rohnert Park, CA

Aviator and East Monte Vista WarehouSE IS/MND, Vacaville, CA

North San Pedro Park & Bassett Park Master Plan EIR, San Jose, CA

Sierra College Lighting Project IS & ND, Rocklin, CA

Alex Gibbs

Grants Director

EDUCATION

Bachelor of Arts, Politics, University of San Francisco

Masters of Geotechnical Engineering University of Colorado

CERTIFICATION

Professional Grant Writing Certification, San Diego State University

YEARS OF EXPERIENCE

15

QUALIFICATIONS

Alex brings 15 years of experience in public policy and legislative advocacy to TPA. Alex has four years of experience working for the State Legislature, analyzing, researching, writing, and shepherding bills through the legislative process. Alex has also secured significant grant funding for clients throughout California. Alex has expertise in the policy sectors of parks and recreation, natural resources, local governance, public safety, and transportation.

REPRESENTATIVE EXPERIENCE

In addition to his expertise in parks and recreation, transportation, and public safety, Alex has a strong network of relationships with State Legislators, key staff, and various state departments and agencies. Some of his accomplishments include:

Alex coordinated with County of Kern staff to secure over $17 million in grant funding from the Behavioral Health Continuum Infrastructure Grant Program administered by the California Department of Health Care Services to establish a youth crisis walk-in center facility. Alex crafted a competitive application and leveraged a strategic network of agency relationships to ensure the project's success. The critical funding will allow the County to continue to expand its capacity to provide alternatives to incarceration, hospitalization, homelessness, and institutionalization.

Alex worked closely with the City of Oakland staff to secure $7 million in grant funding from the Clean CA Local Grant Program. Alex leveraged relationships with the California Department of Transportation and the City's legislative delegation to advocate for two funded projects successfully. This funding helped the City of Oakland conduct the Courtland Creek Restoration Project and the Oakland Mini Parks Beautification Project, which provided significant remediation and beautification of public resources for residents.

Alex worked with the City of San Leandro to secure $4.5 million in grant funding from the Building Forward Library Infrastructure Program administered by the California State Library to upgrade libraries throughout the City. Alex tailored the grant application's message and narrative and worked with City staff to create a project budget and timeline to ensure competitiveness.

Paul Soltis

PE, GE

Project Executive, Senior Geotechnical Engineer

EDUCATION

Bachelor of Science, Civil Engineering, Polytechnic State University, San Luis Obispo

Masters of Geotechnical Engineering University of Colorado

CERTIFICATION

PE, CA #56140 | GE, CA #2606

YEARS OF EXPERIENCE

33

QUALIFICATIONS

Paul Soltis, PE, GE, brings more than 33 years of technical expertise to Twining. His experience includes geotechnical investigations and analyses relative to roads, bridges, highways, and other California infrastructure projects. His focus is on interaction with the design team during development of construction documents to achieve the most appropriate foundation type and most efficient site preparation techniques. Paul has extensive on-call contract management experience and the proven ability to simultaneously maintain and manage multiple projects. Paul is responsible for the technical oversight of the firm's geotechnical projects and management of the firm's geotechnical personnel.

REPRESENTATIVE EXPERIENCE

On-Call Geotechnical Engineering and Material Testing Services, Millbrae, CA

Twining recently completed a three-year contract to provide all services and work required to review geotechnical reports, slope stability review, field materials testing, and laboratory materials testing. Task orders under this contract included both design and construction services for sanitary sewers, storm and water mains, roadways, grading, drainage, paving, and park and building facilities. Paul served as the Geotechnical Engineer of Record for this contract.

Almond Grove Street Reconstruction Project - Phase 1 & 2, Los Gatos, CA

Paul provided senior project engineering for phase 1 and 2 of this rehabilitation project, which consisted of removal and replacement of all sidewalks, curb, gutter, driveways and accessibility ramps, and the removal and replacement of the concrete, removing the north side of the streets in sections before moving on to the removal and replacement of the south side of the streets.

Cochran Street Bridge Widening, Simi Valley, CA

Paul provided Senior Geotechnical Engineering oversight during the design of the bridge widening at the Llajas Creek overcrossing. Twining provided geotechnical field investigation in support of the design of bridge foundations consisting of cast-indrilled- hole (CIDH) piles. The work was performed for the City of Simi Valley utilizing Caltrans design and construction standards. The investigation was performed in limited access conditions with the presence of active traffic and required coordination with the County of Ventura Flood Control District. Paul served as the GE of Record for the project.

TWINING CONSULTING

Adrian Moreno

PE

Project Engineer

EDUCATION

Bachelor of Science, Civil Engineering, California State Polytechnic University, Pomona

CERTIFICATION

PE, CA #87057

YEARS OF EXPERIENCE

12

QUALIFICATIONS

Adrian Moreno, PE, brings over 12 years of technical expertise to Twining. He excels at geotechnical engineering functions at any project stage, from the management of subsurface investigations, laboratory testing programs, and the preparation of geotechnical and foundation recommendation reports during the design phase, to the management of quality control testing and inspection programs during the construction phase of projects. Adrian has managed several complex projects, from initial authorization to completion, and is familiar with all aspects of project management, including client interaction, work scheduling reviewing of field and laboratory data, establishing and monitoring project budget, invoicing, and quality control.

REPRESENTATIVE EXPERIENCE

Walerga Road Bridge Replacement, County of Placer, CA

The Placer County Department of Public Works is replacing the existing bridge on Walerga Road over Dry Creek, approximately three miles west of the City of Roseville between Baseline Road and PFE Road.. Twining provided quality control materials testing and inspection services on the project. Adrian provided project engineering, overseeing testing and inspections.

I-10/Rancho Avenue Eastbound Widening Project, Colton, CA

This project consisted of evaluating the subsurface conditions at the site and providing recommendations for widening the existing on-ramp and constructing a new retaining wall. Twining developed a subsurface exploration program, laboratory testing, and engineering analysis for the completion of the design, construction documents, and permit applications. As the Project Engineer, Adrian took on site soil samples, made observations, and assisted in the preparation of the geotechnical recommendations report.

Shoemaker Bridge Replacement, Long Beach, CA

Shoemaker Bridge is an extension of Shoreline Drive in Long Beach that traverses the Los Angeles River. Adrian is serving as a staff engineer during the design of the bridge and performs sampling and analysis and prepares reports. Samples and information from the borings and CPTs will be used to develop deep foundation recommendations for support of abutments and the bridge span over the river. Additional borings and CPTs on the land side will be performed to develop geotechnical recommendations for retaining walls and new pavements.

TWINING CONSULTING

Jon Browning

PG, CEG

Certified Engineering Geologist

EDUCATION

Bachelor of Administration, Geography, Emphasis in Environmental and Natural Resources, San Diego State University

GIS Certificate, San Diego Mesa College

CERTIFICATION

PG, CA #9012 | CEG, CA #2615

AWARDS & AFFILIATIONS

Association of Environmental and Engineering Geologists (AEG)

San Diego Association of Geologists

YEARS OF EXPERIENCE

20

QUALIFICATIONS

Jon Browning, PG, CEG, brings over 20 years of experience in engineering geology and environmental consulting. His work includes geologic feasibility studies, site characterization, seismic site assessments, and engineering design for mining, civil, and land development projects. Jon specializes in subsurface geotechnical exploration for fault trench and landslide investigations, geologic field mapping, managing large field projects, directing subcontractors, consulting with clients, and preparing technical reports. Jon has extensive experience in subsurface geotechnical and mineral exploration using various drilling techniques, including hollow stem auger, solid stem auger, mud/ air rotary, direct push, reverse circulation, sonic, dual rotary, and cone penetrometer testing. His environmental geology expertise covers remedial investigation/ feasibility studies (RI/FS), hydrogeology characterization, remediation system installation, aquifer pump testing, and soil/ groundwater investigations, including well installation. As a Certified Engineering Geologist, Jon leverages his knowledge of geological principles and engineering techniques to assess and mitigate geological hazards, provide geological interpretations, and offer recommendations to support engineering projects.

REPRESENTATIVE EXPERIENCE

Shoemaker Bridge Replacement, Long Beach, CA

The Shoemaker Bridge is an extension of Shoreline Drive in Long Beach that traverses the Los Angeles River. The scope of work included drilling several deep borings and cone penetration tests (CPT), up to 200 feet deep, in the river using an amphibious carrier with a drill rig and CPT device. Samples and information from the borings and CPTs were used to develop deep foundation recommendations for support of abutments and the bridge span over the river. As a Certified Engineering Geologist, Jon observed subsurface drilling and helped draft the report on geologic hazard sections.

SANDAG, South Bay Bus Transit, Chula Vista, CA

This $16.9 million project consisted of the construction of a six-mile, dedicated bus rapid transit guideway along East Palomar Street in the City of Chula Vista. Twining provided quality control material testing and inspection of asphalt and soils. Jon served as an Assistant Project Manager by providing oversight of inspector soils compaction daily field reports, during the replacement of project underground utility lines.

View[illegible]d Geotechnical, Glendale, CA

TWINING CONSULTING

Liangcai He

PHD, PE, GE

Chief Geotechnical Engineer

EDUCATION

Bachelor of Science, Hydraulic and Hydropower Engineering, Tsinghua University, China

Masters of Civil and Structural Engineering, Emphasis in Geotechnical Engineering, Nanyang Technological University, Singapore

PhD, Structural Engineering, Emphasis in Geotechnical Engineering, University of California, San Diego

CERTIFICATION

PE, CA #73280 | GE, CA #3033

AWARDS & AFFILIATIONS

American Society of Civil Engineers

YEARS OF EXPERIENCE

33

TWINING CONSULTING

QUALIFICATIONS

Dr. Liangcai He, PE, GE, brings over 33 years of experience to Twining. Liangcai has extensive experience in earthquake engineering, soil-structure interaction, field investigations, earthwork and foundation design, retaining walls, seepage and groundwater modeling, embankment dams and levees, slope stability, and preparation of technical reports. His responsibilities have included project planning and management, proposals, cost estimates, field investigation, laboratory testing, engineering analyses, report preparation, plan review, and construction monitoring. Liangcai has performed numerous analyses and modeling for ground motion, site seismic response, liquefaction, lateral spreading, static and dynamic soil-structure interaction, system identification and optimization, slope stability and deformation, bearing capacity, elastic and consolidation settlement, lateral earth pressure, and soil springs. As Chief Geotechnical Engineer, Liangcai will lead geotechnical investigations, analyses, and design efforts, ensuring the integrity and safety of structures by assessing soil conditions, providing expert recommendations, and overseeing quality assurance protocols.

REPRESENTATIVE EXPERIENCE

United States Army Corps of Engineers, P-159 Operations Access Points, Camp Pendleton

This 2018 joint United States Army Corps of Engineers, Caltrans, and North County Transit District project at Camp Pendleton, consisted of the widening and remediation of an existing roadway that provides access to Red Beach. An existing railroad bridge was demolished and replaced with a two-span steel girder bridge. The project also added new retaining walls, associated site work, drainage, and shoring. Twining's scope of services on this federally funded project includes providing geotechnical soils testing and quality assurance services. Liangcai served as the Chief Geotechnical Engineer.

AI15GT22 Sewer Group 843, San Diego, CA

The project consisted of the installation of new sewer mains in San Diego's Logan Heights neighborhood. Twining is performing the geotechnical investigation of the proposed construction area to obtain information regarding the existing subsurface condition and to evaluate the feasibility of trenchless installation method and other alternative construction methods. Liangcai served as the Chief Geotechnical Engineer.

On-Call Professional Pavement Engineering, Simi Valle

Hossein Bahmyari

PHD FELLOW, DGE, PE

Project Executive, Senior Geotechnical Engineer

EDUCATION

Bachelor of Science, Civil Engineering, Islamic Azad University, Tehran, Iran

Masters of Geotechnical & Foundation Engineering, Islamic Azad University, Tehran, Iran

Masters of Civil Engineering & Materials Engineering, University of Nebraska

PhD Fellow, Geotechnical Engineering, University of Nebraska

CERTIFICATION

Diplomat Geotechnical Engineering (DGE) | PE, CA #96426

YEARS OF EXPERIENCE

20

QUALIFICATIONS

Hossein Bahmyari brings over 20 years of extensive experience in geotechnical engineering design, analysis, and investigation to Twining. With a diverse portfolio of projects, including high-rise structures, underground facilities, and critical infrastructure such as tunnels, highways, dams, and levees, Hossein has worked with a wide range of clients, including private companies and esteemed government entities like State Departments of Transportation, the Army Corps of Engineers, NAVFAC, State and National Water Authorities, and the Federal Highway Administration. Hossein possesses a comprehensive skill set in the field. His areas of expertise encompass a wide array of geotechnical solutions, including retaining walls, shoring and support systems, cofferdam design, earth retaining structures, soil nails, anchor bolts, slope analysis and stability, evaluation of underground utility protection, working surface design, settlement analysis, dewatering, pile drivability analysis, as well as the design of shallow and deep foundations such as driven piles and drilled shafts. Throughout his career, spanning nearly two decades, he has effectively served as a project manager and technical supervisor, successfully overseeing, and guiding numerous geotechnical projects. As Senior Geotechnical Engineer, Hossein will assist in conducting geotechnical analyses, providing technical expertise, and ensuring compliance with project specifications and standards, contributing to the successful execution of the project.

REPRESENTATIVE EXPERIENCE

Department of Transportation, Carson City, NV

The State of Nevada Department of Transportation embarked on a project aimed at improving Interstate 15. Hossein played a crucial role in a specific section of the project, located near Tropicana Avenue in the city of Nevada. Hossein's responsibilities included designing soil nail walls for the demolition of existing bridges and the construction of new bridges and MSE (Mechanically Stabilized Earth) walls.

Desalination Plant Project, Calsbad, CA

The Desalination Plant project in Carlsbad, California involved the construction of a new facility for desalinating water. Hossein played a crucial role as a geotechnical design engineer, focusing on various aspects of the project. One of Hossein's responsibilities was the design and recommendations for all deep foundations, particularly the trestle piles that would support heavy equipment during construction.

TWINING CONSULTING

. CONSULTANT RATE SCHEDULE

POMONA WATER RESOURCES HEA TERS & YARD

06/09/2026 Item No.17.

Consultant Rate Schedule

2025-2026

POSITION	ASSOCIATED FIRM	2025	ANTICIPATED 2026 CHANGES
Project Manager	GRIFFIN STRUCTURES	$290	N/A
Program Analyst	GRIFFIN STRUCTURES	$250	N/A
Cost Estimator	GRIFFIN STRUCTURES	$235	N/A
Project Architect	LPA	$280	N/A
Design Team	LPA	$230	N/A
Civil Project Engineer	MNS	$265	N/A
Civil Engineer Team	MNS	$230	N/A
Utility Project Engineer	BKF	$260	N/A
Utility Engineer Team	BKF	$230	N/A
CEQA Specialists: Principal Planner	DUDEK	$350	N/A
CEQA Specialists: Environmental Planner	DUDEK	$235	N/A
Grants Funds Specialist: Grants Director		$300	N/A
Grant Funds Specialist: Grants Team		$250	N/A
Registered Geo Engineer	TWINING CONSULTING	$250	N/A
Sr. Engineer / Geologist	TWINING CONSULTING	$225	N/A
Team Geologist	TWINING CONSULTING	$200	N/A
Drilling Specialists	TWINING CONSULTING	$160	N/A

All proposed hourly rates are fully burdened and include overhead, profit, taxes, and benefits. The hours identified for each individual employee and task are estimates only and are not to be construed as not to exceed hours for any individual task, phase, or time period. We reserve the right to reallocate hours between staff members and tasks, in consultation with City staff, in order to accomplish the overall objectives and requirements of the project.

FUEL PUMPS
EMERGENCY
SHUT-OFF

06/09/2026 Item No.17.

Exceptions

We have reviewed the City of Folsom's Sample Contract - Consultant and Professional Services Agreement and Exhibits, and have included the proposed exceptions and deviations below.

ATTACHMENT A: SAMPLE CONTRACT - CONSULTANT AND PROFESSIONAL SERVICES AGREEMENT

- III. Schedule for Performance. Insert at end of first sentence: "subject to extensions for causes beyond Consultant's reasonable control."
- XI. Ownership of Work Product. Insert after first sentence: "Notwithstanding the foregoing, any intellectual property owned, created, made, conceived, reduced to practice, or developed prior to, or independent of, any services performed under this Agreement ("Prior Intellectual Property") will remain the property of Consultant. Upon execution of this Agreement, Consultant hereby grants to City a non-exclusive, perpetual, fully-paid, assignable license In Consultant's Prior Intellectual Property used on this Project as reasonable required to make use of the work product for the sole purpose of completing the design, construction, remodeling of the Project, provided that the City substantially performs its obligations, including prompt payment of all undisputed sums when due under this Agreement. This assignable license in Consultant's Prior Intellectual Property not used on this Project.
- XII. Indemnification. Remove from the first sentence "immediately" and "agents, and volunteers"
- XII. Indemnification. In the first sentence: replace "or damages that" with "or damages to the extent that they"
- XII. Indemnification. In the third sentence: replace "liability was caused by" with "liability was not caused by" and replace "of an indemnified party" with "of Consultant".
- XII. Indemnification. In the second paragraph: remove paragraph starting with "The duty to defend" and ending with "comparative liability of the indemnified party".
- V. Invoicing. At the end of Section V: add "Consultant reserves the right to add 1 $^{1}/_{2}$% per month (18% per year) service charge on any non-disputed unpaid balances over 60 days outstanding.

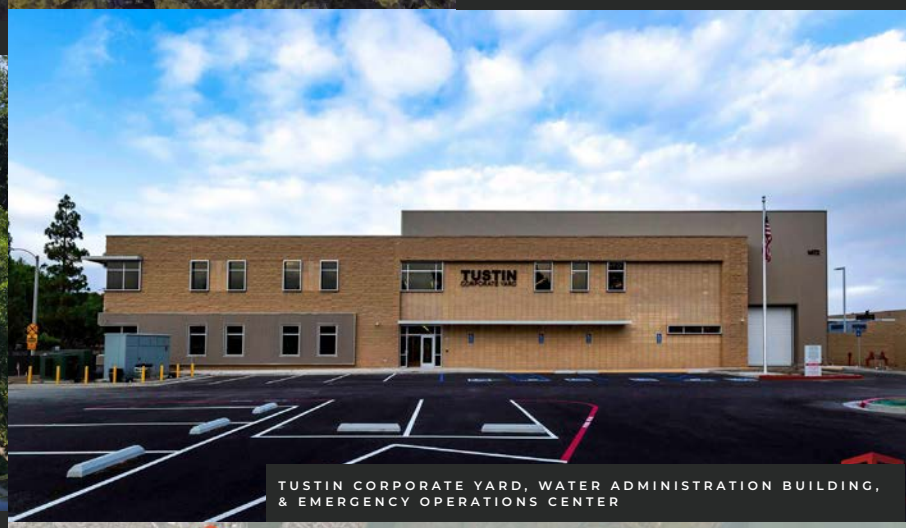
EXHIBIT B - INSURANCE

- A.1.g. General Liability. Respectfully request to delete g.: "If the Consultant maintains higher limits than the minimums shown above, the City requires and shall be entitled to coverage for the higher limits maintained by the Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City."
- A.5. Professional Liability Insurance. Replace "occurrence" with "occurrence with claim.
- A.6.a.ii. Other Insurance Provisions. Respectfully request to delete "agents and volunteers".
- A.6.a.iii. Other Insurance Provisions. Respectfully request to delete "agents and volunteers".
- A.5.b. Other Insurance Provisions. Respectfully request to delete "agents and volunteers" from lines 3-4 and 5 of the paragraph.
- A.5.c. Other Insurance Provisions. Respectfully request to delete "agents and volunteers".
- A.5.d. Other Insurance Provisions. Respectfully request to delete "agents and volunteers".
- A.5.e. Other Insurance Provisions. Remove the following from paragraph e.: "suspended, voided", "by either party, reduced in coverage or in limits", "or materially changed", "certified".

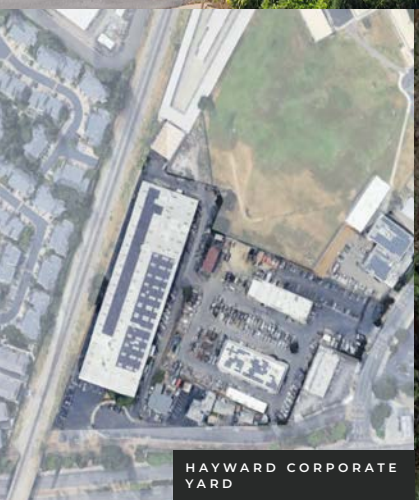
WALNUT CREEK CORPORATE YARD

SANTA CRUZ COUNTY SANITATION DISTRICT

MORGAN HILL CORPORATE YARD



TUSTIN CORPORATE YARD, WATER ADMINISTRATION BUILDING, & EMERGENCY OPERATIONS CENTER



HAYWARD CORPORATE YARD

TIBURON CORPORATE YARD

SAN MATEO JOINT USE CORPORATE YARD

NORTHERN CALIFORNIA OFFICE

1850 WARBURTON AVENUE

SUITE 120

SANTA CLARA, CA 95050

408 955 0431

SOUTHERN CALIFORNIA OFFICE

1 TECHNOLOGY DRIVE

BUILDING I SUITE 829

IRVINE, CA 92618

949 497 9000

ATTACHMENT 5

Griffin Structures, Inc. – Fee Proposal

06/09/2026 Item No.17.

GRIFFIN STRUCTURES

FEE PROPOSAL

Consulting Services for the City of Folsom Corporation Yard Site Planning and Environmental Assessment

OCTOBER 23, 2025

Ryan Chance, Engineering Manager
City of Folsom - Public Works
50 Natoma Street
Folsom, California 95630

Fee Proposal

Phase	DESCRIPTION	GRIFFIN STRUCTURES					LPA DESIGN STUDIOS		BKF ENGINEERS		MNS ENGINEERS		DUDEK		TOWNSEND PUBLIC AFFAIRS		TOTAL
		Project Manager / Needs Assessment / Cost Estimator					Architect		Utility Specialist		Civil Engineer		CEQA Specialist		Grant Funds Specialist		
		Project Manager	Program Analyst	Program Analyst	Program Analyst	Cost Estimator	Project Architect	LPA Design Team	Project Engineer	Engineer Team	Project Engineer	Engineer Team	Principal Planner	Environ. Planner	Grants Director	Grants Team	
		Dustin Alamo	Krista Beatie	Hailey Muller	Ariana Ramzian	Ryan Craven	Jeremy Hart	Blended Rate	Walter Stemberga	Blended Rate	Robert Newman	Blended Rate	Christine Kronenberg	Angelica Chiu	Alex Gibbs	Blended Rate	
		$290	$250	$250	$250	$235	$280	$230	$260	$230	$265	$230	$350	$235	$300	$250	
1	**BACKGROUND INVESTIGATION**																**$16,330**
	Kickoff Meeting	4	–	2	–	–	2	–	–	–	–	–	2	–	2	–	
	Prepare Data Request	2	–	4	–	–	–	–	–	–	–	–	–	–	–	–	
	Review / Analzye Information	8	4	16	4	–	2	–	2	–	2	–	2	–	2	–	
2	**STAFF AND SPACE PROJECTIONS VALIDATION & ALIGNMENT**																**$86,180**
	Survey and Inventory of Space	8	4	24	4	–	–	–	–	–	–	–	–	–	–	–	
	Validation Workshops	8	–	8	–	–	–	–	–	–	–	–	–	–	–	–	
	Staff Projection Alignment	8	40	16	8	–	–	–	–	–	–	–	–	–	–	–	
	Space Projection Validation	8	20	80	40	–	–	–	–	–	–	–	–	–	–	–	
	Parking Projections	2	–	8	20	–	–	–	–	–	–	–	–	–	–	–	
	Presentation / Revisions	8	4	16	4	–	–	–	–	–	–	–	–	–	–	–	
3	**UTILITY IDENTIFICATION AND COORDINATION**																**$27,880**
	Research / Analyze Utilities w/ Providers	2	–	–	–	–	–	–	4	20	–	–	–	–	–	–	
	Draft Utility Plan	2	–	–	–	–	–	–	8	24	–	–	–	–	–	–	
	Utility Coordination Report	4	–	–	–	–	–	–	12	40	–	–	–	–	–	–	
4	**SITE SURVEY**																**$47,080**
	Record Boundary Survey	8	–	–	–	–	–	–	–	–	16	40	–	–	–	–	
	Topographic Survey	8	–	–	–	–	–	–	–	–	40	80	–	–	–	–	
5	**CONCEPTUAL ALTERNATIVES AND COSTING**																**$89,800**
	Adjacency Diagrams / Test Fit Site Layouts	8	4	16	4	–	16	80	4	8	–	–	–	–	–	–	
	Phasing Considerations	8	2	16	4	–	8	16	–	–	–	–	–	–	–	–	
	Conceptual Statement of Probable Cost	16	–	4	–	80	8	–	–	–	4	–	–	–	–	–	
	Comparative Evaluation Matrix	8	4	16	4	–	8	16	–	–	–	–	–	–	–	–	
6	**PRELIMINARY SITE PLAN**																**$30,900**
	Preferred Preliminary Site Plan Refinement	8	–	4	–	–	20	40	2	4	–	–	–	–	–	–	
	Updated Project Phasing / Costs	16	–	8	–	20	–	–	–	–	–	–	–	–	–	–	
7	**ENVIRONMENTAL DOCUMENTATION**																**$22,220**
	EIR Addendum - Administrative Draft	8	–	–	–	–	–	–	–	–	–	–	16	20	–	–	
	Screencheck Draft	2	–	–	–	–	–	–	–	–	–	–	4	12	–	–	
	EIR Addendum - Final Draft	2	–	–	–	–	–	–	–	–	–	–	4	12	–	–	
	Technical Reports (TBD in negotiations / discussions with the City)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	
						–											
8	**GRANT FUNDING SUPPORT**																**$10,760**
	Orientation Meeting	2	–	–	–	–	–	–	–	–	–	–	–	–	4	8	
	Strategic Funding Plan	2	–	–	–	–	–	–	–	–	–	–	–	–	8	16	
	Idenfify, Research, and Monitor Funding Opportunities	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	
	Subtotal Hours	**160**	**82**	**238**	**92**	**100**	**64**	**152**	**32**	**96**	**62**	**120**	**28**	**44**	**16**	**24**	**1310**
	Subtotal Cost	**$46,400**	**$20,500**	**$59,500**	**$23,000**	**$23,500**	**$17,920**	**$34,960**	**$8,320**	**$22,080**	**$16,430**	**$27,600**	**$9,800**	**$10,340**	**$4,800**	**$6,000**	**$331,150**
																Reimbursables (insurance, reprographics, etc.)	**$3,850**
	GRAND TOTAL																**$335,000**

	ADDITIVE ALTERNATES	
1	**BASELINE GEOTECHNICAL INVESTIGATION**	**50,000**
2	**ENHANCED GEOTECHNICAL INVESTIGATION (ADD-ON TO ADDITIVE ALTERNATE #1)**	**55,000**
3	**DRAINAGE MASTER PLAN - CORPORATE YARD SITE (ONLY)**	**60,000**

Folsom City Council
Staff Report

MEETING DATE:	5/26/2026
AGENDA SECTION:	New Business
SUBJECT:	Resolution No. 11630 - A Resolution Adopting a List of Projects for Fiscal Year 2026-27 to be Funded by Senate Bill 1: The Road Repair and Accountability Act
FROM:	Public Works Department

RECOMMENDATION / CITY COUNCIL ACTION

The Public Works Department recommends that the City Council pass and adopt Resolution No. 11630 - A Resolution Adopting a List of Projects for Fiscal Year 2026-27 to be Funded by Senate Bill 1: The Road Repair and Accountability Act.

BACKGROUND / ISSUE

On April 28, 2017, California Governor Brown signed into law Senate Bill 1 (SB-1), which establishes the Road Maintenance and Rehabilitation Account (RMRA) to address deferred maintenance on the state highway and local street and road systems. The Bill states that funds shall be used for projects that include, but are not limited to, the following:

- Roadway drainage, maintenance, and rehabilitation
- Safety projects
- Railroad grade separations
- Complete street components, including active transportation purposes, pedestrian and bicycle safety projects, transit facilities, and drainage and stormwater capture projects
- Traffic control devices
- Match for state/federal funds for eligible projects
- Purchase of equipment needed for eligible roadway and infrastructure maintenance

The City of Folsom is estimated to receive approximately $2.6 million of RMRA funds for Fiscal Year 2026-27.

The Fiscal Year 2026-27 Senate Bill 1 (SB-1) funds will be allocated to support the following infrastructure projects aimed at enhancing transportation and pedestrian safety, roadway maintenance, and overall operational efficiency.

Project Title: Greenback Lane Culvert and Paving Project
FY26-27 SB-1 Funding: $500,000
Schedule: FY 2026-27
Useful Life: 50 years
Description: This project proposes to replace an existing culvert that conveys Hinkle Creek below Greenback Lane, just west of the intersection of Greenback and Folsom Blvd. The culvert has reached the end of its useful service life, and replacement in the next few years is necessary.

Location: On Greenback Lane, approximately 250' west of the Greenback Lane / Folsom Auburn Road intersection.

Project Title: Bridge Preventative Maintenance
FY26-27 SB-1 Funding: $1,030,000
Schedule: FY 2026-27
Useful Life: 50 years
Description: This project provides bridge maintenance of various local bridges throughout Folsom based on annual Caltrans bridge inspection reports. Construction improvements may be implemented as individual projects based on need.

Locations: This project is currently in the scoping and budgeting phase. Final bridge list for FY 26/27 can be provided at the request of City Council.

Project Title: Central Business District (CBD) Storm Drain Realignment Phase 1
FY26-27 SB-1 Funding: $257,076
Schedule: FY 2026-27
Useful Life: 50 years
Description: An existing public storm drain, located at 511 East Bidwell Street, crosses private property without the proper easements and is in need of replacement. In collaboration with the property owners, this project will realign this segment of storm drain away from the existing structure and within a new easement to the south.

Location: This project is located on East Bidwell Street, affronting and adjacent to 511 East Bidwell Street.

POLICY / RULE

To receive SB-1 funds, local agencies are required by the California Transportation Commission (CTC) to annually submit a list of projects that may be constructed and funded with RMRA funds, and the list must be part of an approved Resolution. The list of projects allows the City to scope the Capital Improvements to meet the available funding.

ANALYSIS

Staff has reviewed the most recent SB-1 reporting and spending requirements and found them to be reasonable and realistic to achieve.

FINANCIAL IMPACT

There is no direct financial impact in adopting the list of projects to submit to the California Transportation Commission that may be constructed and funded with Road Maintenance Rehabilitation Act funds.

ENVIRONMENTAL REVIEW

This action is exempt from environmental review under the California Environmental Quality Act (CEQA).

ATTACHMENTS

1. Resolution No. 11630 - A Resolution Adopting a List of Projects for Fiscal Year 2026-27 to be Funded by Senate Bill 1: The Road Repair and Accountability Act
2. Map of FY 2026-27 Proposed SB 1 Funded Projects

Submitted,

Rebecca Neves, Public Works Director/City Engineer

Attachment 1

RESOLUTION NO. 11630

A RESOLUTION ADOPTING A LIST OF PROJECTS FOR FISCAL YEAR 2026-27 TO BE FUNDED BY SENATE BILL 1: THE ROAD REPAIR AND ACCOUNTABILITY ACT

WHEREAS, Senate Bill 1 (SB 1), the Road Repair and Accountability Act of 2017 (Chapter 5, Statutes of 2017), was passed by the Legislature and signed into law by California Governor Brown in April 2017 to address the significant multi-modal transportation funding shortfalls statewide; and

WHEREAS, SB 1 includes accountability and transparency provisions that will ensure that Folsom residents are aware of the projects proposed for funding in their community, and which projects have been completed each Fiscal Year; and

WHEREAS, the City must pass a resolution adopting a list of eligible projects proposed to receive funding from the Road Maintenance and Rehabilitation Account (RMRA), created by SB 1, which must include a description and the location of each proposed project, a proposed schedule for the project's completion, and the estimated useful life of the improvement; and

WHEREAS, the list of projects will include projects that may not be completed in the fiscal year allotted due to available funding; and

WHEREAS, the City projects to receive an estimated $2.6 million in RMRA funding from SB 1 in Fiscal Year 2026-27; and

WHEREAS, this is the tenth year in which the City is receiving SB 1 funding that will enable the City to continue essential infrastructure and storm drain improvement projects that would not have otherwise been possible without SB 1; and

WHEREAS, the SB 1 project list and overall investment in Folsom's local streets and roads infrastructure - with a focus on basic maintenance and safety, investing in the complete streets infrastructure, and using cutting edge technology, materials, and practices — will have significant positive co-benefits citywide; and

WHEREAS, the agreement will be in a form acceptable to the City Attorney:

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom approves this Resolution adopting the list of projects below to be funded in FY 2026-27 by Senate Bill 1: The Road Repair and Accountability Act.

Project	Project Description	Project Location	Estimated Project Schedule	Estimated Useful Life
Greenback Lane Culvert and Paving Project	Design and replacement of existing culvert	On Greenback Lane, approximately 250' west of the Greenback Lane / Folsom Auburn Road intersection	Begin July 2026 End June 2027	50 year life
Bridge Preventative Maintenance (design and local match)	Bridge Maintenance as identified by Caltrans bridge inspection reports	Various locations including Lake Natoma Crossing and Folsom Lake Crossing	Begin July 2026 End June 2027	50 year life
Central Business District Storm Drain Realignment Phase 1	Relocation of existing public storm drain	On East Bidwell Street, affronting and adjacent to 511 East Bidwell Street	Begin July 2026 End June 2027	50 year life

PASSED AND ADOPTED this 26th day of May 2026 by the following roll-call vote:

AYES: Councilmember(s):
NOES: Councilmember(s):
ABSENT: Councilmember(s):
ABSTAIN: Councilmember(s):

_____
Justin Raithel, MAYOR

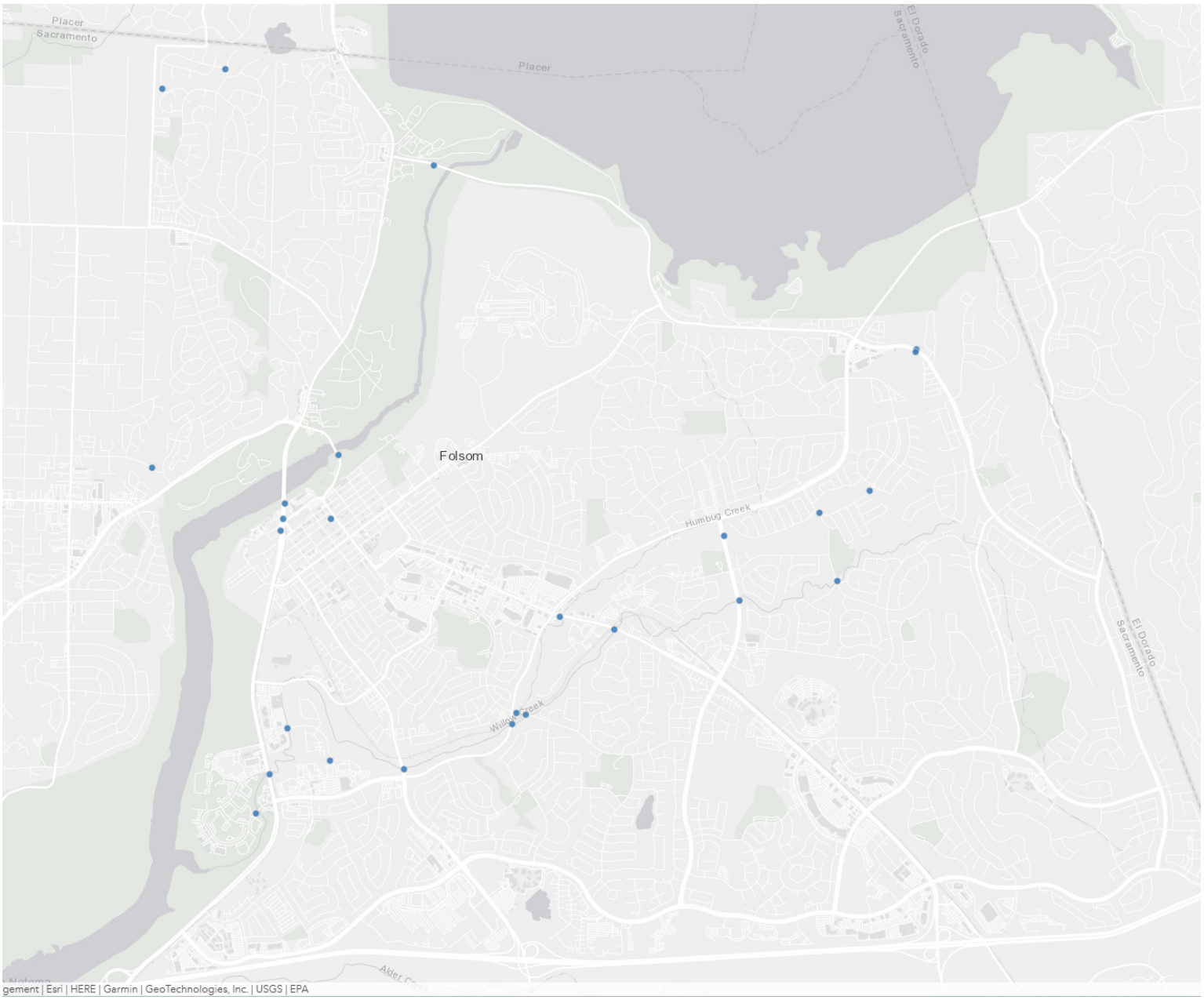
ATTEST:

_____
Christa Freemantle, CITY CLERK

Attachment 2

FY 2026-27 Proposed SB 1 Funded Projects

Attachment 2



FY 2026-27 Proposed SB 1 Funded Projects

Bridge Preventative Maintenance

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CITY OF
FOLSOM
DISTINCTIVE BY NATURE

Folsom City Council
Staff Report

MEETING DATE:	5/26/2026
AGENDA SECTION:	New Business
SUBJECT:	Presentation of the City Manager's FY 2026-27 Proposed Operating and Capital Budgets for the City of Folsom, the Successor Agency, the Folsom Public Financing Authority, and the Folsom Ranch Public Financing Authority
FROM:	Finance Department

The City Manager's Fiscal Year 2026-27 proposed budget will be presented. This budget will encompass the 12-month period from July 1, 2026 through June 30, 2027 and will also include the Capital Improvement Plan.

For Fiscal Year 2026-27, revenues in the General Fund are estimated at $118,311,724, plus transfers-in of $6,042,136, for total estimated revenues of $124,353,860. Proposed expenditures are $123,421,517, with transfers out of $880,468, for total expenditures of $124,301,985. Proposed expenditures are slightly below estimated revenues in an effort to ensure that General Fund expenditures at the end of the fiscal year are within the total revenues available.

The May 26, 2026, presentation of the proposed budget is the first step in the budget adoption process. The City Council will hold a public hearing on June 9, 2026, receive public input and have their first opportunity to adopt the FY 2026-27 Budget. If needed, the public hearing can be continued to the June 23, 2026, City Council meeting. Per the City's municipal code, the budget must be adopted by the last working day of the fiscal year (June 30)

Submitted,

Stacey Tamagni, Finance Director/CFO